

The Sunny S Ranch - A 20-acre parcel at 19424 Butts Canyon Road in Lake County, California

Project Description Sunny S Ranch Major Use Permit Application for an A-Type 3B Mixed Light Cannabis Cultivation Project

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Introduction

Pursuant to the Lake County Zoning Ordinance #3703, Sunny S Ranch, LLC submits this Major Use Permit application for the proposed development and operation of an A-Type 3B mixed light cannabis cultivation facility.

The proposed mixed light cultivation facility site is located at 19424 Butts Canyon Road, east of Middletown.

A-Type 3B mixed light cannabis cultivation is authorized in the recently adopted Lake County Cannabis Cultivation Ordinance #3703, within the RL - Rural Lands Zoning District, subject to approval of a Major Use Permit.

Upon approval of the Lake County Major Use Permit, the proposed cultivation facility is also subject to approval of a California Department of Food and Agriculture (Cal Cannabis) Cannabis Cultivation License.

Several documents have been prepared in support of the proposed Sunny S Ranch cannabis cultivation project and are attached. These supporting documents and exhibits provide background information regarding: existing site conditions; proposed site improvements; property management policies; plans; facility operational practices and characteristics; CEQA environmental issues; and related topics.

This Project Description document, the eight (8) project site plans, the Property Management Plan, the Major Use Permit Application Form and Questionnaire, the CEQA Initial Study form, and related documentation provides factual support for approval of the Sunny S Ranch Major Use Permit application by the Lake County Planning Commission.

The Sunny S Ranch cannabis cultivation project is considered mixed light cultivation of both mature and immature cannabis plants in greenhouses with light deprivation, using both natural and artificial lighting sources.

Pursuant to Lake County Ordinance No. 3703, A-Type 3B mixed light cannabis cultivation facilities are permitted in a greenhouse, glasshouse, conservatory, hothouse, or other similar structure using light deprivation and/or artificial lighting the lower rate of 25 watts per square foot between 10,001 and 22,000 ft.² inclusive of total canopy size on one premises.

The Sunny S Ranch is an existing 20 acre rectangular shaped parcel with a dimension of 600' x 1452'. The property can be best described as a ranchette. The property is located on the north side of Butts Canyon Road, 3.7 miles east of Highway 29. It has been developed for many years with an existing single-family dwelling (manufactured home), a garage, storage container, fenced and cross fenced pastures, landscaping, and other typical improvements. The property has a history of pasturing horses and related ranching activities. The property is served by PG&E, and is developed with a domestic water well, sanitary septic system, asphalt driveway, satellite-TV, and other typical improvements.



