



## Legislation Details (With Text)

**File #:** 22-448      **Version:** 1      **Name:**

**Type:** Action Item      **Status:** Agenda Ready

**File created:** 4/28/2022      **In control:** Planning Commission

**On agenda:** 5/12/2022      **Final action:**

**Title:** 9:10 a.m. - (Continued from 4-28-22) - Public Hearing on Consideration of Major Use Permit (UP 20-90) and a Mitigated Negative Declaration (IS 20-109). The applicant, Cresta Properties LLC Development is proposing three (3) A – Type 1C “Specialty Cottage” licenses and two (2) A – Type 3B “Mixed-Light” licenses for commercial cannabis cultivation. The total cannabis canopy area proposed is 41,500 square feet and 72,000 square feet of cultivation area. The project includes, twenty-four (24) 35’ X 100’ greenhouses and four (4) 30’ x 120’ metal storage barns; The project is located at 6267 Kelsey Creek Drive and 6245 Gold Dust Drive, Kelseyville, CA; and further described as APNs: 007-013-23 and 007-013-22.

**Sponsors:** Community Development

**Indexes:**

**Code sections:**

**Attachments:** 1. Attachment 1 Vicinity Map, 2. Attachment 2 Property Management Plan, 3. Attachment 3 Site Plans, 4. Attachment 4 Proposed Conditions of Approval UP 20-90, 5. Attachment 5 IS 20-109 Cresta, 6. Attachment 6 Mitigation Monitoring Reporting Program (MMRP) UP 20-90, 7. Attachment 7 Hydrologic Analysis, 8. Attachment 8 Tribal & Agency Comments, 9. Attachment 9 Cresta Drought Management Plan, 10. Attachment 10 Public Comments, 11. UP 20-90 Cresta Staff Report, 12. Public Comments Received During PC Meeting 5-12-22

| Date | Ver. | Action By | Action | Result |
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## Memorandum

**Item #2**  
**9:10 AM**  
**MAY 12, 2022**

## STAFF REPORT

**TO:** Planning Commission

**FROM:** Mary Darby, Community Development Director  
Prepared by: LACO Associates  
Planner: Andrew Amelung, Cannabis Program Manager

DATE REPORT GIVEN TO CDD: May 6, 2022

RE: **Cresta Properties, LLC**

- **Major Use Permit (UP 20-90)**
- **Initial Study (IS 20-109)**

District 5 Supervisor *Jessica Pyska*  
District 5 Planning Commissioner *Maile Field*

- ATTACHMENTS:**
1. Vicinity Map
  2. Property Management Plan
  3. Project Site Plans
  4. Proposed Conditions of Approval
  5. Initial Study/Mitigated Negative Declaration
  6. Mitigation Monitoring Reporting Program (MMRP)
  7. Hydrological Analysis/Drought Management Plan
  8. Tribal and Agency Comments Received
  9. Public Comments Received

## **I. EXECUTIVE SUMMARY**

The applicant, Cresta Properties, LLC, is requesting approval of a Major Use Permit for Commercial Cannabis Cultivation located at 6267 Kelsey Creek Drive and 6245 Gold Dust Drive, Kelseyville, CA further described as assessor parcel numbers (APNs): 007-013-23 and 007-013-22. The combined project area is approximately 58.54 Acres and is zoned "A-SC" for Agriculture-Scenic Combining District. The applicant's proposal includes the clustering of parcels as allowed by the County of Lake Zoning Ordinance, Article 27, Section 27.13(at).1.ii.(j). In total, Cresta requests a total cultivation area of 72,000 SF and a total cannabis canopy of 51,500 SF. The proposal includes the following (please see Proposed Site Plans attachment):

The proposed project will include the following:

- Three (3) Type 1C Specialty Cottage "Mixed Light" license: Cultivation for adult use cannabis in a permanent structure using exclusively artificial light or within any type of structure using artificial light at a rate above twenty-five watts per square foot between 2,500 square feet or less of total canopy size, on one premise.
- Two (2) Type 3B "Mixed Light" license: Mixed light cultivation for adult use cannabis in a greenhouse, glasshouse, conservatory, hothouse, or other similar structure using light deprivation and/or artificial lighting below a rate of 25 watts per square foot between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premise.

