



Legislation Details (With Text)

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On agenda: 7/22/2021 **Final action:**

Title: 9:15 A.M. Continuation of Item from the July 8, 2021 Planning Commission Hearing. Public Hearing to consider approving Use Permit UP 21-10. Applicant/Owner: Sourz HVR, Inc./Aviona LLC. The proposed commercial cannabis cultivation operation will be composed of (80) A type 3 outdoor cultivation, (1) type 11 distributor, and (1) A type 4 nursery licenses with a total combined canopy area of 3,485,000 square feet (sf). The proposed project includes 11 buildings totaling 110,000 sf for storage and drying of cannabis. Location: 11650 High Valley Road, Clearlake Oaks, CA 95423, on property consisting of 1,639.96 acres. APNs: 006-004-07, 006-004-25, 006-004-24, 006-004-06, 006-002-04, 006-002-09, 006-009-36. (Katherine Schaefer)

Sponsors: Community Development

Indexes:

Code sections:

Attachments: 1. Staff Report UP 21-10 Sourz HVR 7.22.21 (1), 2. ATTACHMENT 1 - VICINITY MAP (2), 3. ATTACHMENT 2 - PROPERTY MANAGEMENT PLAN (2), 4. ATTACHMENT 3 - AGENCY AND PUBLIC COMMENTARY (2), 5. ATTACHMENT 4 - PROPOSED CONDITIONS OF APPROVAL (Amended), 6. ATTACHMENT 5 - SITE PLANS (3), 7. ATTACHMENT 6 - BIOLOGICAL ASSESSMENT (3), 8. ATTACHMENT 7 - INITIAL STUDY (2), 9. ATTACHMENT 8 - CULTURAL RESOURCES MEMO, 10. ATTACHMENT 9 - TRAFFIC MEMORANDUM, 11. ATTACHMENT 10 - HYDROLOGY MEMORANDUM incl. ORIGINAL WATER REPORT

Date	Ver.	Action By	Action	Result
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Memorandum

STAFF REPORT **ADDENDUM**

TO: Planning Commission

FROM: Community Development Department

Prepared by: KS

DATE: July 22, 2021

RE: SourzHVR Inc; Major Use Permit (UP 21-10), Initial Study (IS 21-10), Mitigated Negative Declaration

Supervisor District 3

ATTACHMENTS: 1. Vicinity Map

2. Property Management Plan
3. Agency and Public Commentary
4. Proposed Conditions of Approval [UPDATED]
5. Site Plans
6. Biological Assessment
7. Initial Study (IS 21-10)
8. Cultural Resources Memorandum
9. Traffic Memorandum
10. Hydrology Memorandum

I. ADDENDUM SUMMARY

File no. UP 21-10 went before the Planning Commission on July 8, 2021. The hearing was continued to July 22, 2021 to give the applicant an opportunity to provide the requested information in regards to biological resource floristic surveys, cultural resources, traffic, and hydrology, and CDFW/Lake County Grading Ordinance violations. Below is a brief summary of the applicant's response. Full information may be found in *Attachments 8-10*.

a) Biological Resource Floristic Surveys (Please refer to *Attachment 6*)

Sequoia Ecological Consulting, Inc. performed the initial Biological survey on September 28th/ 29th 2020. Based on past agricultural practices, and the lack of suitable habitat present during the site visit, the biologists determined that special status plant species are not expected to occur within the area of potential impact. Figure 9 on pg. 28 of the Biological Assessment (Attachment 6) shows that the area of impact will occur in Agricultural habitat. When Agricultural land has been heavily impacted by practices such as disking, tilling, or farming, the potential for special status species to be present is low. Follow-up faunal surveys were performed, and mitigation measures had been correspondingly included in the environmental review and the Conditions of Approval, as was presented during the July 8th Planning Commission meeting.

b) Cultural Resources Survey Area (Please refer to *Attachment 8*)

The survey area included all areas in which cultivation and cultivation related activities would occur. No disturbance or project improvements occurred or are proposed for areas beyond the boundaries of the area surveyed. In other words, the survey area fully encompasses all areas that would be used by the proposed project. The survey areas also encompassed areas outside of locations proposed for disturbance. On July 15th, 2020 a letter was sent out to the Native American Heritage commission regarding the project, an associated records search was performed, and comment sought from any interested tribal parties. Furthermore, In December of 2020, as part of the cultural resources survey, all 11 tribes in Lake county were notified of the project per AB52 and no comments were received. Two subsequent notifications from the County to tribal representatives were made. No responses from these efforts were received.

