

**COUNTY OF LAKE
MAJOR USE PERMIT, UP 19-40
INITIAL STUDY, IS 19-59
CUA ENTERPRISES**

**CONDITIONS OF APPROVAL
EXPIRES IF NOT USED BY: APRIL 8, 2023
VALID UNTIL APRIL 8, 2031**

Pursuant to the approval of the Planning Commission on **April 8, 2021**, there is hereby granted to **CUA Enterprises, a Major Use Permit, UP 19-40** with the following conditions of approval to allow commercial cannabis cultivation licenses as follows: three (3) A Type 3 (medium outdoor) cultivation licenses consisting of **104,800 square feet (sq. ft.) of outdoor cultivation area**, and one (1) Type 13 'Self Distribution' license on property located at **25252, 25322, 25372 and 25312 Jerusalem Grade Road, Middletown**; and further described as **APNs 013-017-92, 013-017-74, 013-017-36 and 013-017-31** subject to the following terms and conditions.

A. GENERAL

1. The use hereby permitted shall substantially conform to the **Site Plan(s), Project Description** and **Property Management Plan** and any conditions of approval imposed by the **Major Use Permit** and Review Authority for the outdoor cultivation of **65,000** square feet of cultivation area as shown on the approved site plan for this action, and for two small sheds for use of chemical and security data storage. This approval includes a Type 13 'self-distribution' license. The Community Development Director may approve, in writing, minor modifications that do not result in increased environmental impacts. Applicant shall be in substantial conformance with the following:
 - a. Property Management Plan received November 15, 2019
 - b. Site Plans received March 2, 2020
2. This permit does not abridge or supersede the regulatory powers or permit requirements of any federal, state, local agency, special district or department which may retain a regulatory or advisory function as specified by statute or ordinance. The applicant shall obtain permits as may be required from each agency.
3. **Prior to cultivation**, the applicant shall obtain building permits for all new structures.
4. **Prior to cultivation and following completion of the improvements to the internal driveway**, the applicant shall contact the Lake County Building Department to schedule an inspection(s) to assure that Public Resource Code sections 4290 and 4291 are being complied with; at 707-263-2221.
5. **Prior to cultivation**, the permit holder shall adhere to all requirements of Chapter 13 of the Lake County Code, including but not limited to adherence with the Hazardous Vegetation requirements
6. All necessary permits shall be obtained from applicable Federal, State and County agencies having jurisdiction over this project **prior to a building permit** including but not limited to, Department of Cannabis Control, Department of Food and Agriculture, Department of Pesticide Regulation, Department of Fish and Wildlife, The State Water Resources Control Board, Board of Forestry and Fire Protection, Central Valley or North Coast Regional Water Quality Control Board, Department of Public Health, and Department of Consumer Affairs.
7. The Applicant shall comply with the State of California Track and Trace requirements.
8. The applicant shall not sell, transfer and/or give cannabis or cannabis products to any person under the age of 21 and/or allow any person under the age of 21 into the cultivations area and/or employ or retain persons under the age of 21 years old.
9. An applicant shall keep accurate records of commercial cannabis activity. All records related to commercial cannabis activity as defined by the State Licensing Authorities shall be maintained for a minimum of seven (7) years.
 - *The County may examine the books and records of an applicant and inspect the premises of a permittee when the County deems necessary to perform its*

duties under this division. All inspections shall be conducted during standard business hours of the permitted facility or at any other reasonable time.

- *Applicants shall keep records identified by the County on the premises of the location permitted and the County may make any examination of the records of any applicant. Applicants shall also provide and deliver copies of such documents to the County upon request.*
- *An applicant, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the applicant pursuant to this section, has engaged in a violation of this article.*