No grading of the project parcel is required to construct project structures or facilities, and all existing structures will remain in place, so no demolition would be required. However, the removal of approximately 8.2 acres of vineyard will be required, including the removal of vines, and the dismantling of vineyard irrigation equipment.

### **Location**

The proposed commercial cannabis project is located on a 21.1-acre parcel at 6267 Kelsey Creek Drive (APN 007-013-23). For the proposed project, water will be provided from an existing agricultural well via an easement located on the adjacent 37.7-acre parcel which is also owned by Cresta Properties, LLC. (APN 007-013-22). These are located south of the unincorporated community Kelseyville and just south of Clear Lake, in central Lake County. The parcels can be accessed from either Kelsey Creek Drive or Gold Dust Drive

### **Access**

The site is located south of the intersection of Highway 175 and Kelsey Creek Drive. On the northern side of the property, easement access is through parcel number 007-013-23, off of Gold Dust Drive or by Kelsey Creek Drive to Staheli Drive to Gold Dust Drive. The two easement access driveways are graveled and 20' wide.

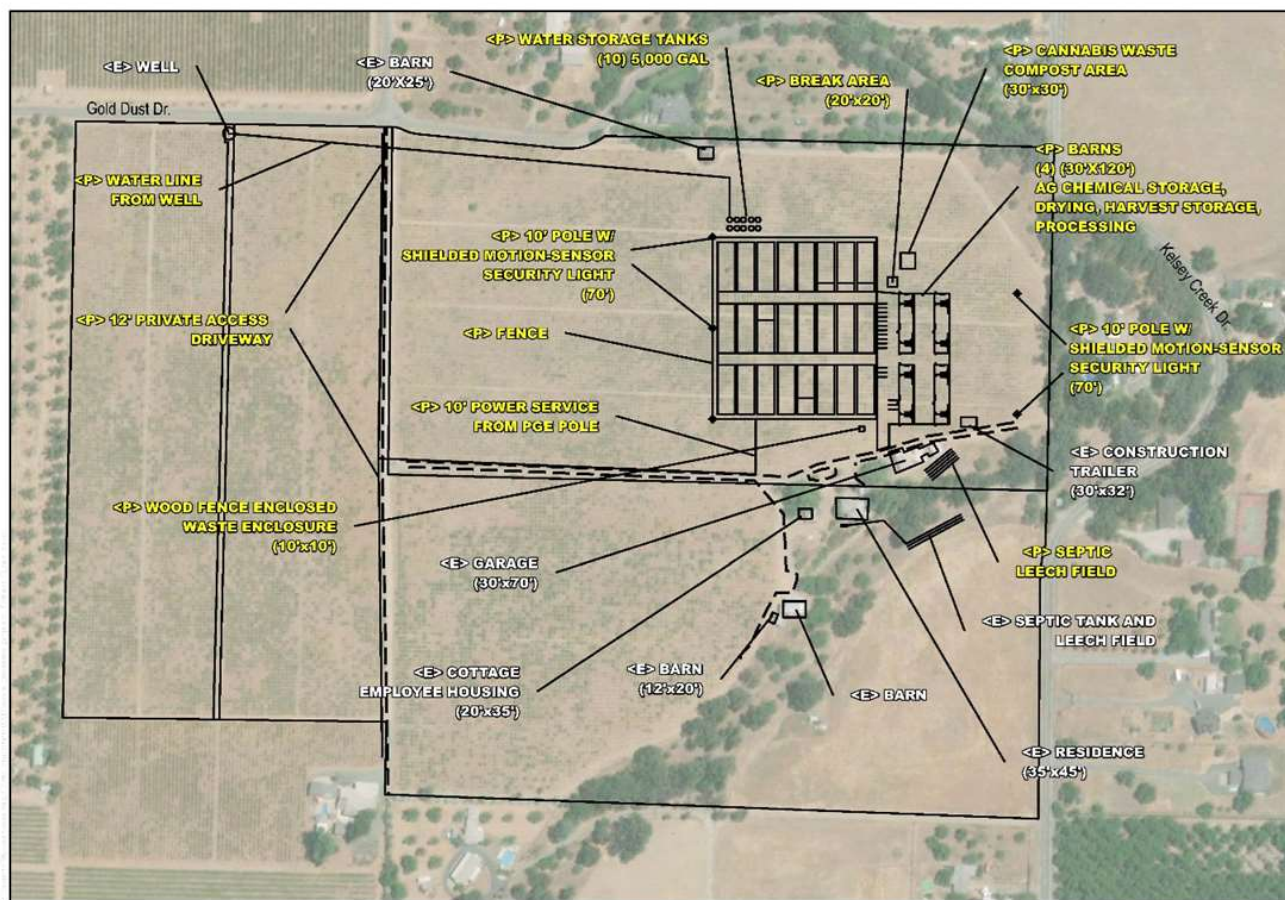
### **Security**

The project site will use physical barriers. A 6' tall, welded wire fence will be placed around the cultivation area. Drying

and harvested cannabis will be stored in a secure barn and cured cannabis will be stored in totes locked inside shipping containers within the barn. A gate will be installed at the access driveway. Access points such as gates and doors that lead into the cultivation area and into barns will have alarms installed. Motion sensors will be placed at the open area between greenhouses, and within the barns. ID badges will be provided to employees and contractors and will need to sign in sheet to clock in and out of the barns and cultivation areas. If suspicious activities are detected, the owner/ operator and assistant manager will review any reports of suspicious activities or any identified loss or diversion.

### Operation

Employees will undergo the staff screening process. Once successfully verified and completion of the live scan background check with no disqualifying criminal history, the candidate will be formally hired. The facility will operate from 8AM to 8PM seven days per week from March 1st through December 1st. Planting will occur in above ground pots with native soil and