

COUNTY OF LAKE
MAJOR USE PERMIT, UP 21-02
INITIAL STUDY, IS 21-02
COASTLE LLC

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

Pursuant to the approval of the Planning Commission on **July 8, 2021**, there is hereby granted to **Coastle LLC a Major Use Permit, UP 21-02** with the following conditions of approval to allow a Commercial Cannabis Cultivation License as follows: eleven (11) A Type 3 (medium outdoor) cultivation licenses for a total area consisting of **487,922 square feet (sq. ft.) of outdoor cultivation area and 478,072 sq. ft. of canopy area**; and (1) Type 13 Self Distribution license on property located at **6565 Wilkinson Road, 6620 State Route 29, and 6213 Wilkinson Road, Kelseyville**; **APNs: 007-015-63, 007-015-13 and 007-016-13** and 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 **487,922** square feet of cultivation area as shown on the approved site plan for this action. 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 April 12, 2021
 - b. Site Plans received April 12, 2021
 - c. Supplemental Materials received April 12, 2021
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 this permit having full force or effect 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 and for the life of the project**, 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 the start of cultivation under this 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. All applicants and/or employees shall undergo a background check by the Lake County Sheriff Department. An individual may fail the background check if employee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the sheriff determines that the applicant or permittee is otherwise suitable to be issued a license and granting the license would not compromise public safety, the sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant or permittee be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the sheriff shall include, but not be limited to, the conditions described in Section 26057 of the California Business and Professions Code.
 11. **Prior to cultivation**, all structure(s) used for commercial cultivation shall meet accessibility standards with the exception of the permanent ADA restroom and hand-wash station, which is required prior to the start of Phase II. Please contact the Community Development Department - Building Division for more information.
 12. **Prior to cultivation**, 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 **July 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 mitigated negative declaration.
 18. **Prior to cultivation**, 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.
 19. **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. All outdoor lighting shall comply with Lake County's 'darksky.com' lighting ordinance for outdoor lighting. All outdoor lighting shall be downcast, and shall not shine into any neighboring lot or public access areas including roads. *Mitigation Measure AES-1*

C. AIR QUALITY

1. Prior to obtaining the necessary permits and/or approvals for any phase, applicant shall contact the Lake County Air Quality Management District and obtain an Authority to Construct (A/C) Permit for all operations and for any diesel powered equipment and/or other equipment with potential for air emissions. *Mitigation measure AQ-1*
2. All mobile diesel equipment used must be in 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. *Mitigation measure AQ-2*
3. The applicant shall maintain records of all hazardous or toxic materials used, including a Material Safety Data Sheet (MSDS) for all volatile organic compounds utilized, including cleaning materials. Said information shall be made available upon request and/or the ability to provide the Lake County Air Quality Management District such information in order to complete an updated Air Toxic emission Inventory. *Mitigation measure AQ-3*
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. *Mitigation measure AQ-4*
5. All graveled areas of vehicular travel (access driveway, parking area, turnaround) shall be regularly used and/or maintained to reduce fugitive dust generation. *Mitigation measure AQ-5*
6. 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.
7. An Odor Control Plan is required for this project that consists of planting fragrant plants, such as lilac or other fragrant plants that are subject to the review and approval of the Lake County Planning Department and which will be maintained in a healthy state for the duration of the project. Planting details will be provided to the Planning Department via Landscape Plan prior to cultivation, and all plants shall be irrigated and shall bloom at a time when the cannabis flowers bloom. *Mitigation measure AQ-6*

D. BIOLOGICAL RESOURCES

1. All employees and contractors including one-time contractors and day-laborers shall be distributed cards with visual identifications of all of the special-status species with the potential to occur on the project site, including both male and female, and juvenile and adult forms, and be briefed on all of the following mitigation measures below:
 - Observation of any of the special-status species onsite shall result in immediate stoppage of all work and notification of Lake County and/or CDFW.
 - All animals observed onsite shall be allowed to leave the premises voluntarily without being harassed.
 - Vehicle speeds shall be limited to 5 mph all year, with 3 mph limit during amphibian breeding and migration season from October 1-June 1, and for breeding bird season from February 1- September 1.
 - No loud noises including unmuffled or non-street legal vehicles, heavy machinery, hammering, discharge of firearms, or unmuffled generators are allowed during the breeding and nesting window to avoid impacts to Northern Spotted Owl from February 1-September 1.
 - Avoid ground disturbance including trenching, grading, or road scraping to a depth of greater than 10 inches without first clearing the site from a qualified biologist to avoid disturbing estivating amphibians.

