

LAKE COUNTY PLANNING COMMISSION

MINUTES

REGULAR MEETING

July 22, 2021

Commission Members

P John Hess, District I
P Everardo Chavez, District II
P Batsulwin Brown, District III
P Christina Price, District IV

Staff Members

A Carol Huchingson, Interim Deputy Director
P Eric Porter, Associate Planner
P Katherine Schaefer, Assistant Planner
P Nicole Johnson, Deputy City Counsel
P Kerrian Marriott, Office Assistant III

REGULAR MEETING

9:00 a.m. CALL TO ORDER

Pledge of Allegiance lead by Comm. Brown

9:00 a.m. ACTION ON MINUTES

Comm. Price Motioned to approve the minutes from the July 8, 2021 PC Hearing seconded by Comm. Hess.

4 Ayes, 0 Nays -- Motion Carried

9:05 a.m. CITIZEN'S INPUT – None

9:07 a.m. Public Hearing to consider MAJOR USE PERMIT (UP 20-11). Applicant / Owner: Pasta Farms LLC. Proposed Project: Four phase development containing (11) A Type 3 (medium outdoor) commercial cannabis cultivation licenses within 113 hoop houses, and (1) A-Type 13 'self-distribution' license. Four (4) of the A-Type 3 licenses will convert to A-Type 3B (greenhouse) licenses within four years and will be inside four (4) 26,000 sq. ft. greenhouses. Location: 10750 and

10417 Seigler Springs North Road and 10833 Diener Drive, Kelseyville, CA; APNs: 115-004-01, 05 and 08. Environmental Evaluation: Mitigated Negative Declaration (IS 20-11). (Eric Porter)

Nicole Johnson Deputy County Counsel stated prior to the current item being read that it was unfortunate that the item had been presented to the commission in the way that it had. The item could be continued based on how the commission viewed the application based on what information staff had provided. The commission had the option to refuse the item, thus no action would be needed. If the item was taken up, the commissioners had the option to continue as staff had recommended or ask staff what information needed to be provided or corrected and how the analyst in the report would change and how long the continuance would be to achieve that goal. Ms. Johnson stated that new information could lead to a more thorough environmental analysis.

Comm. Hess asked what the difference between rejecting the item versus a continuance of the item in terms of process.

Nicole Johnson responded to Comm. Hess, stating that if the item was not taken up it did not trigger any rules it would be as though the project had never been presented to the commissioners and the items once the concerns were addressed would be publicized to the public and be re-presented to the commissioners. If the item was not taken there were no areas of concerns.

Comm. Price asked how the commissioners felt about not taking up the item or continuing it.

Comm. Hess asked if the item had to be read.

Nicole Johnson stated that if the commissioners did not take the item it could just be rejected and there would be no deliberation and no discussion and staff would go back and address their concerns with the report as presented. The report for the item at hand states that findings cannot be made and if the commissioners accepted staff's assessment, they could not approve the application.

Comm. Chavez asked Mr. Porter if he would recommend the commissioners not take the item, giving staff more time to assess the findings needed.

Eric Porter stated that he could not give a recommendation and that the project could not be approved as it was. Mr. Porter stated that there was a water conflict that came to light too close to the hearing date which changed the recommendation of the project from approval to a continuation giving

staff the opportunity to do a very thorough review of the dispute of the water source. The item is recommended to be continued to a date uncertain as there is uncertainty as to what the process would be to resolve the water dispute. There had also been substantial public objection to the project.

Nicole Johnson stated to the commissioners that they could take staff's recommendation but ultimately the decision was theirs to either continue the item as staff had recommended, deny the application or not pick up the item at all. It was based on evidence provided and the commissioner's analysis and determination.

Comm. Hess asked if a continuance could result in triggering additional studies, by not taking the item up wouldn't that trigger additional studies?

Nicole Johnson stated that she was unable to speak to the actual substance of the item, however if the item was refused staff would have to reassess the item and provide the commissioners with an analysis that could be reviewed and interpreted allowing them to form a decision.

