



COUNTY OF LAKE
COMMUNITY DEVELOPMENT DEPARTMENT
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Item #6d
9:05 AM
January 25, 2024

STAFF REPORT

TO: Planning Commission

FROM: Mireya G. Turner, Community Development Department
Michelle Irace, Principal Planner
Prepared by: Mary Claybon, Assistant Planner II

DATE: January 25, 2024

SUBJECT: Consideration of proposed Major Use Permit (UP 22-07) Dezel Ranch, Simon Whetzel and Mitigated Negative Declaration (IS 22-09) for approval of 348,480 sq. ft. outdoor cannabis canopy and 39,936 sq. ft. mixed-light cannabis canopy areas located at 500, 700, 770 CA State Highway 53 and 550, 660 Junction Plaza, Clearlake (APNs: 010-055-28, 29, 33, 37, and 38).

ATTACHMENTS:

1. Project Site Plans
2. Draft Conditions of Approval
3. Property Management Plan
4. Initial Study
5. Hydrology Report
6. Drought Management Plan
7. Oak Habitat Mitigation Plan
8. Agency Comments
9. Tribal Comments

EXECUTIVE SUMMARY

The applicant, Simon Whetzel, is requesting discretionary approval from the County of Lake for a Major Use Permit, (UP 22-07), for commercial cannabis cultivation at 500, 700, 770 CA State Highway 53 and 550, 660 Junction Plaza, Clearlake, CA (Lake County APNs 010-055-28 & 33). The application, as proposed, would include cultivation of 348,480 sq. ft. (8 Acres) of outdoor canopy area with eight (8) A-Type 3 licenses, 39,936 sq. ft. of mixed-light canopy area with four (4) A-Type 2B licenses, and One (1) A-Type 13 Self-distribution License. The proposed Project will occur on Assessor Parcel Numbers (APNs) 010-055-28 & 33 (Project Parcels) and APNs 010-055-29, 37 & 38 will be used for clustering. The zoning is RL-WW-SC – Rural Lands, Waterway, and Scenic Combining Districts. The total acreage of the parcel is approximately 431.58 acres combined. See Attachments 1-3.

FIGURE 1 – SITE PLANS

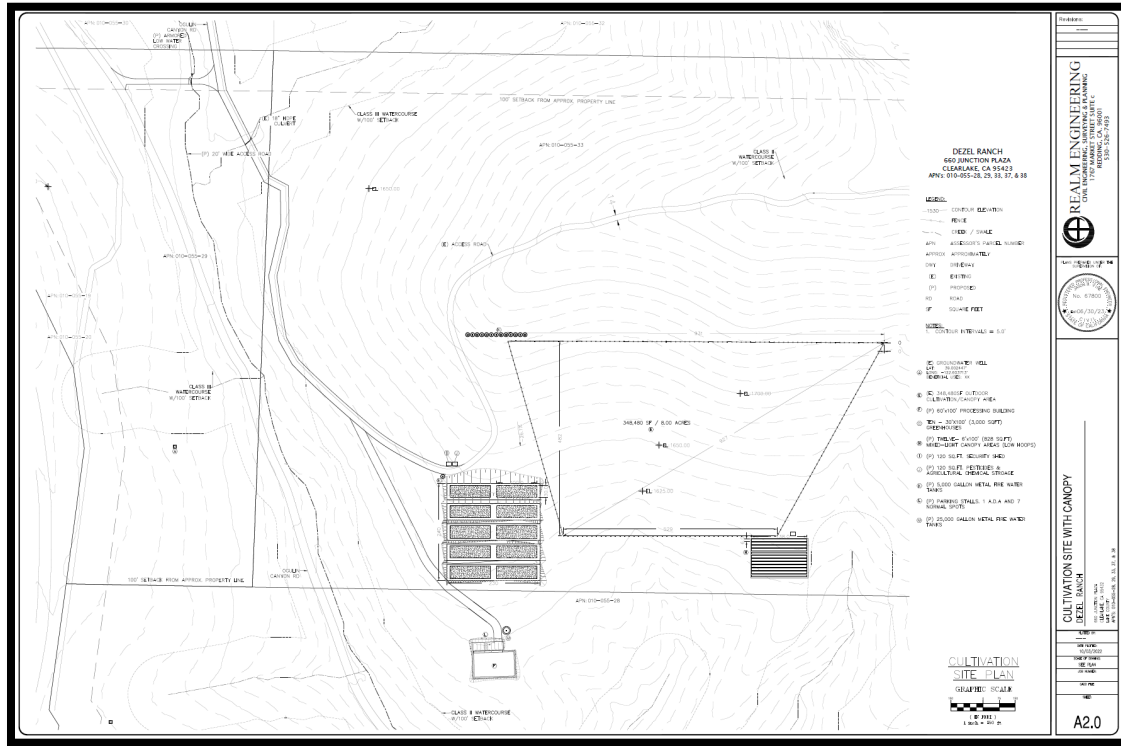
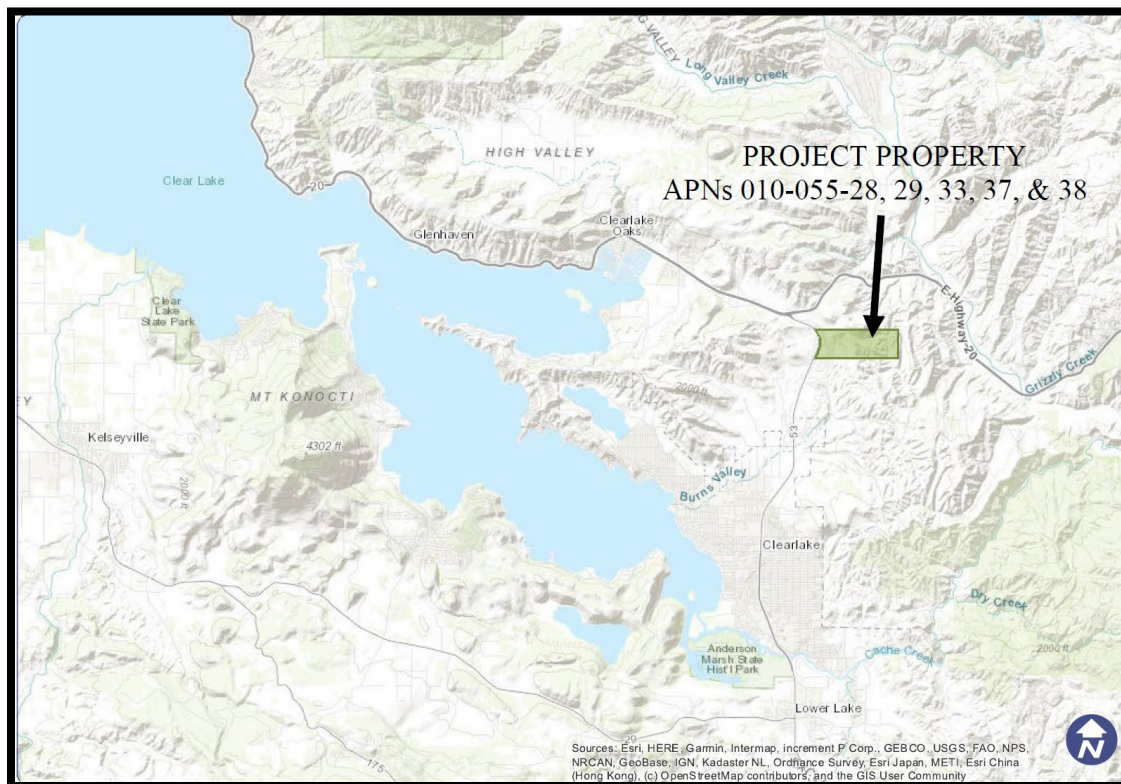