10. **Prior to cultivation**, all applicants and/or employees shall undergo a background check by the Lake County Sheriff Department.
11. **Prior to cultivation under this license**, all structure(s) used for commercial cultivation shall meet accessibility standards. Please contact the Community Development Department - Building Division for more information.
12. All employees shall have access to restrooms and hand-wash stations. The restrooms and hand wash stations shall meet all accessibility requirements.
13. 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 pest.
14. The applicant shall maintain a record of all complaints and resolution of complaints and provide tally and summary of the issues in the Annual Performance Review Report.
15. The permit holder shall pay the cannabis cultivation tax to the Lake County Tax Collector in accordance to the cannabis billing cycle. The applicant shall submit proof of payment to the Community Development Department within thirty (30) days of receiving payment confirmation. Failure to pay said cultivation tax will result in the initiation of permit revocation proceedings. For further details on cultivation taxes, please contact the Lake County Tax Collectors Office at (707) 263-2234.
16. This permit shall be null and void if not used by **April 8, 2023** or if the use is abandoned for a period of two (2) years.
17. The California Department of Fish & Wildlife filing fee shall be submitted as required by California Environmental Quality Act (CEQA) statute, Section 21089(b) and Fish and Game Code Section 711.4. The fee should be submitted to the Community Development Department within five days of approval of the Use Permit and mitigated negative declaration by the Planning Commission.
18. **Prior this use permit becoming effective, operative, vested or final** the applicant shall pay the second installment of the Cannabis Program Service Fee in the amount of \$1,623.50 to the Community Development Department.
19. **Prior to this permit having any force or effect**, the applicant(s) shall submit to the Community Development Department a summary response in writing establishing compliance with these conditions of approval, as well as documenting compliance with all obligations of the Property Management Plan, including dates of compliance and referencing documents or other evidence of compliance.
20. **Prior to this permit having any force or effect**, the permittee(s) shall adhere to the Lake County Division of Environmental Health requirements regarding on-site wastewater treatment and/or potable water requirements. The permittee shall contact the Lake County Division of Environmental Health for details.
21. **Indemnification:** The applicant shall indemnify and hold harmless the County and its officers, agents, and employees from actions or claims of any description brought on account of any injury or damages sustained, by any person or property resulting from the issuance of the permit and the conduct of the activities authorized under this permit.

B. AESTHETICS

1. Prior to operation, the applicant shall submit a Lighting Plan to the Community Development Department for review and approval. Said plan shall be consistent with all recommendations on the website: www.darksky.org and provisions of section 21.41.8 of the Zoning Ordinance.
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.

C. AIR QUALITY

1. All Mobile diesel equipment used for construction and/or maintenance shall be compliance with State registration requirements. Portable and stationary diesel powered equipment must meet the requirements of the State Air Toxic Control Measures for CI engines as well as Lake County Noise Emission Standards.
2. Construction and/or work practices that involve pavement, masonry, sand, gravel, grading, and other activities shall be managed by adequate dust control to mitigate airborne emission during and after site development.
3. If construction or site activities are conducted within Serpentine soils, a Serpentine Control Plan shall be required. Any parcel with Serpentine soils must obtain proper approvals from Lake County Air Quality Management District.
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.
5. The applicant shall have the primary access and parking areas surfaced with chip seal as a temporary measure, and asphalt or an equivalent all weather surfacing for long term occupancy to reduce fugitive dust generation. All areas subject to semi-truck/trailer traffic shall require asphaltic concrete paving or equivalent to prevent fugitive dust generation. The use of white rock as a road base or surface material for travel routes and/or parking areas is prohibited.
6. All areas subject infrequent use of driveways, over flow parking, etc., shall be surfaced with gravel. Applicant shall regularly maintain and require palliative treatment at the graveled area to reduce fugitive dust generations.

D. BIOLOGICAL RESOURCES

1. A qualified biologist shall perform a pre-construction survey for nesting birds within 48 hours prior to tree removal and/or ground breaking at the site if construction activities will take place between February 1 and August 31. If nesting birds are found, the qualified biologist shall establish suitable buffers prior to tree removal and/or ground breaking activities. To prevent encroachment, the established buffer(s) shall be clearly marked by highly visibility material. The established buffer(s) shall remain in effect until the young have fledged or the nest has been abandoned as confirmed by the qualified biologist. To more effectively identify active nests and to facilitate project scheduling, it is recommended that initial nesting surveys begin as early as February when the foliage on the trees are at a minimum and the nest building activity is high.
2. The pruning or removal of living trees or snags must not occur during the maternity season between April 1 and September 1 to minimize the disturbance of young that may be present and unable to fly.
3. The pruning or removal of living trees or snags must occur between the hours of 12 pm and sunset on days after nights when low temperatures were 50° For warmer to minimize impacting bats that may be present in deep torpor. Sunset times shall be obtained from http://aa.usno.navy.mil/data/docs/RS_OneDay.php and temperatures for prior-work nights shall be obtained from <http://www.wunderground.com/history/>.
4. When it is necessary to perform crown reduction on trees over 12 inches in diameter breast height or remove entire trees or branches over six inches in diameter there shall

