



COUNTY OF LAKE

COMMUNITY DEVELOPMENT DEPARTMENT

Courthouse - 255 N. Forbes Street

Lakeport, California 95453

Planning Department · Building Department · Code Enforcement

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Scott De Leon

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Item 1
9:05 AM
April 22, 2021

STAFF REPORT

TO: Planning Commission

FROM: Scott DeLeon, Community Development Director
Tocarra Thomas, Deputy Director
Prepared by: Victor Fernandez, Assistant Planner

DATE: April 12, 2021

RE: **Work Right Building LLC; Major Use Permit (UP 19-47), Categorical Exemption (CE 21-06), and Early Activation (EA 20-50) APN: 008-032-51**

ATTACHMENTS:

1. Vicinity Map
2. Property Management Plan
3. Agency Comments
4. Proposed Conditions of Approval
5. Site Plans

Supervisor District 4 – Supervisor Scott
Planning Commission – Commissioner Price

I. EXECUTIVE SUMMARY

The applicant is requesting approval of a Major Use Permit and to allow the following licenses:

- One (1) **Type 6: “Non-Volatile Cannabis Manufacturing License”**: The manufacture cannabis products for medicinal cannabis use using nonvolatile solvents, or no solvents, as defined by the Business and Professions Code, Section 40100.
- One (1) **“Cannabis Processor License”**: A Permittee that conducts only trimming, drying, curing, grading, packaging, or labeling of cannabis and non-manufactured cannabis products.

- One (1) **Type 11: “Cannabis Distributor License”**: The procurement, sale, and transport of cannabis and cannabis products between entities licensed pursuant to California Code.

The proposed use will occur within an existing building at 4615 Work Right Circle, Lakeport, CA. The nearest residence is located approximately 0.2 miles south from the building. The nearest youth oriented facility is located approximately 1.2 miles northeast from the building and the nearest church is located approximately 3.8 miles north. The existing Work Right building has 60,000 square feet of existing manufacturing/industrial/warehouse space and additionally a 7,500 square foot office space. The proposed use consists of the following:

- 48,100 square foot **Processing Area** within existing building. Processing would include trimming, drying, curing, grading, packaging, and labeling of cannabis and non-manufactured cannabis products.
- 690 square foot **Manufacturing Area** (Type 6 License) within existing building. Manufacturing would include non-volatile crude cannabis oil extraction using an ethanol based extraction system. Activities could include manufacturing or infused pre-rolls and would include packaging and labeling.
- 1,810 square foot **Distribution Area** (Type 11 License) within existing building. Distribution would include the procurement, sale, and transport of cannabis and cannabis products between licensed entities.
- 900 square foot Compost Area.
- 7,500 square foot Office Space within existing building.

Additionally, water will be supplied by an existing on site well, all activities will use the existing infrastructure which includes parking and restrooms.

The site operations will be closed to the public. Visitations will only be allowed when specific permission is granted via operations requests forms. The hours of operation are proposed as follows:

- Off-Season
 - Monday through Friday (7:00 am to 5:00 pm) approximately December through September.
- Harvest/Processing Season
 - Monday through Sunday (6:00 am to 8:00 pm) approximately September through December.