FIGURE 2 – VICINITY MAP



PROJECT DESCRIPTION

Project Title: Dezel Ranch

Permit Numbers: UP 22-07; IS 22-09

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

Applicant Name & Address: Dezel Ranch, Simon Whetzel
P.O. Box 776, Clearlake Oaks

Property Owner: Simon Whetzel

Project Location: 500, 700, 770 CA State Highway 53 and 550, 660 Junction
Plaza
Clearlake

Parcel Number(s) (APN): APNs 010-055-28, 29, 33, 37, and 38

Parcel Size:
010-055-28 100.48 Acres
010-055-29 17.66 Acres
010-055-33 81.71 Acres
010-055-37 153.92 Acres
010-055-38 77.81 Acres
431.58 Acres Combined

General Plan Designation: “RL” Rural Lands

Zoning District(s): “RL-WW-SC” Rural Lands, Waterway, Scenic Combining
District

Flood Zone: “X and D” Project site is in the “X” Zone. Areas determined
to be outside the .02% annual chance, 500-year flood plain

Existing features:

- Two (2) existing onsite groundwater wells

Proposed features:

- 348,480 sq. ft. (8 Acres) of outdoor cultivation/canopy area (proposed)
- 39,936 sq. ft. of mixed-light canopy
- Ten (10) proposed 30'x100' (3,000 sq. ft.) greenhouses
- Twelve (12) proposed 6'x138' (828 sq. ft.) hoop house structures
- A proposed 60'x100' (6,000 sq. ft.) metal building for Processing Facility
- Two proposed 10'x12' (120 sq. ft.) stormproof sheds for chemical, pesticide, hazardous material storage
- A proposed 10'x12' (120 sq. ft.) stormproof shed for office and security use
- Twelve (12) 5,000-gallon water storage tanks for irrigation

- A 5,000-gallon metal water storage tank for fire suppression
- A 25,000-gallon metal water storage tank for fire suppression
- An employee parking area with eight (8) spaces and one ADA compliant space

According to the Property Management Plan (Attachment 3), the proposed outdoor cultivation area(s) would be enclosed with 6-foot-tall galvanized woven wire fences, covered with privacy screen/mesh where necessary to screen the cultivation area(s) from public view. The growing medium of the proposed outdoor canopy areas will be native soil amended with compost.

The proposed mixed-light canopy areas would be located within ten (10) 3,000 sq. ft. (30' x 100') greenhouse structures and twelve (12) 828 sq. ft. (6' x 138') hoop house structures. The growing medium of the proposed mixed-light canopy areas will be an imported organic soilless growing medium (composed mostly of composted forest material) in garden beds and nursery pots.