will be watered through drip irrigation. Cannabis cultivation equipment and agricultural chemicals will be stored in the barns which are sealed with concrete floors to prevent chemicals soaking into the soil. Waste bins will be placed throughout the site adjacent to the greenhouses, barns, and employees break area. To prevent erosion and sediment run-off and dust generation, roads, yards, and parking areas will be armored with 3" to 6" of #3 (0.5" to 2") stone.



Map Date: 05/11/2021

Aerial Source: Maxar



Figure 3 - Project Location with Proposed Features

Cresta Kelseyville Cannabis Project

Kelseyville, Lake County, CA

Figure 1. Proposed Site Plans and Cultivation Area

### Hydrology and Water Usage

The project property is within the Kelsey Creek watershed (HUC12=180201160303). For the proposed project, water will be provided from an existing agricultural well via an easement located on

the adjacent 37.7-acre parcel. The irrigation of the cannabis plants will be accomplished using a drip irrigation system, operated by timers to provide approximately 2,415 gallons per day to the entire system. Watering will occur approximately every 2-3 days, with a peak daily usage of approximately 9,000 gallons during the period of June through September.

### **Fertilizer and Chemical Usage**

Fertilizer usage will be tracked by logging total pounds of nitrogen and phosphorus applied and will be annually reported to the Waterboard. The applicant will do soil sampling before planting begins and then again during the first week of flowering. Any deficiencies will be addressed, and applicant will take necessary measures to address the issue. The cultivation is set back 100 feet from wells and surface water bodies to prevent any intrusion into ground or surface water. Fertilizers will be applied in compliance with labels and directions and will be stored in the secure barn structures. Spill kits will be located at each barn and at various locations within the cultivation area.

### **Cannabis and Solid Waste**

All non-hazardous waste will be hauled to the nearest waste disposal facility to the C&S Waste Solutions transfer station and recycling center located in Lakeport. Approximately 1 to 2 wet tons of vegetative waste will be generated per acre per year. However, these materials will be greatly reduced in volume as they are chipped and dried and composted at the compost area. All green waste generation will be tracked as part of the state METRC track and trace system.