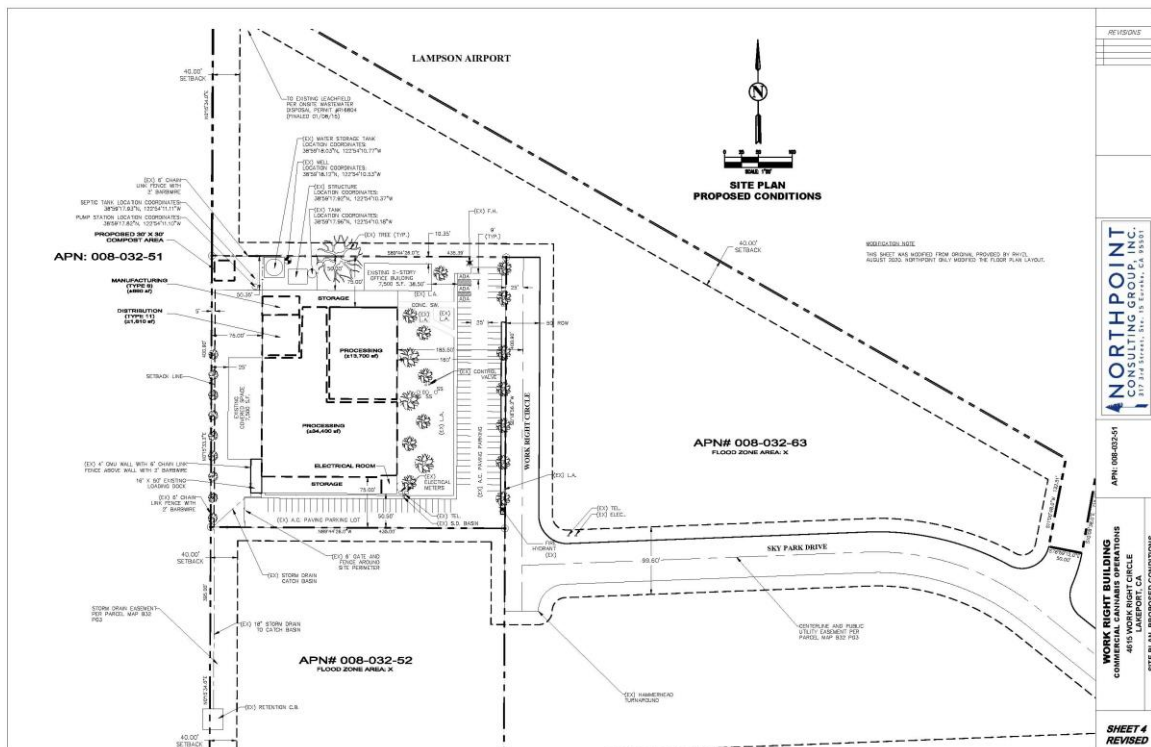
The existing site has approximately 95 parking spaces (paved). The proposed manufacturing, distribution, and processing will require approximately 12 full time employees, year round. Seasonal employees (contracted labor) will be acquired during the harvesting/processing season, approximately September through December. All seasonal employees will either be shuttled to the site or required to carpool to the site, reducing the required parking. Additionally, during peak season the number of vehicle trips (including deliveries/shipments/distribution) is approximately 2 to 6 deliveries trips.

The site has an existing security system that prevents unauthorized access to the building and site. The site has an existing security fence system that provides a physical barrier to the rear end of the premises. No foot traffic will be authorized entry through rear security fencing. Signs will be located at the driveway approach to direct all visitors to sign in at

the front office. Additionally, all doors are equipped with commercial locking doors. The doors will be equipped with a combination security lock that is restricted by each premises department. Additionally an onsite security guard will monitor the vehicles and personnel entry and exit to the site as well.

The road leading to the project parcel is fully paved with storm water drainage and sewer system to remove roadways contamination from the public waterways. The project parcel is flat and the proposed project does not include new construction or grading. Two existing waste bins are located on site (8'X20' roll-off dumpsters with lids). Additionally, recyclables will be segregated from solid waste and stored in bins. At weekly intervals, the waste will be transferred by truck in trash cans with tight lids and deposited in an appropriate recycling facility. The applicant anticipates the following items for waste generation: Paper, glass, metal, electronics, plastic, organics, inerts (sand and concrete), household hazardous waste, special waste, and mixed residue.

Chemicals will be stored inside, in approved chemical storage areas so that storm water is not contaminated. Chemicals will be properly labeled, properly segregated, and open containers will be sealed when not in use. The applicant proposes to utilize Material Safety Data Sheets for each chemical used at the facility. No vehicle and equipment fueling, or maintenance is proposed. Additionally, there is a dedicated area (that will be under surveillance) where cannabis waste will be handled. Cannabis waste will be rendered unusable and unrecognizable and disposed of at a licensed facility.