Up to thirty 600-watt LED horticultural lights would be installed within each of the proposed greenhouses, for supplemental light. The proposed greenhouses will be covered with a black plastic film to prevent light from escaping when artificial light is being used. A new PG&E electrical utility service connection would be needed to provide power to the proposed greenhouses and Processing Facility. Cannabis cultivated on the Project Property is to be dried, trimmed, graded, and packaged within the proposed Processing Facility, then transported and transferred to licensed distribution and manufacturing facilities throughout the State of California.

All water for the proposed cultivation operation would come from two existing onsite groundwater wells, and drip and micro-spray irrigation systems will be used to deliver irrigation water and to conserve water resources. Once operational, the proposed Project would staff approximately twelve (12) year-round full-time employees, and approximately twelve (12) seasonal employees for the planting and harvesting periods of the outdoor cultivation area.

POINTS OF INTEREST

Water Analysis:

Water (Attachments 5 and 6) for the proposed cultivation operation would primarily come from two (2) existing onsite groundwater wells located at Latitude: 39.002447° and Longitude: -122.603713° and Latitude: 39.000588° and Longitude: -122.604261°, in the western portion of the Project Property. There are two (2) additional groundwater wells in the eastern portion of the Project Property, which would only be used to support the proposed cultivation for short periods of time and only in an emergency support capacity. The groundwater well located at Latitude: 39.002447° and Longitude: -122.603713° was drilled in August of 2021, to a depth of 400 feet below ground surface (bgs). This well had an estimated yield of 150 gallons per minute at the time it was drilled. The groundwater well located at Latitude: 39.000588° and Longitude: -122.604261° was drilled in August of 2021, to a depth of 300 feet bgs. This well had an estimated yield of +100 gallons per minute at the time it was drilled. Irrigation water from the existing onsite groundwater wells would be stored within twelve (12) 5,000-gallon heavy-duty plastic water storage tanks, located adjacent to the proposed cultivation areas. Water from the tanks will be gravity-fed to the cultivation areas via polyvinyl chloride (PVC) piping, and then distributed throughout the cultivation areas using black poly tubing and drip tape.

According to the Applicant's Hydrology Report, the proposed outdoor canopy area is expected to have an annual water use requirement of 16 acre-feet (~5,213,600 gallons). The proposed mixed-light canopy areas are expected to have an annual water use requirement of 2.75 acre-feet (~896,200 gallons). The proposed outdoor canopy area would be planted in June and harvested throughout the month of October (~150-day cultivation season). Plants would be cultivated within the proposed mixed-light cultivation areas year round, with minimal operations occurring during the months of January and February.

Grading and Erosion Control:

Development of the proposed cultivation operation would require some grading and vegetation removal, including 42 mature blue oak trees (+6" diameter at breast height (DBH)). According to the Oak Habitat Conservation and Mitigation Plan (Attachment 7), approximately 70,000 cubic yards will need to be graded to create level pads on which the proposed buildings/structures would be constructed. A +15-acre No Development Zone will be established in the western half of the Project Parcels, to mitigate for the three (3) acres of the Blue Oak Woodland habitat disturbed as a result of developing the proposed cultivation operation. For the removal of 42 mature blue oak trees, a 3:1 ratio is to be planted totaling 126 Blue Oak saplings. These saplings will be planted, cared for, and protected for seven years, to mitigate the Blue Oak trees lost as a result of project/site development. Each year in the annual Performance Review Report for the proposed cultivation operation, the applicant will include a section dedicated to this Oak Habitat Conservation and Mitigation Plan and report their survival metrics.

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

Energy Use

A new PG&E electrical utility service connection is needed to provide power to lights, fans, security cameras, and equipment used in and around greenhouses and the Processing Facility.

Electricity for the security cameras and security lights in and around the proposed outdoor cultivation area will be produced via individual photovoltaic solar panels with battery storage/backup systems. Proposed onsite energy usage includes the following:

- Greenhouses: Up to thirty 600-watt (220-240V) LED horticultural lights maximum amperage of 3 Amps per greenhouse
- Proposed Processing Facility: HVAC System 60,000 BTU (220-240V) mini split air conditioner and heat pump system, with a maximum amperage of 50 Amps.
- Dehumidifiers: The proposed Processing Facility would require up to two 1,000-watt (220-240V) dehumidifiers, with a maximum amperage of 5 Amps per dehumidifier.
- Lights: Processing Facility would have up to sixteen fluorescent light fixtures (internal and external/security lighting). Up to eight light fixtures would be operated on a single 120-volt 15 Amp circuit, with two circuits needed for lighting within around the Processing Facility.
- Well Pumps: Two 10 HP (220-240V) well pumps, with a maximum amperage of 30 Amps each to pump water from the two existing onsite groundwater wells. A 1 HP booster pump, with a maximum amperage of 10 Amps, may be needed to pump water to greenhouses and/or water storage tanks.