The Cultural Resources evaluation did identify a previously located resource area. This site is outside of all areas

proposed for cultivation and improvements and would not be disturbed as part of the project. In addition, there were isolated artifacts and historic features located, but these were not part of a larger deposit of cultural material. These feature also did not meet any of the criteria to be considered, "significant" historic resources as defined in the California Public Resources Code. The Cultural Resources Report provided the recommendations that were included as Mitigation Measure CR-1 and Mitigation Measure CR-2 to the Initial Study/Mitigated Negative Declaration (IS/MND) prepared. In addition, as part of the Staff Report for the project, a Condition of Approval (COA) was included that requires employee training. This COA reads as follows:

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. Mitigation measure CUL-2.

Through the incorporation of the listed mitigation and COA, impacts to unknown cultural resources were disclosed in the Initial Study/Mitigated Negative Declaration (IS/MND) for the project and would be less than significant. In addition, the applicant has not performed any work outside the previously surveyed 290 acres. Where some of the clearing of previous pastureland did occur outside the proposed cultivation area, these locations were within the 290-acre survey area. Lastly, all future work for the proposed drying/storage structures require verification of flagging and work area boundaries by County staff prior to any ground disturbance. These activities, along with the presence of identified cultural resource monitors and employee education, would ensure all future ground disturbance would be within the boundaries of the project as proposed, and that if any resources are located, they are properly treated in accordance with County policy and State law.

c) Traffic (Please refer to *Attachment 9*)

The proposed project would not result in an addition to the historic use of High Valley Road in terms of vehicle trips or safety hazards. As detailed in the Traffic Memorandum (Attachment 9), the proposed project would reduce the total volume of vehicles and reduce the overall VMT. This would have a corresponding effect of reducing the potential for vehicle collisions or other related hazards. Based off of CHP records, there have been no recorded vehicle accidents along High Valley Road from Highway 20 to the project site since June 1, 2019. Because the proposed project would further reduce vehicle trips along this segment in relation to the previous usage, the project would not result in any additional safety impacts along the roadway. The roadway includes signage indicating upcoming curves and turns with allowable speeds to help ensure safe operation of vehicles on the roadway. These conclusions are consistent with the information requested by the Planning Commission hearing on July 8, 2021. It is important to note, that while the above provides additional information to that previously presented in the IS/MND, these findings are consistent with the former conclusion of less than significant.

d) Hydrology (Please refer to *Attachment 10*)

- i. The Sourz High Valley Ranch site is underlain by two prolific aquifers: the Quaternary alluvium and the Holocene volcanics. The aquifers have a total thickness of approximately 140 feet.
- ii. The limits of the groundwater basin are constrained by topography and geology. As such, the potential

effects of ground water withdrawal are not expected to propagate outside of the cumulative area of impact.

- iii. A groundwater evaluation performed for the High Valley area by EBA Engineering concluded that the aquifers have a combined storage capacity of approximately 27,799-acre feet.
- iv. Previous investigations have demonstrated that the groundwater recharge to the Valley to be approximately 2,321-acre feet.
- v. At one time up to six irrigation wells serviced the properties that constitute the Sourz Site. The historic wells had the capacity to produce groundwater in excess of the projected water use demands for the project. Thus, the aquifers have historically been able to sustain water use demands equal to or greater than the proposed demands for the Sourz project.
- vi. The current and future water use demands for the cumulative area of impact constitute approximately 1.4% of the available groundwater.
- vii. The proposed groundwater withdrawals associated with the project are approximately 353.86 acrefeet.
- viii. The existing and proposed groundwater withdrawals constitute approximately 2.6% of the available groundwater within the cumulative area of impact.
- ix. The proposed groundwater withdrawals do not exceed the amount of groundwater recharge available in any given year. As such, the proposed ground water use is reasonable.
- x. The multiple irrigation wells proposed for the project will minimize the localized effects of drawdown within the aquifer. The localized drawdown in the aquifer will be less than 4-inches.
- xi. The closest off-site well to the existing or proposed wells for the project is 580 feet.