Comm. Chavez stated he was moving more towards refusing the item.

Comm. Price asked if Com. Chavez wanted to refuse the item and have staff complete an overhaul.

Further conversation continued between Legal Counsel and the Planning Commissioners regarding the item at hand and whether the item should be continued, refused or denied.

Item Refused

9:18 a.m. Public Hearing to consider a Parcel Map (PM 20-23) to divide a 406.69 acre property to create three new parcels. Applicant / Owner: Langtry Farms LP. Location: 21700 and 22000 Butts Canyon Road, Middletown, CA; APNs: 014-310-08, 014-320-06 and 014-330-08. (Eric Porter)

Nicole Johnson Deputy County Counsel asked if the item was a general plan amendment.

Eric Porter Associate Planner stated that it was not, it was a parcel map.

Eric Porter gave a verbal and visual presentation on the proposed project. The presentation included, general background on the project, the zoning map, aerial photo of site and vicinity, parcel map, conformance with lake county regulations, county code - chapter 17 compliance, CEQA analysis and its exemption, staff's recommendation and a request from applicant

for change in conditions C2 requesting the addition of unless conducted for agricultural purposes pursuant to Lake County air quality management district burn permit.

Comm. Hess asked if the proposed project was connected to the Guenoc properties.

Eric Porter stated that Comm. Hess was correct.

9:29 a.m. Public Comment –

John Webb representative for the applicant thanked staff and gave a brief detail of the proposed project.

Nicole Johnson requested that the Commissioner ask staff if the change in conditions would affect a CEQA analysis.

Comm. Brown asked if the mitigation measures had any impact on the CEQA analysis.

Eric Porter stated that nothing would change with the application. The applicants were allowed to burn vegetative waste (non-cannabis) with the required burn permit. Cond. of approval included dust control and vegetative waste.

Comm. Hess asked if burning had been done on the site previously.

Eric Porter stated that he assumed so.

Comm. Hess stated that he had seen smoke from the site prior and asked if it would be considered an existing use like previously disturbed.

John Webb stated that the applicant utilized the standard Lake County burn permit and had burned previously for many years and the applicant was requesting to continue.

Thomas Addams representative of applicant stated that applicant was requesting to continue doing what they had been doing in the past pursuant to existing ordinances.

9:35 a.m. Public Comment Closed

Comm. Hess Moved to Motion, Seconded by Comm. Price find on the basis of the environmental review undertaken by the Planning Division and no mitigation measures were added to the project, that the Parcel Map, PM 20-23 as applied for by Langtry Farms, LP on property located

at 21700 Butts Canyon Road, Middletown, APN 014-310-08; 21200 Butts Canyon Road, Middletown, APN 014-320-06; and 22300 Guenoc Valley Road, Middletown, APN 014-330-08 will not have a significant effect on the environment and thereof, recommend the Planning Commission approve the proposed Categorical Exemption using CEQA section 15300.2(b) with the findings listed in the Staff Report dated July 22, 2021 and as amended today.

4 Ayes, 0 Nays – Motion Carried

Com. Hess Moved to Motion, Seconded by Comm. Price find that the Tentative Parcel Map, PM 20-23 as applied for by Langtry Farms, LP on property located at 21700 Butts Canyon Road, Middletown, APN 014-310-08; 21200 Butts Canyon Road, Middletown, APN 014-320-06; and 22300 Guenoc Valley Road, Middletown, APN 014-330-08 is in conformity with the provisions of the Subdivision Map Act and Chapter 17 of the Lake County Code and the Lake County Zoning Ordinance, and upon that basis approve said map subject to the conditions and with the findings listed in the Staff Report dated July 22, 2021 and as amended today.

4 Ayes, 0 Nays – Motion Carried

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.

9:38 a.m. Break

9:47 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)

Katherine Schaefer gave a verbal presentation on the proposed project. Referencing the staff report and the applicant's responses to the concerns brought forth in the July 8th hearing of Biological surveys, cultural resources, traffic, hydrology and a follow up to the CDFW violation.

Comm. Chavez asked if the proposal of the well 50 ft. from nursery was in the original application.