PROJECT SETTING

Surrounding Zoning and Uses

North:	450, 600, 700 & 750 Junction Plaza; Parcel Numbers 010-055-30, 32, 34, & 35; Zoned Rural Lands; Vacant Land
Northwest:	583 Junction Plaza, 16125 Y Road, and 16185 & 16205 State Highway 20; Parcel Numbers 010-020-17, 24, 33, and 34; Zoned Rural Residential; Vacant Land
East:	870 Junction Plaza; Parcel Number 010-055-36; Zoned Rural Lands, Vacant
South:	1000, 1100, & 1150 State Highway 53 and 950 & 990 Junction Plaza; Parcel Numbers 010-055-27, 39, 40, 41 & 42; Zoned Rural Lands and Rural Residential, Vacant Land and Commercial Cannabis Cultivation
West:	495, 525 725, & 795 State Highway 53; Parcel Numbers 010-055-18, 19, 20, & 21; Zoned Rural Lands and Rural Residential, Vineyard

FIGURE 3 – ZONING MAP



PROJECT ANALYSIS

General Plan Conformity

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

Chapter 3 Land Use

Goal LU-1: Encourage the overall economic and social growth of the County while maintaining its quality-of-life standards.

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

Pursuant to Article 27, Sec. 21-27.10, Sec. 27.11 Table B of the Lake County Zoning Ordinance, the cultivation of cannabis is an allowable use within the “RL” Rural Lands upon securing a Minor/Major Use Permit. Therefore, the proposed project would not be an intrusion of a new incompatible land use within the existing zoning and general plan designation of this area as it is an allowable use. The Project Parcel is surrounded by large parcels with limited to no development. The nearest Community Growth Boundary is approximately 2.17 miles Northwest of the Project parcel, so the project would not impact primary residential areas.

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

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

The proposed commercial cannabis operation would create diversity within the local economy and create future employment opportunities for residents. According to the applicant's application there is a total of twelve full-time employees with an additional twelve seasonal employees for the planting and harvesting periods of the outdoor cultivation area.

Chapter 7 – Health and Safety

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

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

The applicant proposes to implement Public Resource Code 4290/4291 road standards for commercial operations to allow adequate access for wildfire suppression. Furthermore, the project will require one of the 5,000-gallon water tanks to be available for fire suppression and made of steel or fiberglass.

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

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

The applicant will also maintain a hazardous material storage area with the use of secondary containment as required for all commercial cannabis activities. The proposed project also meets the required 100-foot setback from any spring, top of bank of any creek or seasonal stream (Class II watercourse), edge of lake, delineated wetland or vernal pool, the project also meets the State required 50-foot setback of Class III ephemeral watercourses.

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

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

As an added Condition of Approval, staff recommends all water tanks be equipped with a 2.5 Fire Department Hose Connection for fire suppression.

Chapter 8-- Noise

Goal N-1: To protect County residents from the 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 in a remote location with adequate setbacks from sensitive receptors so as not to create a nuisance for the community. This project will have some noise related to site preparation, and hours of construction are limited through 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.

Chapter 11-- Water Resources

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

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

The groundwater well was drilled in August of 2021, to a depth of 400 feet below ground surface (bgs). This well had an estimated yield of 150 gallons per minute at the time it was drilled. The additional groundwater well drilled in August of 2021, to a depth of 300 feet bgs. This well had an estimated yield of +100 gallons per minute at the time it was drilled. The Hydrology Report (Attachment 5) states the well discharge capacity and rate of recharge are sufficient to sustainably provide for the projected annual water use at the site. The applicant has submitted a Drought Management Plan (Attachment 6) to reduce the outdoor cultivation/canopy area by 25 percent, when a drought emergency has been declared.

Community Area Plan Conformity

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

- 3.4.1 Promote a mixed land use pattern with adequate acreage that provides for the orderly and efficient development of the community areas, thereby reducing development pressure on prime agricultural areas.

There are no mapped areas of Farmland of Local Importance or Farmland of Statewide importance at the project site. The proposed project is not located within the Farmland Protection Zone.

- 4.2.1d Proposed developments shall mitigate off-site, downstream drainage impacts that would result from the development. Engineered drainage plans and erosion control plans shall be required where appropriate.

The applicant has provided engineered drainage and erosion control plans.

Zoning Ordinance Conformity

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

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

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

To qualify for a Major Use Permit the project must demonstrate that all regulations within Articles 7 and 27 are met and any adverse environmental impacts are adequately mitigated.

Development & Performance Standards

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

- Minimum Lot Size (20 acres per A-Type 3 and for A-Type 2B): Complies, the total acreage combined is approximately 431.58 acres.
- Setback from Property Line (100 feet): Complies, the cultivation site is set back a minimum of 100 feet from the nearest property line.
- Setback from Off-Site Residence (200 feet): Complies; There are currently no off-site residences within one mile from the cultivation sites.
- Minimum Fence Height of Six (6) Feet: Complies; the proposed security fence will be six feet tall.
- Maximum Canopy Area for an A – Type 3 (43,560 sq. ft.): Complies; the proposed canopy areas would be approximately 348,480 sq. ft. for eight (8) A-Type 3 medium outdoor licenses.
- Maximum Canopy Area for an A – Type 2B (22,000 sq. ft.): Complies; the proposed canopy areas would be approximately 39,936 sq. ft. for four (4) A-Type 2B mixed-light

licenses. The total combined acreage for all parcels included within this project is approximately 431.58 acres.

General Requirements

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

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

The applicant has submitted a 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.