e) CDFW/Lake County Grading Ordinance Violations and Remediation

For proof of Lake County Grading Ordinance violation correction, the Notice of Violation shall be addressed by submission of a grading permit application and payment of \$1600.40, payable to the County of Lake. For proof of CDFW violation correction, engineered and stamped plans showing needed alterations have been submitted to the Lake County Resource Planner. If alterations for these violation corrections trigger additional grading requirements with the County of Lake, (e.g. routing storm water runoff out and away from the cultivation area), these shall also be noted and addressed in both the engineered site plan and on the grading permit application. Any associated fees with the additional grading permit requirements shall also have been paid. As of the writing of this Memo (7/14/2021), Sourz HVR has:

Satisfied the following:

- i. Demonstrated implementation of erosion control measures via soil compaction, and insertion of straw waddle

around the identified water courses

Pending requirements:

- i. Payment of fee (\$1600.40) and submission of grading application
- ii. Engineered and stamped plans showing alterations

The above pending requirements will be satisfied by the time of the Planning Commission hearing.

The Notice of Violation from the CDFW may lead to the development of the re-conveyance of runoff waters, which will likely trigger the need for a Lake County Grading Permit, which can be issued after UP 21-10 is approved. Due to the Lake County grading violations remediation prior to the Planning Commission hearing, the applicant no longer has outstanding violations with the County.

Staff is recommending approval of Major Use Permit UP 21-10, and the adoption of a Mitigated Negative Declaration based on the environmental analysis (Initial Study IS 21-10) with the incorporated Mitigation Measure and Conditions of Approval.

II. RECOMMENDATIONS

Staff recommends that the Planning Commission:

A. Accept the finding of a Mitigated Negative Declaration

1. The project is consistent with CEQA.
2. Potential environmental impacts related to air quality can be mitigated to less than significant levels with the inclusion of mitigation measures AQ-1, AQ-2, AQ-3, AQ4, AQ-5, AQ-6, AQ-7 and AQ-8.
3. Potential environmental impacts related to biological resources can be mitigated to less than significant levels with the inclusion of mitigation measures BIO-1, BIO-2, and BIO-3.
4. Potential environmental impacts related to cultural resources can be mitigated to less than significant levels with the inclusion of mitigation measures CUL-1, CUL-2, and CUL-3
5. Potential environmental impacts related to noise can be mitigated to less than significant levels with the inclusion of mitigation measures NOI-1, NOI-2, and NOI-3.
6. This project remains consistent with the Lake County General Plan, Shoreline Communities Area Plan and the Lake County Zoning Ordinance.
7. This project is consistent with land uses in the vicinity.
8. This project will not result in any significant adverse environmental impacts.

B. Approve Major Use Permit, UP 21-10 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. 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.
3. That the streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the specific proposed use.
4. That there are adequate public or private services, including but not limited to fire protection, water supply, sewage disposal, and police protection to serve the project.
5. This project is consistent with the Lake County General Plan, Shoreline communities Area Plan, and Lake County Zoning Ordinance.
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.
7. The proposed use complies with all development standards described in Chapter 21, Article 27, Section 1.i.
8. The applicant is qualified to make the application described in Chapter 21, Article 27, Section 1.ii.(g).
9. The application complies with the qualifications for a permit described in Chapter 21, Article 27, Section 1.ii.(i).

Sample Motions:

Mitigated Negative Declaration

I move that the Planning Commission find that the Major Use Permit (UP 21-10) applied for by SourzHVR Inc on a property located at 11650 High Valley Rd, 4919 New Long Valley Rd, 4963 New Long Valley Rd, 10788 High Valley Rd, 10750 High Valley Rd, 10945 High Valley Rd, 4491 New Long Valley Rd, in Clearlake Oaks, CA 95423, further described as APN: 006-004-06; 006-004-07; 006-004-25; 006-002-04; 006-009-36; 006-004-24; 006-002-09, will not have a significant effect on the environment and therefore a mitigated negative declaration shall be approved with the findings set forth in Staff Report dated July 22, 2021.

Major Use Permit (UP 21-10)

I move that the Planning Commission find that the Major Use Permit (UP 21-10) prepared for the project proposed by SourzHVR Inc on a property located at 11650 High Valley Rd. Clearlake Oaks, CA, further described as APN: 006-004-06; 006-004-07; 006-004-25; 006-002-04; 006-009-36; 006-004-24; 006-002-09 does meet the requirements of Section 51.4 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 July 22, 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.