Proposed Site Plan

Staff is recommending **conditional approval** of Major Use Permit (19-47).

II. PROJECT DESCRIPTION

Applicant/Owner: Work Right Building LLC

Location: 4615 Work Right Circle, Lakeport CA 95453

A.P.N.: 008-032-51

Parcel Size: ±4.30 acres

General Plan: Industrial

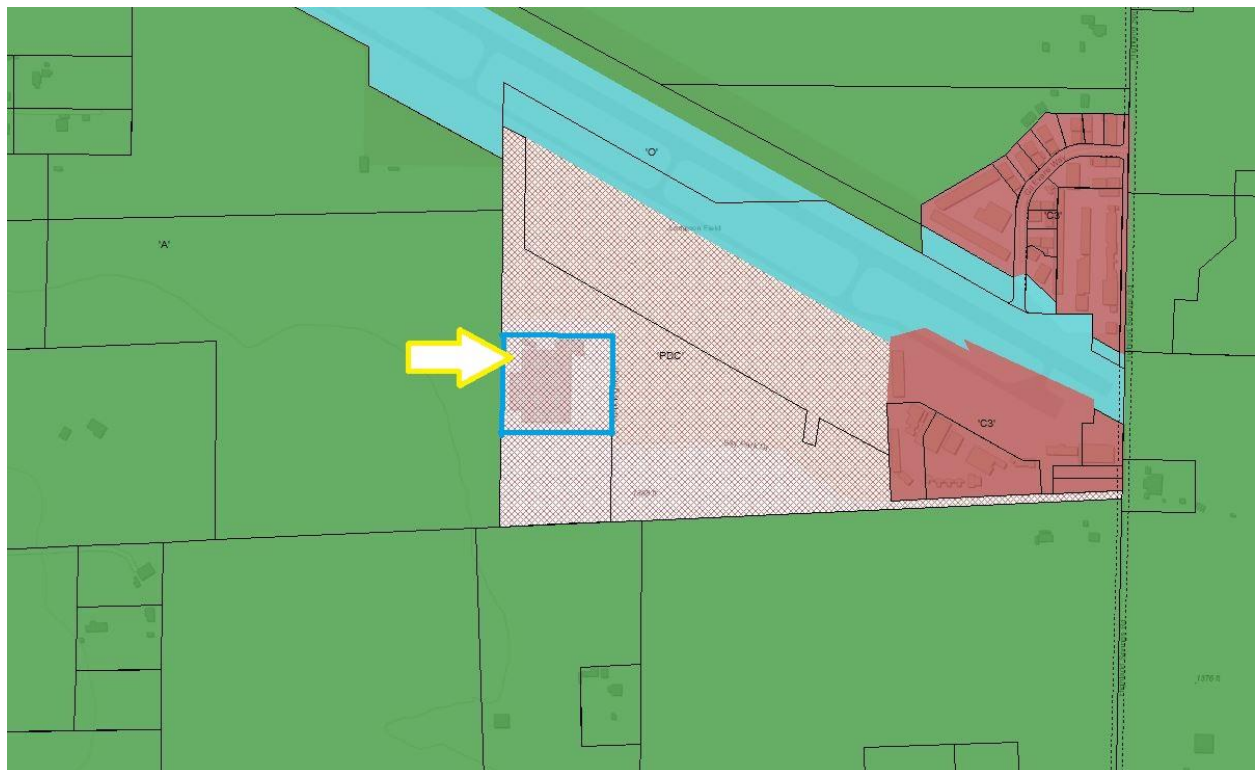
Zoning: “PDC-DR-AA”; Planned Development Commercial- Design Review
Combining District-Airport Approach Combining District.

Flood Zone: “X”; Areas of minimal flooding – not in a special flood hazard area.