AGENCY COMMENTS

The following agencies submitted comments on this project (Attachment 8):

- Lake County Agricultural Commissioner
- Lake County Building Safety Division
- Lake County Environmental Health
- Lake County Resource Planning
- Lake County Sheriff's Office
- Lake County Special Districts
- CAL Fire
- California Department of Fish and Wildlife
- California Department of Cannabis Control
- Central Valley Regional Water Quality Control Board
- NWIC (Sonoma State University)
- PG&E

Of the agency comments submitted in response to the January 9, 2023, Request for Review, the following comments are of note:

- CDFW suggested minor clarifications that were incorporated into Mitigation Measure BIO-5.

TRIBAL COMMENTS

Notification of the Project was sent to Big Valley Rancheria, Cortina Rancheria, Elem Colony, Koi Nation, Mishewal-Wappo, Middletown Rancheria, Redwood Valley Rancheria, Robinson Rancheria, Scotts Valley Band of Pomo Indians, Habematolel Pomo of Upper Lake Tribe, and

Yocha Dehe Wintun Nation on January 9, 2023 (Attachment 9). Tribal consultation was not requested.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires agencies to evaluate the environmental implications of land use actions. An Initial Study and Mitigated Negative Declaration (Attachment 4) was prepared and circulated for public review in compliance with CEQA from 09/29/2022 to 10/28/2022. Comments received are included in Attachment 8. Minor clarifications were incorporated into Mitigation Measure BIO-5, based on comments received from CDFW.

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

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology/Soils
- Hazards & Hazardous Materials
- Hydrology/Water Quality
- Noise
- Wildfire

Aesthetics Impacts relating to Aesthetics (AES) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure AES 1-3:

AES-1: The cultivation area shall be screened from public view. Methods of screening may include, but are not limited to, topographic barriers, vegetation, or 6' tall solid (opaque) fences.

AES-2: All outdoor lighting shall be shielded and downcast or otherwise positioned in a manner that would not broadcast light or glare beyond the boundaries of the subject property. All lighting equipment shall comply with the recommendations of www.darksky.org and provisions of Section 21.48 of the Zoning Ordinance.

AES-3: All greenhouses shall incorporate blackout screening, and no light from inside greenhouses shall be visible from outside the greenhouses.

Agriculture and Forestry Resources Impacts relating to Agriculture and Forestry Resources (AFR) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure AFR 1-4:

AFR-1: Prior to Project development, the applicant shall establish a 15-Acre No Development Zone, as identified in the applicant's Oak Habitat Conservation and Mitigation Plan.

AFR-2: Prior to Project development, the applicant shall collect acorns from the blue oaks of the Project Property, and plant three to five acorns within 126 acorn basins, spaced 20-25 apart, within the Restoration Site identified in the applicant's Oak Habitat Conservation and Mitigation Plan.

AFR-3: At the time of planting, the acorn basins shall be protected with a 3-foot diameter circle of wood chips to protect the seedlings from competing vegetation, and tree shelters to deter herbivory by wildlife for a minimum of five (5) years.

AFR-4: The acorn basins shall be equipped with a temporary drip irrigation system, and seedlings shall be irrigated for a minimum of seven (7) years, per the Maintenance Activities identified in the Oak Habitat Conservation and Mitigation Plan.

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

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

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

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

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

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

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

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

BIO-1: All work should incorporate erosion control measures consistent with the engineered Erosion and Sediment Control Plans submitted, Lake County Grading Regulations, and the State Water Resources Control Board's Cannabis General Order (Order No. WQ 2019-001-DWQ).

BIO-2: The applicant shall maintain a minimum of a 100-foot setback/buffer from the top of bank of any watercourse, wetland, and/or vernal pool. Pesticides and fertilizer storage facilities shall be located outside of riparian setbacks and not within 100 feet of a well head.

BIO-3: Prior to commencement of activities within the bed or bank of a creek, a Streambed Alteration Agreement shall be obtained from the California Department of Fish and Wildlife (CDFW). All the conditions of such permit shall be adhered to throughout the course of the project to reduce the impacts to a less than significant level.

BIO-4: Prior to any ground disturbance and/or vegetation removal, the applicant shall have a pre-construction survey conducted by a qualified biologist for special-status plant and animal species to ensure that special-status species are not present. If any listed species are detected, construction shall be delayed, and the appropriate resource agency (CDFW and/or USFWS) shall be consulted with and project impacts and mitigation reassessed.

BIO-5: If construction activities occur during the nesting season (February 15 through August 31), a pre-construction survey for the presence of special-status nesting/roosting species should be conducted by a qualified biologist within 500 feet of proposed construction areas, within seven days prior to the commencement of ground disturbing activities. If active nests/roosts are identified in these areas, CDFW and/or USFWS should be consulted to develop measures to avoid “take” of active nests/roosts prior to the initiation of any construction activities. Should the removal of a bat roost (inactive or active) be necessary for the Project, replacement roost structures must be constructed. Avoidance measures may include establishment of a buffer zone using construction fencing or the postponement of vegetation removal until after the nesting season, or until after a qualified biologist has determined the young have fledged and are independent of the nest site.

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

CUL-1: Should any archaeological, paleontological, or cultural materials be discovered during site development, all activity shall be halted in the vicinity of the find(s), the applicant shall notify the culturally affiliated Tribe, and a qualified archaeologist 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, 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: All employees shall be trained in recognizing potentially significant artifacts that may be discovered during ground disturbance. If any artifacts or remains are found, the culturally affiliated Tribe shall immediately be notified; a licensed archaeologist shall be notified, and the Lake County Community Development Director shall be notified of such findings.