Comm. Brown stated he completed a site visit and viewed the proposed site.

10:03 a.m. Public Comment

Tom Armstrong member of Sourz gave a PowerPoint presentation, the presentation addressed the concerns that were discussed in the July 8th PC Meeting.

Traffic and Roads – Property Access points – Mitigation measures included, most employees living onsite, operational traffic consisting of passenger vehicles, roads to site are 4290 compliant, partial pavement of road and applicant had contacted the county regarding paying for road improvement, etc.

Distance from school – showed to be approximately two and a half miles away.

CDFW/Grading violation – New Lake and bed agreement was issued. Violation had been cleared

Localized Hydrology – Effect on neighboring wells, water conservation measures – showed diagram of the different aquifers in the high valley basin, diagram also showed due to well capacity, the applicants well should have no impact on the neighboring wells as it drew from a deeper aquifer. Mitigated measures also included the installation of driplines, tensiometers (measures the amount of water in the soil, which helps with over watering) and plastic mulch.

Cultural Resources - project reviewed and approved by Archeologist Dr. John Parker, all identified artifacts were found in wooded areas with trees, which were avoided, there was no tree removal.

Air Quality/Odor control/dust – odor reducing plants planted around the perimeter of the property, more than the required setback from neighbors. Compaction of soil as a dust mitigation measure along with the use of water trucks and a dust suppression treatment.

Biological Resources – Senior Biologist review found that no suitable habitat occurred on the proposed site.

Brad Stoneman Kimley Horn prepared the CEQA documentation. Spoke on traffic and a VMT analysis, which would typically be completed for projects greater than 110 trips, project is less but the study was still completed. Mr. Stoneman reiterated points made Mr. Armstrong regarding

the Grading Violations, the Lake and stream bed agreement and the conformation of the project.

Maria Conn neighbor voiced her concern with large cannabis corporations being allowed within residential communities. Supports cannabis community but is opposed to Non-residential Organizations moving in to the county to utilize the resources for financial gain, spoke on the CDFW violation and her concern that the project lacked the County's supervision. Spoke on violation of the EA permit. I.e. the project could not control to less than significant the odor as they could not control the wind, safety concerns, and water concerns. Requested a full and detailed environmental report be made completed, before an approval was given. Stated the hydrology report was padded with duplicated and outdated information for the appearance of a new review. Requested reports be completed from the county and not from the applicant.

Don Von Pelt Neighbor stated that the applicant's mitigation measures regarding dust were not enough, it was still dusty. Spoke on the number of employees proposed for the project and his believe that the applicant is misrepresenting the number of employees he will have. Mr. Von Pelt voiced his concern with odor.

Doug Logan neighbor voiced his concerns about the drought as it pertained to several districts implementing water reservation recommendations and his neighbors well, including his currently being dry.

Karen Mantele voiced her concern for the water supply, transparency with the reports and asked if there were new wells proposed for the project, how many wells total. Ms. Mantele voiced her concern for traffic and asked if the deeper well was currently existing or new. Ms. Mantele also asked if the CDFW had been cleared and who was the environmental scientist who signed off on the project. Was there a tribal consultation after AB52. Believes project should not be approved.

Richard Jones owns property in the area spoke on his concern with water, stating that the presentation did not include gallons being used but spoke on acreage. Mr. Jones stated that the crop being grown was not essential. Spoke on population of the oaks and the gallons utilized per day of drinking water stating that the long term effects were concerning with the current drought

John Mocknic Lake County Grown, supports project, spoke on the project being properly zoned and stated that it was the best location and the mitigation measures taken by the applicant were well thought through.

Richard Dhuram cultivator stated that it was one of the most comprehensive studies on a project he had seen, spoke well about the applicant. Stating the Importance of the project for the county and smaller farmers.

Mary Draper stated she had helped with the project and its transparency, spoke about the applicant and his willingness to communicate with his neighbors, states that applicant had also reached out to neighbors with dry wells and had personally brought them water. Believes that the applicants were being asked to do more than other projects she had been associated with. Spoke of Annje Dodd a representative for cannicraft stating that she was hired by another cultivator to look into the project.