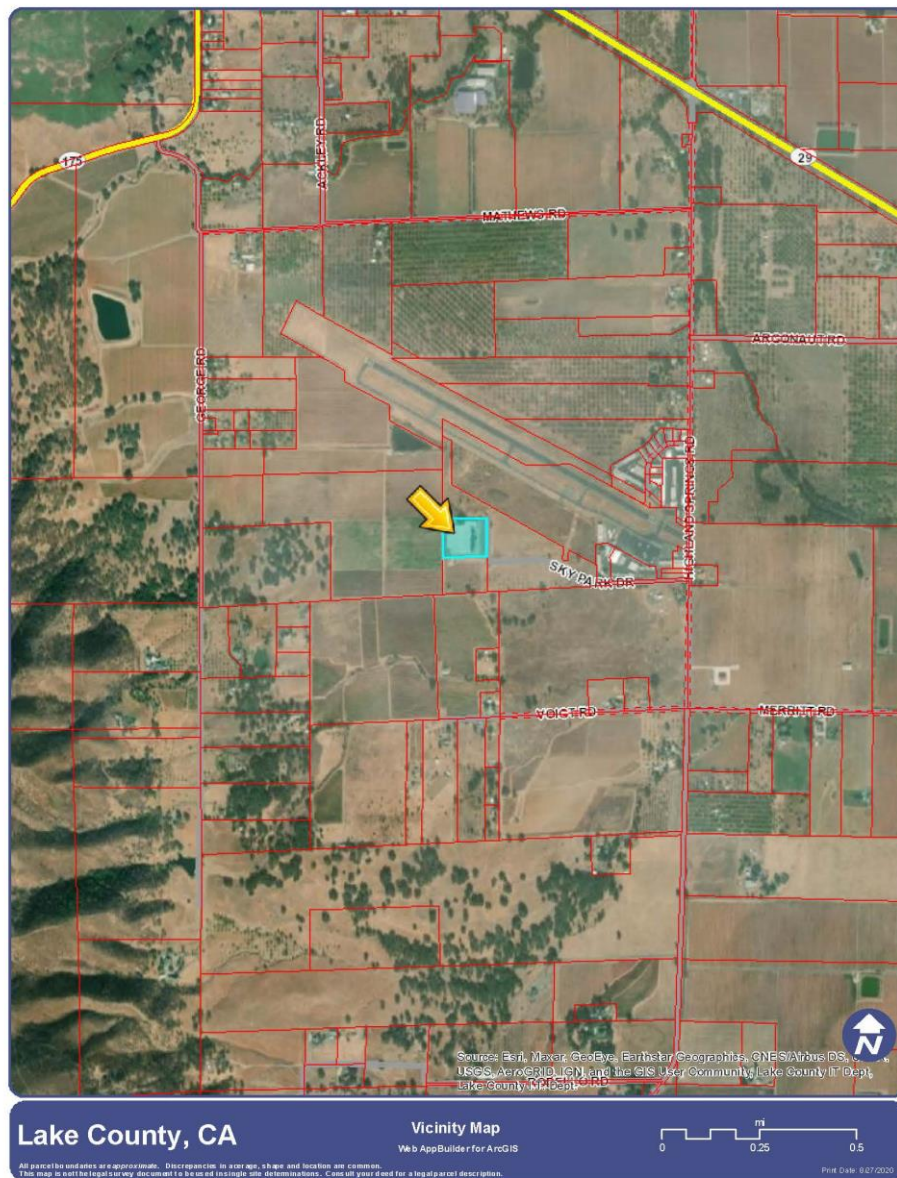
Submittal Date: November 27, 2019

Farmland Designation: Grazing Land

III. PROJECT SETTING



Zoning Map of Site and Vicinity



Aerial Photo of Subject Site

North: “PDC” Planned Development Commercial, “A” Agriculture and “O” Open Space zoned properties. Parcel size ranges from ± 11 acre to ± 62 acre parcels.

South: “PDC” Planned Development Commercial, “A” Agriculture, and “APZ” Agricultural Preserve District zoned properties. Parcel size ranges from ± 4 to ± 126 acre parcels.

East: “PDC” Planned Development Commercial, “C3” Service Commercial, and “A” Agriculture zoned properties. Parcel size ranges from ± 1.5 to ± 192 acre parcels.