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

GEO-1: Prior to ground disturbance, the applicant shall submit erosion control and sediment plans to the Water Resource Department and the Community Development Department for review and approval. Said erosion control and sediment plans shall protect the local watershed from runoff

pollution through the implementation of Best Management Practices (BMPs) in accordance with the Grading Ordinance. Typical BMPs include the placement of straw, mulch, seeding, straw wattles, silt fencing, and the planting of native vegetation on all disturbed areas. No silt, sediment, or other materials exceeding natural background levels shall be allowed to flow from the project area. The natural background level is the level of erosion that currently occurs from the area in a natural, undisturbed state. Vegetative cover and water bars shall be used as permanent erosion control after project installation.

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

GEO-3: The permit holder shall monitor the state during the rainy season (October – May 15), including post-installation, allocation of BMPs, erosion control maintenance, and other improvements as needed.

GEO-4: If greater than fifty (50) cubic yards of soil are moved, a Grading Permit shall be required as part of this project. The project design shall incorporate BMPs to the maximum extent practicable to prevent or reduce discharge of all construction or post-construction pollutants into the County storm drainage system. BMPs typically include scheduling of activities, erosion and sediment control, operation and maintenance procedures, and other measures in accordance with Chapter 29 and 30 of the Lake County Code.

Hazards and Hazardous Materials Impacts relating to Hazards and Hazardous Materials (HAZ) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure HAZ 1-8:

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

HAZ-2: With the storage of hazardous materials equal to or greater than fifty-five (55) gallons of a liquid, 500 pounds of a solid, or 200 cubic feet of compressed gas, a Hazardous Materials Inventory Disclosure Statement and Business Plan shall be submitted and maintained in compliance with requirements of Lake County Environmental Health Division. Industrial waste shall not be disposed of on site without review or permit from Lake County Environmental Health Division or the California Regional Water Quality Control Board. The permit holder shall comply with petroleum fuel storage tank regulations if fuel is to be stored on site.

HAZ-3: Any spills of oils, fluids, fuel, concrete, or other hazardous construction material shall be immediately cleaned up. All equipment and materials shall be stored in the staging areas away from all known waterways.

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

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

HAZ-6: Prior to operation, all employees shall have access to ADA-accessible restrooms and hand-wash stations. The restrooms and hand wash stations shall meet all accessibility requirements.

HAZ-7: The proper storage of equipment, removal of litter and waste, and cutting of weeds or grass shall not constitute an attractant, breeding place, or harborage for pests.

HAZ-8: The applicant shall obtain an Operator Identification Number from the California Department of Pesticide Regulation prior to using pesticides onsite for cannabis cultivation.

Hydrology and Water Quality Impacts relating to Hydrology and Water Quality (HYD) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure HYD 1-2:

HYD-1: The production well shall have a meter to measure the amount of water pumped. The production wells shall have continuous water level monitors. The methodology of the monitoring program shall be described. A monitoring well of equal depth within the cone of influence of the production well may be substituted for the water level monitoring of the production well. The monitoring wells shall be constructed, and monitoring began at least three months before the use of the supply well. An applicant shall maintain a record of all data collected and shall provide a report of the data collected to the County annually and/or made upon request.

HYD-2: The applicant shall adhere to the measures described in the Drought Management Plan during periods of a declared drought emergency.

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

NOI-1: All construction activities including engine warm-up shall be limited Monday Through Friday, between the hours of 7:00am and 7:00pm, and Saturdays from 12:00 noon to 5:00 pm to minimize noise impacts on nearby residents. Back-up beepers shall be adjusted to the lowest allowable levels.

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

Wildfire Impacts relating to Wildfire (WDF) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure WDF 1-4:

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

WDF-2: Prior to cultivation, the applicant shall provide 100' of defensible space around all buildings. This does not require tree removal, but it does require removal of grasses and brush, and limbing trees up to a height of 8'.

WDF-3: Prior to cultivation, the applicant shall schedule a site visit with the Building Official or designee to verify that the roads, gates, and site are PRC 4290 and 4291 compliant.

WDF-4: The applicant shall place at least 25,000 gallons of water on site that is designated specifically for use of fire suppression. Water tanks shall have connectors that are able to be used by Fire Protection Districts.