be preliminary pruning of small branches less than 2 inches in diameter performed the day before. The purpose of this is to minimize the probability that bats would choose to roost in those trees the night before the work is performed.

5. A qualified biologist shall perform a pre-construction survey for foothill yellow-legged frogs 300 feet from the edge of the seasonal drainage within 48 hours prior to ground breaking at the site. If foothill yellow-legged frogs are found, the qualified biologist should establish suitable buffers and/or relocation of individuals prior to initiation of construction activities.
6. The planting of blue oak and foothill pine trees at a 3:1 mitigation ratio shall be performed at the site to mitigate for the loss of blue oak trees over 6 inch diameter breast height at the site. All tree replacement shall be monitored and maintained for life of the project.
7. Habitat mitigation and or/conservation for the loss of chaparral habitat as a result of the proposed project shall be performed at the site. Prior to operation, this shall either consist of the restoration of chaparral habitat at the site or the conservation of chaparral habitat at the site in the form of a conservation easement or deed restriction.
8. Due to an early season botanical survey not performed at the site. Prior to vegetation clearance, ground disturbing activities, or operation of the project (whichever comes first), protocol-level botanical survey shall to be performed in the early spring to ensure that all special-status plant species with the potential to occur at the site were surveyed during the appropriate bloom time. A separate report of findings shall be prepared or the biological assessment shall be updated to include the results of the early season special-status plant species survey. The results of this survey shall be submitted to the Community Development Department prior to operation of the project.

E. CULTURAL AND TRIBAL RESOURCES:

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 culturally-related Tribe shall be notified, and a qualified archaeologist retained 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, they shall be treated in accordance with Public Resources Code Section 5097.98 and with California Health and Safety Code section 7050.5.
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-related Tribe shall immediately be notified; a licensed archaeologist shall be notified, and the Lake County Community Development Director shall be notified of such finds.

F. GEOLOGY AND SOIL MITIGATION MEASURES:

1. Prior to any ground disturbance, the permitted shall submit Erosion Control and Sediment Plans to 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 appropriate 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. All BMP's shall be maintained for life of the project.
2. Prior to any ground disturbance, the permit holder shall submit and obtain a Grading Permit from the Community Development. The project design shall incorporate appropriate BMPs consistent with County and State Storm Water Drainage Regulations to the maximum extent practicable. The project design shall incorporate Best Management Practices (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 Chapters 29 and 30 of the Lake County Code.

3. 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 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.
4. The permit holder shall monitor the site during the rainy season (October 15 - May 15), including post-installation, application of BMPs, erosion control maintenance, and other improvements as needed.

G. HAZARDS & HAZARDOUS MATERIALS

1. All hazardous waste shall not be disposed of on-site without review or permits from Environmental Health Department, the California Regional Water Control Board, and/or the Air Quality Board. Collected hazardous or toxic waste materials shall be recycled or disposed of through a registered waste hauler to an approved site legally authorized to accept such material.
2. The storage of potentially hazardous materials shall be located at least 100 feet from any existing water well. These materials shall not be allowed to leak onto the ground or contaminate surface waters. Collected hazardous or toxic materials shall be recycled or disposed of through a registered waste hauler to an approved site legally authorized to accept such materials.
3. Any spills of oils, fluids, fuel, concrete, or other hazardous construction material shall be immediately cleaned up. All equipment and materials shall be stored in the staging areas away from all known waterways.
4. The storage of hazardous materials equal to or greater than fifty-five (55) gallons of a liquid, 500 pounds of a solid, or 200 cubic feet of compressed gas, then a Hazardous Materials Inventory Disclosure Statement/Business Plan shall be submitted and maintained in compliance with requirements of Lake County Environmental Health Division. Industrial waste shall not be disposed of on site without review or permit from Lake County Environmental Health Division or the California Regional Water Quality Control Board. The permit holder shall comply with petroleum fuel storage tank regulations if fuel is to be stored on site.
5. The project design shall incorporate appropriate BMPs consistent with County and State Storm Water Drainage regulations to prevent or reduce discharge of all construction or post-construction pollutants and hazardous materials offsite or into the creek. The site shall be monitored during the rainy season (October 15-April 15) and erosion controls maintained.