West: “A” Agriculture, and “APZ” Agricultural Preserve District zoned properties. Parcel size ranges from ± 1 to ± 80 acre parcels.

The Project parcel is not within a Community Growth Boundary.

Topography: The project parcel is relatively flat.

Soils: The project area contains the following soil types:

- Wappo Loam (Type 242) which is very deep and moderately well drained.

Water Supply: Private Well

Sewage Disposal: Existing Septic

Fire Protection: Lakeport Fire Protection District

Water Courses: Seasonal Creek located near the parcel however it does not traverse through the property.

IV. PROJECT ANALYSIS

General Plan Conformance

The General Plan designation for the subject site is Industrial. This category provides for a range of manufacturing, the processing of natural resources, research facilities and high-tech campuses, and “heavy” commercial activities. The intent is to encourage sound industrial/heavy commercial development by designating appropriate areas for such uses including geothermal service yards, large construction/contractor yards, warehouses, asphalt batch plants, mills, lumber yards, boat building, welding and fabrication shops.

The applicant is proposing cannabis manufacturing, processing, and distribution. These are allowable uses within the Planned Development Commercial Zoning and Industrial General Plan. The project is located appropriately and is not within a community growth boundary in which the industrial commercial development will not disturb residential districts.

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

Land Use

Goal LU-1: is to 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.

Cannabis processing, manufacturing, and distributing is allowed with a major use permit in the Planned Development Commercial zoning district. The proposed project is not located within setbacks established to avoid incompatibility with adjacent uses (see LU-2.4 below).

Goal LU-2: is to clearly differentiate between areas within Lake County appropriate for higher intensity urban services and land uses from areas where rural or resource use should be emphasized.

- Policy LU-2.4 Agricultural/Residential Buffer. The County shall require adequate setbacks between agricultural and non-agricultural uses. Setbacks shall vary depending on type of operation and chemicals used for spraying.

In reference to the Lake County Zoning Ordinance Article 27, Section 27.11 (aaa), the county requires a minimum 75 foot setback from all property lines of the subject property, and a minimum of 150 foot setback from any off-site residences. The nearest off-site residence is located more than 1,000 feet from the project site. The project will meet these setback requirements.

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 operation would create diversity within the local economy, and create future employment opportunities for local residents. According to the applicant’s application there is total of twelve (12) employees proposed. The number of employees can increase or decrease depending on the stage of the processing/manufacturing season.

Kelseyville Area Plan Conformance

The subject site is within the Kelseyville Area Plan’s boundary. The Plan does not contain policies specific to the processing/manufacturing of cannabis but contains the following policies relating to consistency review:

- **5.1a-4:** Heavy commercial and light industrial uses should not be approved in locations incompatible with neighboring residential, retail or commercial land uses.
- **5.1b-1:** A high priority should be given to providing service and employment opportunities locally In the Kelseyville Planning Area in order to boost economic development and reduce travel distances.

The applicant is proposing cannabis manufacturing, processing, and distribution. These are allowable uses within the Planned Development Commercial Zoning and Industrial General Plan. The project is located appropriately and is not within a community growth boundary in which the industrial commercial development will not disturb residential districts. Additionally, the proposed project would allow existing and permitted cultivators to process and manufacture their cannabis plants within the county which in return would lead to a boost in economic development and reduce travel distances for cultivators.

Zoning Ordinance Conformance

Article 15 – Planned Development Commercial (PDC)

The Cannabis Processor, Cannabis Manufacturing, and Distributor licenses are permitted in the “PDC” Planning Development Commercial Zoning District upon issuance of a Major Use Permit pursuant to Article 27, Section 27.11 [Table B] of the Lake County Zoning Ordinance. On December 02, 2019, the applicant submitted an application for a Major Use Permit, UP 19-47 for the Manufacturing, Processing, and Distribution to the Community Development Department.

Article 53 – Design Review Combining District

The Design Review Combining District is to insure aesthetic compatibility between uses, protect and enhance property values, protect scenic qualities, and promote community character through use of community design manuals. The proposed project is located within an existing and permitted structure. The applicant does not propose new construction and/or grading.