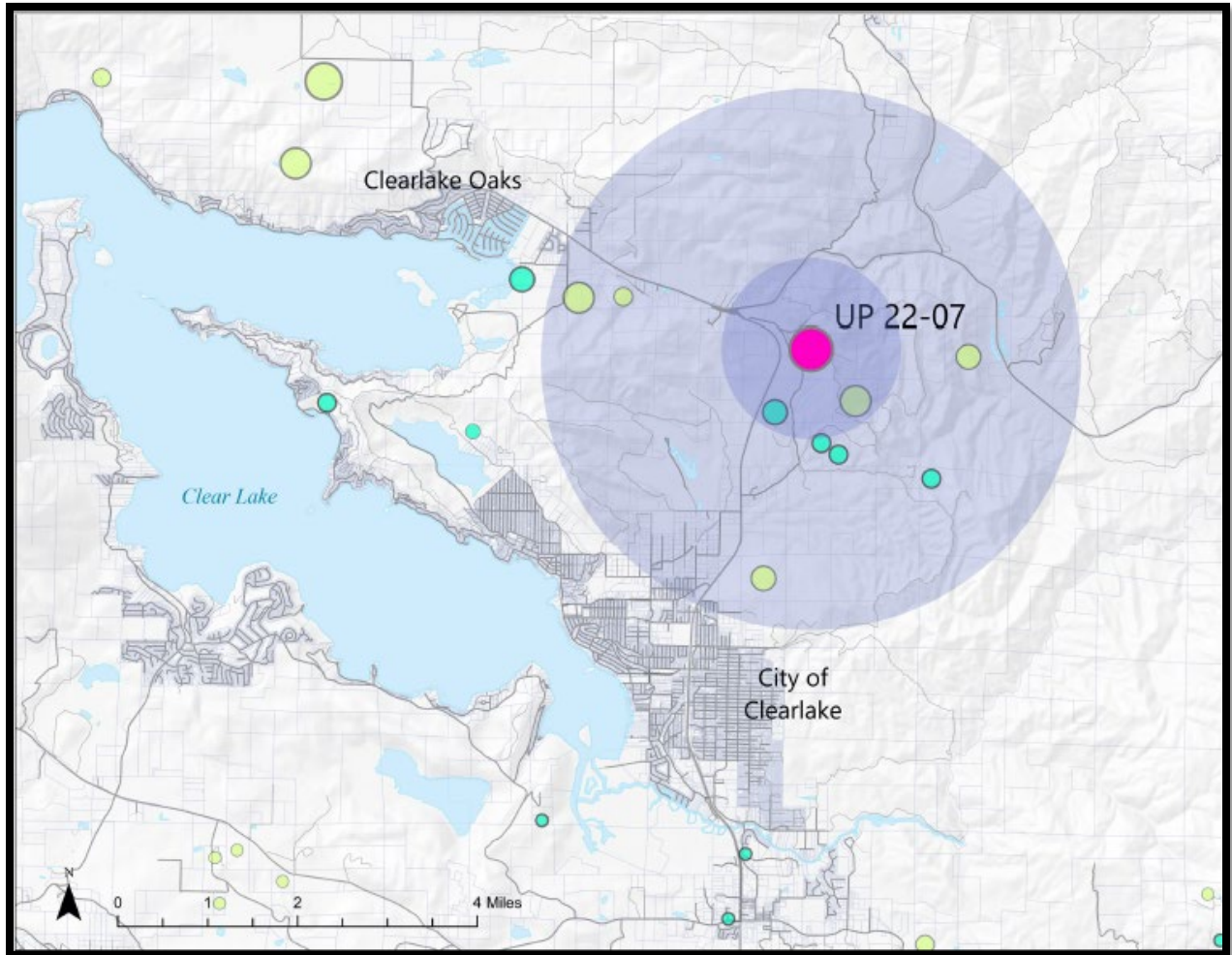
Mandatory Findings of Significance

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

FIGURE 4 – CUMULATIVE IMPACTS

Within one mile of this proposed project are one pending and one approved projects. Within three miles of this proposed project are five pending and four approved projects.



MAJOR USE PERMIT FINDINGS FOR APPROVAL

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

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

The proposed use of commercial cannabis cultivation operation is a permitted use in the “RL” Rural Lands zoning upon issuance of a Major Use Permit pursuant to Article 27, Sec. 21-27, Sec. 27.11 Table B of the Lake County Zoning Ordinance. The project scope complies with the minimum regulatory requirements set by the local ordinances to address the health, safety, morals, comforts, and general welfare of those working or residing near the proposed use.

The project meets or exceeds all required setbacks for this type of use, including distance to nearby sensitive receptors. Prior to the applicant constructing any type of structure(s), the applicant shall obtain the necessary permits and licenses from the appropriate federal, state, and/or local government agencies. Additionally, the Community Development Department would conduct annual compliance monitoring inspections during the cultivation season to ensure compliance with the County's ordinances, the approved Property Management Plan, mitigation measures, and conditions of approval.

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

The location and size of the project site comply with the local ordinance requirements for use and setbacks. The site is large enough to meet the standards and criteria for commercial cannabis licenses applied for as found in Article 27.11. The Lake County Zoning Ordinance allows Types 1, 2, 3, and 4 cultivation operations within "RL" Rural Lands zoning districts, and the subject site is 431.58 acres total (100.48, 17.66, 81.71, 153.92, and 77.81, respectively) in size, large enough to enable the canopy area, as proposed.

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

The Project Property is accessed via Ogulin Canyon Road, which connects to Highway 53 approximately one-half mile north of the Project Property. The Project Site is accessed via a private access road off Ogulin Canyon Road. Locking metal gates across the private access road controls access to the Project Parcels. Gravel will be applied to the surfaces of access roads. The applicant must comply with all building codes prior to construction of any structures. The project has adequate access to accommodate the specific use.