H. HYDROLOGY & WATER QUALITY

1. The applicant shall adhere to all Federal, State and Local regulations regarding wastewater treatment and water usage requirements.
2. Prior to this permit having any force or effect, the permittee(s) shall adhere to the Lake County Division of Environmental Health requirements regarding on-site wastewater treatment and/or potable water requirements. The permittee shall contact the Lake County Division of Environmental Health for details.
3. The applicant shall prepare a groundwater management plan to ensure that the groundwater resources of the County are protected used and managed in a sustainable manner. The plan would support the Integrated Regional Water Management Plan and include an inventory of groundwater resources in the County and a management strategy to maintain the resource for the reasonable and beneficial use of the people and agencies of the County.
4. The production well shall have a meter to measure the amount of water pumped. The production wells shall have continuous water level monitors. The methodology of the monitoring program shall be described. A monitoring well of equal depth within the cone of influence of the production well may be substituted for the water level monitoring of the production well. The monitoring wells shall be constructed and monitoring begun at least three months prior to the use of the supply well. An applicant shall maintain a record of all data collected and shall provide a report of the data collected to the County annually and/or upon made upon request.

I. NOISE

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

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.
3. The operation of the Air Filtration System shall not exceed levels of 57 dBA between the hours of 7:00AM to 10:00PM and 50 dBA from 10:00PM to 7:00AM within residential areas as specified within Zoning Ordinance Section 21-41.11 (Table 11.2) measured at the property lines.

J. TRANSPORTATION

1. Prior to this use permit having any force or effect, the applicant will be required to do road improvements to the internal road and comply with Public Resource Code (PRC) sections 4290 and 4291. The Building Official will inspect this road following completion of the road to assure PRC compliance.
1. All deliveries and/or pickups shall during the hours of Monday through Saturday from 7:00AM to 7:00 p.m. and Sundays from 12:00 p.m. to 5:00 p.m.
2. **Prior to final inspection**, the applicant shall provide a minimum of one (1) parking space per employee on the shift having the largest number of employees. The applicant is proposing up four (4) employees, therefore there shall be a minimum of four (4) employee parking spaces and one (1) Accessibility Compliant Parking Space.
3. The project site(s) shall have access to a public road or a recorded easement that allows for, but not limited to, delivery trucks, emergency vehicles, sheriff and other law enforcement officers, and government employees who are responsible for inspection or enforcement actions. Driveway encroachments onto County-maintained roadways shall be constructed to current County standards and shall be constructed with an encroachment permit obtained from the Department of Public Works.
 - a) *All driveways shall be constructed and maintained so as to prevent road surface and fill material from discharging to any surface water body*
 - b) *The design of all access to and driveways providing access to the site where the cannabis related activity that is permitted shall be sufficient to be used by all emergency vehicles and shall be approved by the applicable fire district.*
 - c) *Gates shall not be constructed across driveways or access roads that are used by neighboring properties or the general public. Gates constructed across public access easements are subject to removal per State Street and Highway Codes.*
4. Driveway encroachments onto State and/or County-maintained roadways shall be constructed to current federal, State or local Standards and shall be constructed with an encroachment permit.
5. First fifty (50) feet of a driveway beginning at the edge of the existing improved surface shall be constructed and maintained with an all-weather surface. An all-weather surface includes: Six (6) inches of gravel or crushed rock, an oil and rock surface, asphaltic concrete, or concrete as to prevent road surfaces and fill material from discharging to any surface water body. The use of White Rock is prohibited for any road surfacing.
8. The applicant shall meet and maintain all the requirements and/or regulations as define in 14 California Code of Regulations (CCR), Division 1.5, Chapter 7, Subchapter 2, Article 2, §1273.00 through §1273.11 of the California Department of Forestry and Fire Protection (Cal Fire) for Emergency Access and Egress Requirements.
9. Gates shall not be constructed across driveways or access roads that are used by neighboring properties or the general public. Gates constructed across public access easements are subject to removal per State Street and Highway Codes. A knox box is required on all gated entrances.
10. **Prior to final inspection**, all Accessible Compliant Parking Areas, routes of travel, building access and/or bathrooms shall meet all California Building Code Requirements.

