



**COUNTY OF LAKE
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April 9, 2019

Ms. Amy Dutschke
United States Department of Interior
Bureau of Indian Affairs - Pacific Regional Office
2800 Cottage Way, Rm W-2820
Sacramento, CA 95825

RE: Big Valley Band of Pomo Indians of the Big Valley Rancheria
Notice of On-Reservation Land Acquisition Application (Non-Gaming)
(APN 044-453-060; 044-453-090; 044-453-200; 044-453-220; 044-453-230; 044-453-260; and 044-453-270.)

Dear Ms. Dutschke,

First, the County of Lake (County) would like to thank the Bureau of Indian Affairs (Bureau) for the invitation to comment on the application filed by the Big Valley Band of Pomo Indians of the Big Valley Rancheria (Tribe). The County values building strong relationships with its Tribal partners and welcomes being a part of this process. Due to the limited information provided in the Notice, it is difficult for the County to fully develop its comments without a clear understanding of the Tribe's intentions. The extension granted has allowed the County to view this application for seven parcels in conjunction with the Tribe's next application for fourteen parcels that was received on March 22, 2019, although a separate response will be filed on each.

The comprehensiveness of these responses is complicated by the lack of information provided and short notice to the County on this matter. Since the receipt of these applications, County staff has researched these properties and a host of issues has arisen which will be discussed in more detail, with each of the four topics the Bureau requested information on being addressed separately below.

1) Property Tax Levied on the Properties

As of 2018-2019, the figures provided by the Bureau for property taxes are correct. Those figures would be broken down though between taxes owed and direct charges owed. The taxes owed total \$498.70.

Given that development on these properties may be higher than what was previously known to the County, these values may be somewhat deflated. A brief review shows that, for example, properties may have added or renovated structures over time, some

of which might be greenhouses for cannabis. Improvements made to a property would normally have been factored into the base value. It appears that no permits were obtained which did not trigger discovery by the County Assessor.

Due to factors such as this, some of which are only now becoming known to the County, an opportunity to review and reach an arrangement where the Tribe could help mitigate the revenue shortfall would be an important factor in the County's ability to continue to provide services to the Rancheria and surrounding community. In order to properly respond to this request, more time would be necessary for the County to investigate the usage of individual properties and compare it against what is currently in its records.

If more time was available, the County Assessor's office would be able to conduct a review of their records as well as permit the County to procure the services of an independent appraiser if need be. This would allow a more realistic figure to be developed as to what the values would have been.

2) Assessments on the Properties

The remainder of the aforementioned figures represent direct charges. These total \$839.90. Just as discussed above, it would be valuable for the County and Tribe to have an opportunity to review and reach an arrangement to alleviate any potential revenue shortfall.

3) Governmental Services Currently Provided to the Properties

Before specifically addressing the information requested it may be helpful to provide some context. In 2017, it is the County's understanding that the Tribe passed Cannabis Cultivation and Taxation ordinances, allowing individual parcels to obtain cultivation permits and pay taxes to the Tribe. Over the next year multiple cultivation sites began throughout the Big Valley Rancheria. In October, 2018, the Lake County Sheriff's Office served searched warrants at 14 locations with the assistance of federal, state, and local partners. Reports indicated that these large scale cultivation operations were conducted by external organized crime and were responsible for multiple environmental violations due to the close proximity to Clear Lake. It is important to note that it was not residents of the Big Valley Rancheria that were charged for these crimes.

During this same time, a cultivation site of approximately 20,000 – 25,000 square feet was started and has been operated by the Tribe. There is now a cannabis dispensary operated by the Tribe on this same lot. The parcels in this application are all either adjacent to or nearby these operations.

Presently, the Lake County Sheriff's Office (LCSO) remains the primary agency providing law enforcement services on the Big Valley Rancheria, including the properties included in this application. The Tribe operates its own wells using

groundwater from the area but records indicate three of the parcels (044-453-060; 044-453-220; and 044-453-230) have County district service accounts for water and sewer. The County Department of Public Works maintains the access roads in the area. The Lakeport Fire District provides fire related emergency services. Many other County agencies are involved, whether directly or indirectly in the area. Further time would be necessary to fully develop this response.