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.*

Water for the proposed cultivation operation would primarily come from two (2) existing onsite groundwater wells located at Latitude: 39.002447° and Longitude: -122.603713° and Latitude: 39.000588° and Longitude: -122.604261°, in the western portion of the Project Property. There are two (2) additional groundwater wells in the eastern portion of the Project Property, which would only be used to support the proposed cultivation for short periods of time and only in an emergency support capacity. One 5,000-gallon steel/fiberglass water storage tank is dedicated to fire suppression. All water tanks for cultivation activities shall have connectors that are configured for use by Fire Protection Districts. Additionally, the project parcel has adequate emergency service protection through the Lake County Sheriff's Office, California Highway Patrol (CHP), and the California Board of Forestry and Fire Protection, (CAL FIRE). The applicant is required to adhere to all applicable local, state, and federal regulations, mitigation measures, and conditions of approval. This application was routed to all the affected public and private service providers (including Public Works, Special Districts, Environmental Health, PG&E), and there are adequate public utilities and services available to the site.

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

The cultivation of commercial cannabis is a permitted use within the Rural Lands zoning district upon securing a Major Use Permit according to Article 27.13 of the Lake County Zoning Ordinance. Additionally, although the Lake County General Plan does not have any provisions specifically for commercial cannabis, both the General Plan and the Shoreline Communities Area Plan have provisions for water resources and agricultural resources land use compatibility. The subject property complies with the minimum setbacks and development standards. The project is in conformance with the provisions of the Shoreline Communities Area Plan Policy 3.4.1: Promote a mixed land use pattern with adequate acreage that provides for the orderly and efficient development of the community areas, thereby reducing development pressure on prime agricultural areas.

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

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

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

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

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

The applicant has passed 'live scan' background check and is qualified to apply for this permit.

RECOMMENDATIONS

Staff recommends the Planning Commission take the following actions:

- A. Adopt Mitigated Negative Declaration (IS 22-09) for Major Use Permit (UP 22-07) with the following findings:
 1. Potential environmental impacts related to Aesthetics can be mitigated to less than significant levels with the inclusion of mitigation measures AES-1 through AES-2.
 2. Potential environmental impacts related to Agriculture and Forestry Resources can be mitigated to less than significant levels with the inclusion of mitigation measures AFR-1 through AFR-4.
 3. Potential environmental impacts related to Air Quality can be mitigated to less than significant levels with the inclusion of mitigation measures AQ-1 through AQ-6.

4. Potential environmental impacts related to Biological Resources can be mitigated to less than significant levels with the inclusion of mitigation measures BIO-1 through BIO-5.
5. Potential environmental impacts related to Cultural Resources can be mitigated to less than significant levels with the inclusion of mitigation measures CUL-1 through CUL-2.
6. Potential environmental impacts related to Geology and Soils can be mitigated to less than significant levels with the inclusion of mitigation measures GEO-1 through GEO-4.
7. Potential environmental impacts related to Hazards and Hazardous Material can be mitigated to less than significant levels with the inclusion of mitigation measures HAZ-1 through HAZ-8.
8. Potential environmental impacts related to Hydrology and Water Quality can be mitigated to less than significant levels with the inclusion of mitigation measures HYD-1 through HYD-2.
9. Potential environmental impacts related to Noise can be mitigated to less than significant levels with the inclusion of mitigation measures NOI-1 through NOI-2.
10. Potential environmental impacts related to Wildfire can be mitigated to less than significant levels with the inclusion of mitigation measures WDF-1 through WDF-5.

B. Approve Major Use Permit UP 22-07 with the following findings:

1. That the establishment, maintenance, or operation of the use applied for will not under the circumstances, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use or be detrimental to property and improvements in the neighborhood or the general welfare of the County.
2. The site is adequate in size, shape, locations, and physical characteristics to accommodate the type of use and level of development proposed.
3. The streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the proposed use.
4. There are adequate services to serve the project.
5. This project is consistent with the Lake County General Plan, Shoreline Communities Planning Area, and Lake County Zoning Ordinance.
6. No violation of Chapter 5, 17, 21, 23 or 26 of the Lake County Code currently exists on this property, with a condition of approval implemented.
7. The proposed use complies with all development standards described in Chapter 21, Article 27, Section 1.i.
8. The applicant is qualified to make the application described in Chapter 21, Article 27, Section 1.ii.(g).

9. The application complies with the qualifications for a permit described in Chapter 21, Article 27, Section 1.ii.(i).

Sample Motions:

Mitigated Negative Declaration

I move that the Planning Commission find that potential impacts associated with this project can be mitigated to 'less than significant' through the implementation of the Mitigated Negative Declaration (IS 22-09) submitted by Dezel Ranch (Simon Whetzel) for the property located at 500, 700, 770 CA State Highway 53 and 550, 660 Junction Plaza, Clearlake (APNs: 010-055-28, 29, 33, 37, and 38), will not have a significant effect on the environment, and that the Planning Commission adopt Initial Study (IS 22-09) with the findings listed in the staff report dated January 25, 2024.

Major Use Permit (UP 22-07)

I move that the Planning Commission find that the Major Use Permit (UP 22-07) applied for by Dezel Ranch (Simon Whetzel) for the property located at 500, 700, 770 CA State Highway 53 and 550, 660 Junction Plaza, Clearlake (APNs: 010-055-28, 29, 33, 37, and 38), does meet the requirements of Section 51.4 and Article 27 of the Lake County Zoning Ordinance and that the Major Use Permit be granted based on the findings and subject to the conditions included in the staff report dated January 25, 2024.

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