Article 39 – Airport Approach Combining District

The Airport Approach Combining District is to regulate and restrict the height of structures and objects of natural growth in the vicinity of the County’s airports, to promote public safety and compatibility of the adjacent uses with air navigation, and to establish approach, conical, horizontal and transition zones in the vicinity of County airports. The proposed project is located within an existing and permitted structure near the Lampson Airfield. The applicant does not propose new construction and/or grading. The applicant would not be increasing the height of the existing structure. Additionally, with the implementation of the project no major change to the current role of the airport and/or change to the overall configuration of the runway is anticipated and this project is not related directly to the existing airfield and is on a near parcel.

Article 27 - Use Permits

The purpose of Article 27 is for those uses possessing characteristics of unique and special form as to make their use acceptable in one or more districts upon issuance of a zoning permits, minor or major use permits in addition to any required building, grading and/or health permits.

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

Development Standards

- The parcel where the processor activity is located shall front and have direct access to a paved State or County maintained road: *Complies, the project parcel is accessed by Work Right Circle, which is accessed by Sky Park Drive that connects to Highland Springs Road. All of which are county maintained and paved.*
- All processor activities shall occur within an enclosed building: *Complies; the proposed project will be conducted within an existing enclosed building.*

- All aggregation of product shall adhere to track-and-trace requirements of the California Code of Regulations: Complies; a condition of approval has been added that requires the applicant to adhere to track-and-trace requirements of the California Code of Regulations.
- Permittee may produce non-manufactured cannabis products without a cannabis manufacturing license, provided compliance with packaging and labeling requirements California Code of Regulations: Complies; a condition of approval has been added that requires the applicant to obtain manufacturing licenses and be compliant with packaging and labeling requirements prior to operation.
- The growing of cannabis plants is prohibited at a licensed processor premises: Complies; the applicant does not propose the cultivation of commercial cannabis as part of the project
- The building where the processor activities are conducted shall be equipped with filtration systems that prevents the movement of odors, pesticides, and other air borne contaminants out of or into the structure: Complies; a condition of approval has been added that requires the building to be equipped with filtration systems.

General Requirements and Restrictions. There are several general requirements for cannabis cultivation listed in Section 27.11(aaa), (au), (av), and (ax) 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, and access requirements.

The applicant meets the General Requirements outlined in Section 27 of the Zoning Ordinance. If the requirements have not yet been met, a condition has been added to their permit to ensure compliance.

V. ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires agencies to evaluate the environmental implications of land use actions. Upon staff review, the Major Use Permit has been determined to be Categorically Exempt through CEQA through the following:

- Exemption Class 1 (Existing Facilities) This class consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

The proposed project is located in a previously developed parcel. The building that will be used for the proposal is existing (Built approximately in the mid-1990s) and the applicant does not propose to expand the existing building. The existing building was previously used for industrial manufacturing of shower doors and shower enclosures. All proposed cannabis activities will occur within the building and no new exterior construction or grading is proposed for the completion of this project, therefore, short-term construction emissions are not anticipated. Only interior maintenance work will be needed, however, the applicant will need to obtain the required permits for interior work. The property has an existing designated

truck delivery area, an existing paved parking lot with approximately 95 spaces for employees (However, the full time max employees proposed are 12, with respect to seasonal employees during harvest season), an existing well and water tank, and existing utilities that supports the building. The proposed project is not anticipated to have a potential impact on traffic as the proposal will consist of approximately 2 to 6 deliveries/shipments/distribution trips per week and a minimum of 12 vehicle trips per day due to employees and staff. The access to the site is an existing paved street which is approximately 37 feet wide that will safely handle any traffic generated by the Work Right project, and no fugitive dust emission impacts are expected. The existing access road and project parcel is equipped with storm water drainages that will remove roadway contamination from public waterways, which in result no impacts to storm water drainage patterns are anticipated. Additionally, the existing building will be equipped with filtration systems to prevent the movement of odors, chemicals, pesticides and other air borne contaminants out of or into the existing building.