### **Zoning - Scenic Combining District**

Planning staff has recently determined that the project, as proposed, exceeds the allowed square footage of structures within the SC district area that is applied to the project parcel. Therefore, the project as presented in Figure 1 is not in compliance with requirement of the SC district. However, the applicant can relocate these structures to the west and will be providing an updated site plan for consideration which reflects the changes. The area proposed for the relocation of the structures is disturbed vineyard area (like the current location). Also, the new location would be farther away from the closest residences to the north and east.

**Staff is recommending approval of Major Use Permit, UP 20-90 upon receipt of an amended site plan, and the adoption of a Mitigated Negative Determination based on the environmental analysis (Initial Study, IS 20-109) with the adoption of the incorporated Mitigation Measures, Mitigation Monitoring Reporting Program (MMRP), and Conditions of Approval.**

## **I. RECOMMENDATION**

### **Staff recommends that the Planning Commission take the following actions:**

#### **A. Adopt Mitigated Negative Declaration (IS 20-109) for Major Use Permit (UP 20-90) with the following findings found in Attachment 5:**

1. Potential aesthetics impacts can be mitigated to less than significant levels with the inclusion of mitigation measures AES-1 through AES-2.
2. Potential air quality impacts can be mitigated to less than significant levels with the inclusion of mitigation measures AQ-1 through AQ-7.
3. Potential biological impacts can be mitigated to less than significant levels with the inclusion of

mitigation measures BIO-1 through BIO-3.

4. Potential environmental impacts related to cultural and Tribal resources can be mitigated to less than significant levels with the inclusion of mitigation measures CUL-1 and CUL-3.
5. Potential environmental impacts related to energy use can be mitigated to less than significant levels with the inclusion of mitigation measures AQ-2.
6. Potential geology and soils can be mitigated to less than significant levels with the inclusion of mitigation measures GEO-1 through GEO-3.
7. Potential hazards and hazardous materials impacts can be mitigated to less than significant levels with the inclusion of mitigation measures HAZ-1 through HAZ-4.
8. Potential hydrology and water quality impacts can be mitigated to less than significant levels with the inclusion of mitigation measures GEO 1-3 and HAZ 1-5.
9. Potential noise impacts can be mitigated to less than significant levels with the inclusion of mitigation measures NOI-1 through NOI-3.
10. This project is consistent with land uses in the vicinity.
11. This project is consistent with the Lake County General Plan, Kelseyville Area Plan, and Zoning Ordinance.
12. Any changes to the project will require either an amended Use Permit or a new Use Permit unless the Community Development Director determines that any changes have no potential environmental impacts.
13. As mitigated through specific conditions of approval, this project will result in less than significant environmental impacts.

**B. Approve Major Use Permit UP 20-90 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.
7. The proposed use complies with all development standards described in Chapter 21, Article 27, Section 1.i.
8. The applicant is qualified to apply for the permit described in Chapter 21, Article 27, Section 1.ii.(g)(h).
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 **Mitigated Negative Declaration (IS 20-109)** prepared for **Cresta Properties, LLC** for the property located at **6267 Kelsey Creek Drive and 6245 Gold Dust Drive, Kelseyville**, further described as **APNs: 007-013-23 and 007-013-22** will not have a significant effect on the environment and therefore a Mitigated Negative Declaration shall be approved with the findings listed in the staff report dated **May 12, 2022**.

#### **Major Use Permit (UP 20-28)**

I move that the Planning Commission find that the amended **Major Use Permit (UP 20-90)** applied for by **Cresta Properties, LLC** on property located at **6267 Kelsey Creek Drive and 6245 Gold Dust Drive, Kelseyville**, further described as **APNs: 007-013-23 and 007-013-22** does meet the requirements of Section 51.4 and Article 27, Section 1(at) [i, ii(g), I (ii)] of the Lake County Zoning Ordinance with the amended site plan and the Major Use Permit be granted subject to the conditions and with the findings listed in the staff report dated **May 12, 2022**.

***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 fees must be submitted prior to 5:00 p.m. on or before the seventh calendar day following the Commission's final determination.*