4) Intended Use and Consistency with Zoning

The notice received indicates that the current intention is to retain the existing use of the properties, all of which are zoned single family residential. Based on a review of the parcels, it appears there was recently cannabis cultivation on at least two of the properties. Current zoning regulations would prohibit these activities.

Based off a review of the Tribe's economic development information, it appears there are plans created for a large commercial center which detail the location of a new casino. This appears to be on Soda Bay Road, which is a two lane road and the access route from the highway to both the rest of the Rancheria and surrounding area. The current hotel and casino, along with the Tribe's new cannabis retail, manufacturing, and cultivation operations are all accessed through this road.

These represent prime examples of zoning concerns, as these rural lands were generally designated Agricultural. When the land now designated as a potential commercial center was initially applied to be brought into trust, the declared intention was for affordable tribal housing, associated infrastructure, and public green space. The northern segment of the parcel was turned into tribal housing, but no mention was made of a retail center or casino on its southern half.

Further review shows that the Tribe has developed another well on this property this year, which according to the DOI-Bureau of Reclamation Environmental Assessment will boost the water system's capacity and reliability. There is a mention that the Tribe had already conducted a cultural resources inventory for a commercial project in the vicinity, but the agency did not appear to review increased groundwater demand due to the commercial development or cannabis cultivation. Especially under California's recent drought conditions, the management of water resources is an issue that affects the entire community, and this water basin has been designated as being one of the highest priority in the County.

This entire area's zoning, on both this application and the Tribe's other pending application, is Agricultural and Residential in nature. State and local government have made decisions based off what would normally occur in these zones, so radical departures from this will likely trigger large amounts of resources to be expended in mitigation. These developments are outside the scope of what has been considered in plans and could lead to jurisdictional confusion. Given the current information available, the County has concerns that the infrastructure in this surrounding area may not be sufficient.

The County does not wish to impede the Tribe's goals of restoring its Tribal sovereignty and diversifying its economy. One of the primary concerns of the County is ensuring that there are no marijuana or cannabis related products (i.e. edibles, concentrates, etc.) being brought onto the Rancheria for retail sale, nor that any such products are diverted off the Rancheria in any commercial sense in accordance with State law. This is due to the fact that this operation does not hold any County permits or State licenses to operate outside of the Rancheria. Another area of concern is to ensure that there will be careful monitoring of potential environmental law violations such as those that occurred last year, especially as cannabis cultivation on the Rancheria expands around its wetlands and protected areas.

Finally, there is the loss of tax revenue to fund County services, which while small based off the currently known uses, would not increase as normal based off possible future development in the area. As the development expands, this may place an increasing burden on departments such as the Sheriff's Office and Department of Public Works for which there is no revenue to subsidize those costs. The County of Lake is a rural county and lacks the budgetary resources to field these prospective challenges.

Again, the focal point of the County's comments are that it is difficult to respond to this request for information when it is becoming increasingly clearer that the County is in the dark about previously unknown uses, both current and future. The opportunity to better understand the broader picture regarding gaming, cannabis, natural resources, and taxes would be of huge benefit. While the County is grateful for the 15 day extension provided by the Bureau on the first application, in light of the recent discoveries it is simply not possible to provide properly informed and responsive comments under the current timeframe.

The County has been able to condition its support on these matters with tribal partners in the past, such as our partnership with the Habematolel Pomo of Upper Lake, on the opportunity to reach a mutually satisfactory arrangement. It is the County's sincere belief that this same prospect is achievable here if the Bureau could provide an opportunity for the County to gather the necessary information, engage in discussion with the Tribe, and reach an arrangement that can serve the interests of all parties moving forward. Please feel free to contact Carol Huchingson, County Administrative Officer, at 707-263-2580 if we can be of any further assistance in your evaluation.

Respectfully submitted,

LAKE COUNTY BOARD OF SUPERVISORS

Tina Scott, Chair
District 4