Elli Hagoel owner spoke on the steps taken to address the concerns of his neighbors, states he had support from some neighbors who choose not to speak due to fear of ramification, states that the location is zoned for the project.

Karen Mantele voiced questions regarding PSI seminars and how the traffic compared to the current project. Asked why the Initial Studies showed the removal of vegetation, although the applicant had stated that there would be none, which was contradictory. Ms. Mantele asked if the wetland had been surveyed, was the existing septic system sufficient and why the commissioners thought this was such a great project.

Annje Dodd addressed Ms. Draper's comments stating that she had not been hired to address the proposed project

Jason Sheasley with Kimley Horn & Associates representing the applicant spoke on irrigation with land use, stated that the applicant was aware of the viability of their project and that it hinged on them being good stewards of the ground water resource, spoke on the geology and hydrogeology of the High Valley region survey completed, referenced the water availability report completed by EBA engineering. Spoke of the water basin and the different aquifers in High Valley.

Paul Bernacchio neighbor to applicant at another location. Spoke well of the applicant. Stated that a project of this size needed someone like the applicant who would be stewards of the land and the water resources and would help elevate Lake County on a whole. Asked the commissioners to support the project.

Damien Ramirez supports project states that the applicants had presented a vigorously thought through plan and in a zoned area designated for agriculture.

Jennifer Smith stated that the project met the requirements mandated. Applicants had shown complete transparency throughout the process. Spoke of the positive impact the project would bring to the county as an agricultural crop in a designated agricultural area. Ms. Smith stated that she supported the project.

Brad Stone Responded to wetland question asked by Ms. Mantele stating that there were no wetlands within the area of impact. Mr. Stone stated that vehicle miles traveled in comparison to prior owners PSI seminars would be less. Mr. Stone also addressed the septic concern stating that there were a number of septic and leach fields on site and was adequate for the project.

Maria Conn stated that she did not understand why an environmental impact report was not completed for this project. Spoke of her grievance with the impact to the community as it related to noise and scenic views. Ms. Conn stated that her grievance was not with the applicant who had helped her fill her tank but was very concerned due to the size of the project and its water consumption.

Elli Hagoel Spoke on Ms. Conn concern regarding collapse of the valley. Mr. Hagoel stated that he was living his life in faith not in fear as fear would bring about no change and that community support was what was needed. Mr. Hagoel read a letter into the record from Lesly and Craig Small, neighbors to the project in support of the project and their acknowledgement of the relocation of the entry gate to the project and his willingness to mitigate concerns. Mr. Hagoel stated that the company had decided to reduce the number of cannabis plants and would utilize 40 acres to plant sunflowers thus increasing the buffer between the project site and his neighbors.

Doug Logan stated that the applicants had been amicable, the concern was the water usage.

Mary Draper recommended that consultants should state what projects they are representing prior to commenting, Ms. Draper referenced Ms. Mantele as such.

Karen Mantele stated she was a member of the public and that she was familiar with planning and her comments referenced her personal concerns.

Sara Faudi stated she had concerns with cultivation on a whole prior to longtime friend Mr. Hagoel explaining it to her. Ms. Faudi spoke on the public's views of the applicants being a corporation and referenced the historic battle with agriculture in respect to sharing resources and farms in close proximity. Referenced property owner rights and congratulated everyone for using facts versus emotions.

11:24 a.m. Public Comment Closed

Nicole Johnson Deputy County Counsel stated that should there be a tied vote it would be considered a denial. Option to continue if the vote could potentially be tied should be considered as there was no option to retract if that occurred.

Comm. Brown reiterated that he had conducted a site visit. He had questions regarding the hydrology report including the ground water recharge of the aquifers and had questions of the impact to all the aquifers.

Jason Sheasley stated that the applicants had a recharge drip irrigation system which was water conscious and allowed water to be applied directly to the land surface which slowly infiltrated the subsurface and recharged the first aquifer it came in contact with. Stating that benefits of applicants drawing water from the deeper aquifer was that it would recharge the smaller one.