- Access within 100 feet of nesting migratory bird shall not be allowed, and a sign shall be placed stating there is a sensitive habitat ahead and no entry is permitted.
- All roadways and culverts shall be inspected once before major rain events and once after to ensure that all erosion control materials are effective and not discharging sediment to any jurisdictional watercourses.
- All containers and other vessels left outside unattended shall be checked before use to ensure that no animals are inside.
- Vessels including buckets shall be turned over on their sides to allow animals to escape.
- No holes greater than 6 inches deep shall be left exposed and uncovered to avoid making "pitfall traps" into which animals can enter but cannot escape. If holes such as post holes must be left for more than 24 hours, they shall be checked daily to ensure no animals are inside.
- Clear areas within 100 feet of any watercourse by a biological monitor prior to disturbing the ground more than 6 inches.
- Only native woody species shall be planted wherever revegetation is required such as along the sides of roadcuts and bridge abutments.
- Preconstruction breeding bird surveys for Northern Spotted Owl and other migratory birds shall be performed if tree removal is to take place.
- No tree or vegetation removal shall be conducted during breeding bird season from February 1 to September 1.
- No aerial wires or lines shall be permitted that may impede the flight path of nesting birds.
- No upward pointed lights shall be permitted during anytime during the year, and ambient outdoor nighttime lights shall be prohibited during the breeding bird period from February 1 to September 1. Use of rodenticides shall not be used under any circumstances due to the hazard of secondary ingestion by raptors.

Mitigation measure BIO-1

2. Prior to the removal or clearing of brush or chaparral, a survey for nesting birds shall be conducted. The results of this survey, including recommendations, shall be provided to the Lake County Planning Department prior to a hearing and cultivation. Any recommendations shall be added as conditions of approval for this use permit.

Mitigation measure BIO-2

3. Prior to the removal of significant clearing of chaparral, a sensitive native plant survey shall be conducted by a licensed Biologist, and shall be provided to the Lake County Community Development Department for consideration of acceptance. Any recommendations shall be added as conditions of approval for this use permit.

Mitigation measure BIO-3

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 affiliated 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 Health and Safety Code 7050.5. *Mitigation measure CUL-1*

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 finds. If human remains are found, the Lake County Sheriff's Department shall also be notified, and shall coordinate with the culturally affiliated Tribe to inter or relocate the remains. *Mitigation measure CUL-2*

F. GEOLOGY AND SOIL:

1. Prior to any ground disturbance, the permittee shall submit an Erosion Control and Sediment Plan to the Water Resource Department and the Community Development Department for review and approval. The Plan shall contain all proposed best management practices for the control of runoff and prevention of sedimentation to protect the local watershed during construction and operation. 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. Any revisions or additional measures required by the Water Resource Department or the Community Development Department shall be included in a revised Plan and implemented by the project. *Mitigation measure GEO-1*
2. Excavation, filling, vegetation clearing, or other disturbance off the soil shall not occur between October 15 and April 15 unless authorized by the Community Development Department Director. The actual dates of the defined grading period may be adjusted according to weather and soil conditions at the discretion of the Community Development Director. *Mitigation measure GEO-2*
3. All erosion control and sedimentation prevention measures shall be monitored by the permit holder during the rainy seasons (October 15 to May 15), including during operation. *Mitigation measure GEO-3*
4. Prior to any cultivation activities occurring on this site, the natural existing vegetated buffer shall be maintained at all times by the developer between all project activities areas and the existing on-site waterway, and a native seed mixture and certified weed-free straw mulch would be applied to all areas of exposed soils. *Mitigation measure GEO-4*

G. GREENHOUSE GAS EMISSIONS

1. The applicant shall use carbon air filtration units or other filtration methods that meet the specifications of the Lake County Air Quality Department for air filtration on all greenhouses to reduce the potential for greenhouse gas emissions from entering the atmosphere.