K. WILDFIRE

1. All regulations on the State of California's Public Resource Code, Division 4, and all Sections in 4290 and 4291 (4001-4958) shall apply to on site access.

L. TIMING & MITIGATION MONITORING

1. The permit holder shall permit the County of Lake or representative(s) or designee(s) to make periodic and/or annual inspections at any reasonable time deemed necessary in order to assure that the activity being performed under authority of this permit is in accordance with the terms and conditions prescribed herein.
2. The applicant shall submit an Annual Performance Review Report their initial date of operation for review and approval by the Planning Commission. The Planning Commission may delegate review of the Annual Performance Review Report to the Community Development Director at the time of the initial hearing or at any time thereafter. The Annual Performance Review Report shall identify the effectiveness of the approved Major Use Permit, Operations Manual, Operating Standards, and Conditions of Approval, as well as the identification and implementation of additional procedures deemed necessary. In the event the Planning Commission identifies issues with the Annual Performance Review Report, it may lead to revocation of the approved use and/or the Planning Commission may require the submittal of more frequent Performance Review Reports. Additionally, the Performance Review Report shall include the following:
 - *The project parcel shall be inspected by the Community Development Department on an Annual Basis and/or less frequently if approved by the Community Development Director. A copy of the results from said inspection shall be provided to the applicant to for inclusion in their Performance Review Report.*
 - *A Compliance Monitoring Fee of \$760.00 shall be paid by applicant and accompany the Performance Review Report.*
 - *A Compliance Monitoring Inspection of the Cultivation Site shall be conducted annually during growing season. The applicant shall contact the Community Development Department to schedule such inspection.*
 - *If there are no violation of the use permit and/or State License during the first five (5) years, the inspections may be reduced by the Community Development Director to not less than once every 5 years*
 - *Non-compliance by the applicant in allowing the inspection by the Community Development Department, or refusal to pay the required fees, or noncompliance in submitting the annual "Performance Review Report" for review by the Planning Commission shall be deemed grounds for a revocation of the development permit or use permit and subject the holder of the permit(s) to the penalties outlined in this Code.*
3. The applicant(s) shall submit an application for renewal of the authorized use to the Community Development Department a minimum of 180 days prior to the expirations date of said use. Failure to submit an application for renewal at least six months prior to the expiration date of the permit may result in the expiration of the permit. Applicant shall submit the required application, associated fees and the following additional information which may include but is not limited to:
 - *A copy of all licenses, permits, and conditions of such licenses or permits related to the project from state agencies as appropriate including, but not limited to the California Department of Food and Agriculture, Department of Pesticide Regulation, Department of Fish and Wildlife, The State Water Resources Control Board, Board of Forestry and Fire Protection, Central Valley or North Coast Regional Water Quality Control Board, and the Department of Public Health.*
 - *A copy of all reports provided the County and State agencies as determined by the Director.*
 - *A list of all employees on the premise during the past year and a copy of the background checks certification for each.*
 - *Documentation that the applicant is still qualified to be an applicant.*
 - *Any proposed changes to the use permit or how the site will be operated.*
 - *Payment of all fees as established by resolution by the Board of Supervisors.*
4. This permit may be revoked if the use for which the permit was granted is conducted as to be detrimental to the public health, safety, or welfare or as to be a nuisance. This

permit shall be valid until it expires or is revoked pursuant to the terms of this permit and/or Chapter 21 of the Lake County Code.

Scott DeLeon, Director
COMMUNITY DEVELOPMENT DEPARTMENT

Prepared by: EJP

By: _____
Kerrian Marriott, Office Assistant III

ACCEPTANCE

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

Date: _____

Applicant or Authorized Agent Signature

Printed Name of Authorized Agent