Comm. Brown asked if the drought and the aquifer have an effect on the drought in the valley.

Jason Sheasley stated that the drought would have an impact, survey completed showed during normal seasonal fluctuations that an anticipated 5 to 10 ft. water level change. However due to the water being utilized for irrigation purposes vs being trucked off or for livestock and it being reapplied to the land service. Spoke of the 1976 drought that took approx. 4-5 years for ground water to come back to normal conditions. Stated that adjustments could be made for irrigation as necessary i.e. reducing crop sizes or possibly using reclaimed water as a mitigated measure versus using ground water.

Comm. Brown voiced his concern for traffic impacts and asked if a pilot cart would support the transport of products etc. versus a larger than half ton truck. Would it reduce the road use?

Comm. Chavez referenced a video that surfaced via YouTube depicting pipes from the neighboring AG site Brassfield Winery to the proposed project and asked why and what it was being used for?

Comm. Hess asked if the applicant had made any financial contributions to county for the maintenance of the roads. Comm. Hess commented that there was current sensitivity to water but the commissioners were not a policy making body, each application was taken on a case by case basis.

Comm. Price asked why the diversion of water from Brassfield, was there going to be trimming onsite and stated that 60 employees seemed rather small for the scope of the project.

Comm. Chavez asked how deep the well being utilized was. How far away was the cultural resource site in relation to where the applicant had disked and did the applicant know before disked where the cultural sites were located?

Elli Hagoel stated that the new well would be over 350 ft. deep. Stated that Dr. Parker had informed them where the cultural sites were located.

Comm. Price asked how many wells were currently on-site and how many more were additions were being proposed.

Elli Hagoel stated they had three current wells, with a proposed additional two wells. Mr. Hagoel responded to Comm. Hess stating that they were in communications with Public Works and were committed to adding a 15 ft. culvert by the turn. Mr. Hagoel added that the diverted water from Brassfield was for cattle, 40 acres of sunflowers and could be utilized for fire suppression.

Tom Armstrong responded to the hydrology and drought question stating that the 2016 report was completed at a time of comparable drought with similar conditions to the current drought situation.

Comm. Brown reiterated his question regarding pilot cars and mitigating some of the road wear concerns.

Tom Armstrong stated that they would do whatever they could to make conditions better for the neighbors and road wear.

Scott Deleon Public Works Director confirmed that the applicant had been in contact with road superintendent Jim Hail to discuss improvements to the road. Mr. Deleon stated that with Board approval the applicant would pay a percentage from the cannabis tax to help with the upkeep and maintenance of the road.

Comm. Price asked was the diversion of water from the Brassfield vineyard apart of the original application?

Tom Armstrong stated that because the water was not being utilized for the proposed project it had no effect on CEQA so it was not considered in the initial study. It was also temporary, rented and above ground and was completed within county ordinances.

Katherine Schaeffers asked Scott Deleon Public Work Deputy to clarify what an encroachment permit was.

Scott Deleon stated that a trenching permit allowed the applicant to place a horizontal directional boar beneath the county road extending water lines to the adjacent property. An encroachment permit allows the applicants to do work on a county maintained road right of way. The permit allows for the installation not the use.

Comm. Price reiterated her question of trimming being completed on site or off site?

Tom Armstrong stated that multiple housing structure were onsite as the site was initially designed for a proposed hotel, which the employees would utilize.

Comm. Chavez stated that he felt his water concerns had been adequately addressed.

Comm. Price stated that she appreciated the visual presentation.

Comm. Hess commented that this was the most comprehensive and carefully crafted application he had seen.

Comm. Hess Moved to Motion, Seconded by Comm. Chavez 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.

4 Ayes, 0 Nays – Motion Carried

Comm. Hess Moved to Motion, Seconded by Comm. Chavez 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.

4 Ayes, 0 Nays – Motion Carried

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.

11:56 p.m. UNTIMED STAFF UPDATE

Office News

11:57 p.m. Adjournment