The tribes were notified of the project on February 7, 2020. On March 16, 2021, the Big Valley Band of Pomo concluded that the Tribe was comfortable with the project moving forward as there is no ground disturbance activities as part of the proposed project.

VI. 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 Cannabis Manufacturing and Processing is a permitted use in the "PDC" Planned Development Commercial Zoning District upon issuance of a Major Use Permit pursuant to Article 27 of the Lake County Zoning Ordinance. Additionally, the applicant shall obtain the necessary permits from the appropriate Federal, State and/or Local government agencies.

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

The proposal will be conducted in an existing 60,000 square foot building that was previously used for the manufacturing of shower doors and shower enclosures. The applicant does not propose to expand the existing building. The Lake County Zoning Ordinance allows Type 6 (Non-Volatile Manufacturing), Cannabis Processor License, and Distribution Licenses on Planned Development Commercial zoned land, and the subject site is ±4.30 acres in size, large enough to support the proposed operation.

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

The site is accessed by Work Right Circle (Paved road), which is accessed by Sky Park Drive off of Highland Springs Road (Both of which are paved and County Maintained).

4. That there are adequate public or private services, including but not limited to fire protection, water supply, sewage disposal, and police protection to serve the project.

There are adequate public utilities and services available to the site. This application was routed to all of the affected public and private service providers including Public Works, Special Districts, Environmental Health, and PG&E, and to all area Tribal Agencies. Relevant comments are attached as 'Attachment 3'. Environmental Health stated that if the existing septic system has not been used and the applicant is now placing the septic system back to use, their office will require an authorization inspection. A condition requiring the on-site wastewater treatment to be compliant with Environmental health has been added. Special Districts indicated that the proposed parcel is outside of the Special Districts service area, therefore, no impact is expected. No adverse comments were received.

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 proposed use of Cannabis Manufacturing and Processing is a permitted use in the "PDC" Planned Development Commercial Zoning District upon issuance of a Major Use Permit pursuant to Article 27 of the Lake County Zoning Ordinance. The Lake County General Plan indicates the Industrial general plan designation provides for a range of manufacturing, processing, research facilities, etc., therefore the proposed project is in conformance with the General Plan. Additionally, the proposed project is in conformance with the Area Plan that has provisions for economic development and Industrial/Heavy Commercial uses.

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.

VII. RECOMMENDATION

Staff recommends the Planning Commission:

A. Find that this project has been found to be Categorically Exempt from CEQA as a Class 1 Exemption.

1. The project is consistent with CEQA Categorical Exemption, Class 1 (Existing Facilities), which consists of the operation, repair, maintenance, permitting, leasing,

licensing or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

2. This project remains consistent with the Lake County General Plan, Kelseyville Area Plan, and Lake County Zoning Ordinance.
3. There has been no change in the project which would create a new significant environmental impact.
4. The project is consistent with land uses in the vicinity.
5. This project will not result in any significant adverse environmental impacts.

B. Approve Use Permit UP 19-47 with the following findings:

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

Sample Motions:

Categorical Exemption

I move that the Planning Commission find that the **Categorical Exemption (CE 21-06)** applied for by **Work Right Building, LLC** on property located at **4615 Work Right Circle, Lakeport, CA** and further described as **APN: 008-032-51** will not have a significant effect on the environment and therefore a Categorical Exemption shall be approved with the findings listed in the staff report dated **April 12, 2021**.

Major Use Permit (UP 19-47)

I move that the Planning Commission find that the **Major Use Permit (UP 19-47)** applied for by **Work Right Building, LLC** on property located at **4615 Work Right Circle, Lakeport, CA**, further described as **APN: 008-032-51** does meet the requirements of Section 51.4 and Article 27, Section (aaa), (au), (av), and (ax) of the Lake County Zoning Ordinance and the Major Use Permit be granted subject to the conditions and with the findings listed in the staff report dated **April 12, 2021**.

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 calendar day following the Commission's final determination.