H. HAZARDS & HAZARDOUS MATERIALS

1. Storage of potentially hazardous waste shall be in its original package, and shall be clearly labeled to display the volume and type of material stored. These packages will be kept inside a storm-proof shed, a locked storage area that will only be accessible to authorized staff. When removing materials from storage the employee name, the type of material, date, and time will be entered into a hazardous waste manifest located within the secure storage area and will be stored for five years. When returning material into storage, the type of material, volume used, name of employee, date and time will be entered into the manifest. Storage areas containing hazardous waste will be inspected weekly by staff/employees to ensure accurate record keeping and safe storage conditions.
2. Prior to cultivation, a 100-foot Defensible Space Zone/Reduced Fuel Zone area shall be established and shall be inspected by the Lake County Fire Marshal or designee. *Mitigation measure HAZ-1*

I. HYDROLOGY & WATER QUALITY

1. The illicit discharge of irrigation or storm water from the project parcel, as defined in Title 40 of the Code of Federal regulation, Sections 122.26, which may result in degradation of water quality of any water body is prohibited.
2. **Prior to cultivation**, the applicant shall submit a Storm Water Management Plan based on the requirements of the California Regional Water Quality Control Board – Central valley region to the Community Development Department for review and approval. Said plan shall include the following:
 - *Identification of any Lake County maintained drainage or conveyance system that the storm water is discharged into and documentation that the storm water discharge is in compliance with the design parameters of those structures.*

- *Identification of any public roads and bridges that are downstream of the discharge point and documentation that the storm water discharge is in compliance with the design parameters of any such bridges.*
 - *Documentation that the discharge of storm water from the site will not increase the volume of water that historically has flow onto adjacent properties.*
 - *Documentation that the discharge of storm water will not increase flood elevations downstream of the discharge point.*
 - *Documentation that the discharge of storm water will not degrade water quality of any water body.*
 - *Documentation of compliance with the requirements of Chapter 29, Storm Water Management Ordinance of the Lake County Ordinance Code.*
 - *Describe the proposed grading of the property.*
 - *Describe the storm water management system.*
 - *Describe the best management practices (BMPs) that will be used during construction and those that will be used post-construction. Post-construction BMPs shall be maintained through the life of the permit.*
 - *Describe what parameters will be monitored and the methodology of the monitoring program.*
3. The applicant shall maintain all necessary permits from the Central Valley Regional Water Quality Control Board and submit written verification to the Community Development Department. A copy of all permits shall be included in the Annual Performance Report.
 4. The applicant shall obtain and maintain all necessary Federal, State or local permits required to utilize the water source. If the permitted activity utilizes a shared source of water from another site, such source shall be a legal source, have all Federal, State or local permits required to utilize the water source, and have a written agreement between the property owner of the site where the source is located and the permitted activity agreeing to the use of the water source and all terms and conditions of that use.
 5. The use of water provided by a public water supply, unlawful water diversions, transported by a water hauler, bottled water, a water-vending machine, or a retail water facility is prohibited. The utilization of water that has been or is illegal diverted from any lake, springs, wetland, stream, creek, vernal pool and/or river is prohibited. The applicant shall not engage in unlawful or unpermitted drawing of surface water.
 6. The applicant may use water supplied by a licensed retail water supplier, as defined in Section 13575 of the Water Code, on an emergency basis only. The applicant shall notify the Community Development Department within seven (7) days of the emergency and provide the following information: (a) A detailed description of the emergency; (b) Identification of the retail water supplier including license number; (c) The volume of water supplied and actions taken to prevent the emergency in the future.
- J. 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. *Mitigation measure NOI-1*
 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. *Mitigation measure NOI-2*
 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. *Mitigation measure NOI-3*
- K. TRANSPORTATION**
1. **Prior to cultivation**, the applicant will be required to do road improvements to the internal road and comply with Public Resource Code (PRC) sections 4290 and 4291 unless the site is determined to be 'ag exempt' by the Building Official or Designee. If the site is not determined to be 'ag exempt', the Building Official will inspect this road following

completion of the road improvements to assure PRC compliance.

2. 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.
3. **Prior to cultivation**, 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 to fifteen (15) employees, therefore there shall be a minimum of fifteen (15) employee parking spaces and one (1) Accessibility Compliant Parking Space.
4. 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.*
5. 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.
6. 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 (CCCR), 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 cultivation**, all Accessible Compliant Parking Areas, routes of travel, building access and/or bathrooms shall meet all California Building Code Requirements.
11. **Prior to cultivation under this permit**, the applicant shall improve the interior access road as shown on the plans submitted and as described in the applicant's project statement in a manner that the road complies with Public Resource Code (PRC) sections 4290 and 4291.

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, Interim 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