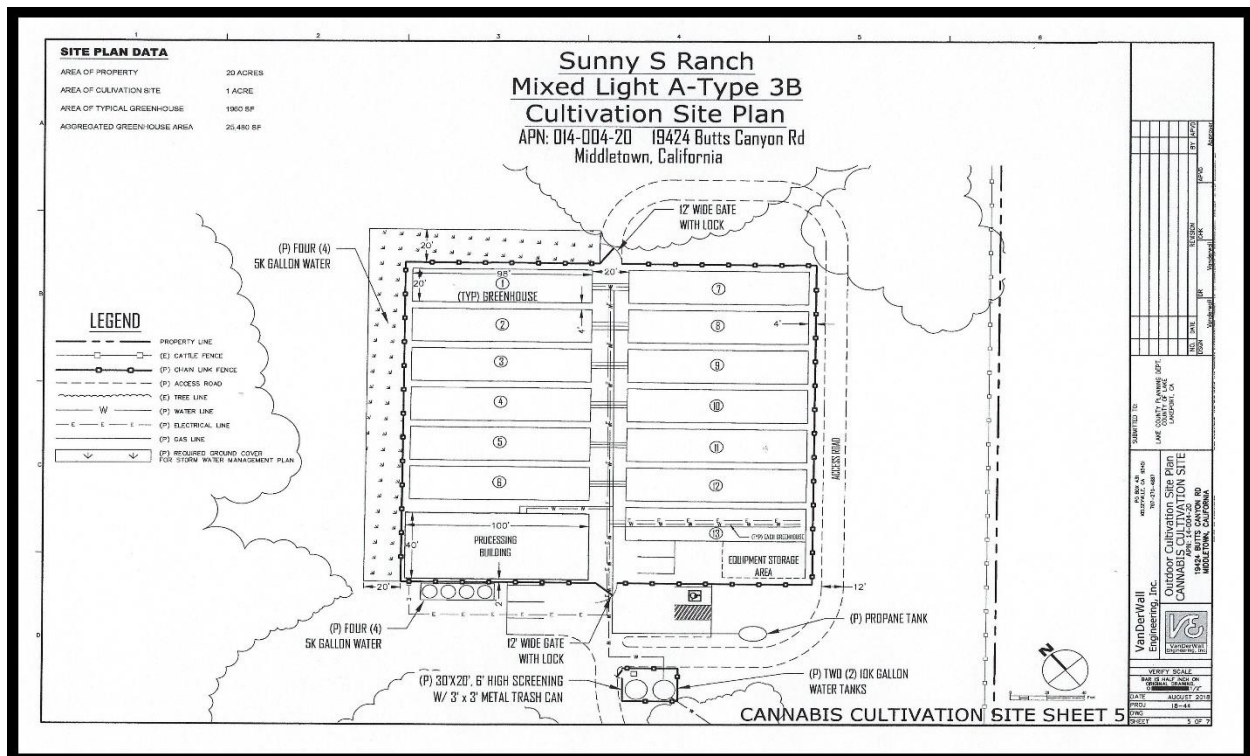
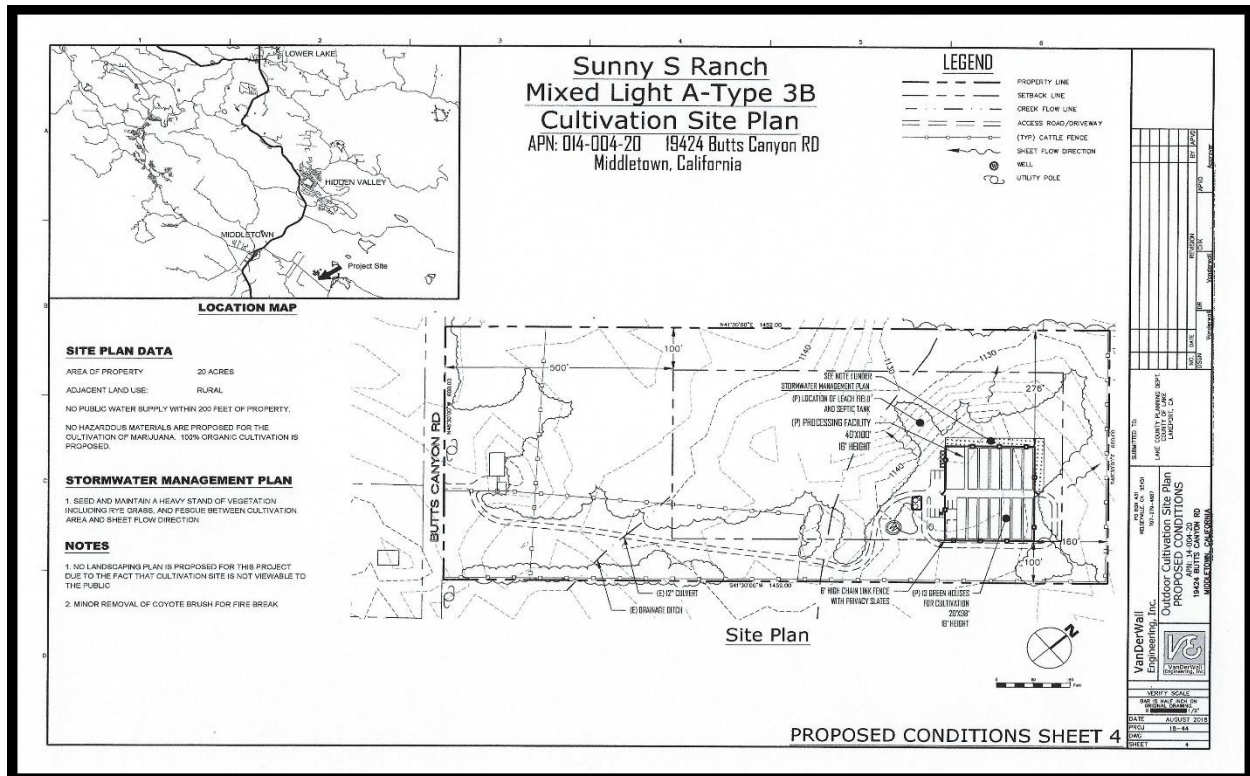
19424 Butts Canyon Road
Existing House

Project Description

The Sunny S Ranch (also known as SSR) cannabis cultivation project is a proposed A-Type 3B Mixed-light operation on a 20-acre parcel located at 19424 Butts Canyon Road in Lake County, California (APN 004-004-20).

The parcel is on the north side of Butts Canyon Road, approximately 3.75 miles east of Middletown. The land fronts directly on Butts Canyon Road, a paved County maintained roadway. There is a paved driveway approach providing site access to the house, garage, and pasture area.

The SSR cannabis cultivation facilities will be developed and operated within a 1 acre fenced enclosure as depicted on the following plans. The cannabis cultivation facilities will be set back over 1,065' from the Butts Canyon Road frontage and will not be visible from the road or from adjoining properties. Setbacks of 100' from the southern property line, 160' from the back-property line, and 276' from the northern property line will be established and maintained.



The 1 acre fenced enclosure will essentially be a square shaped area with an outside dimension of 224' x 194'. A 6' tall chain-link fence with site obscuring slats will form the cultivation area perimeter enclosure.

Access to the cultivation facilities will be provided on a 12' wide rocked driveway following the alignment of an existing driveway extending in from the Butts Canyon Road driveway. This driveway will run north through existing pasture to the existing pumphouse/well and the cannabis facilities parking area. Five parking spaces will provide both regular parking and handicapped accessible parking just outside the cultivation facilities fence and main gate. Employees will park within this area and will require keypad access to the cultivation facilities enclosure through a 12-foot-wide chain-link gate or the 4-foot-wide pedestrian gate.

The SSR cannabis cultivation facilities will include:

- A 40 x 100' metal frame processing building with 12-foot walls and 16-foot-tall gable height.
- Thirteen (13) – 98' x 20' steel cold frame greenhouses.
- A 20-foot-wide center access corridor.
- Ancillary facilities and storage area.

Lake County General Plan

The 19424 Butts Canyon Road property (APN 014-004-200) is designated by the Lake County General Plan as Rural Lands. The purpose of this land use category per the General Plan is to “allow rural development in areas that are primarily in their natural state and the category is appropriate for areas that are remote. Typical uses permitted by right include, but are not limited to animal raising, crop production, single-family residences, game preserves, and fisheries other typical uses permitted conditionally but are not limited to, recreational facilities manufacturing and processing operations, mining, and airfields.”.

In the following pages, this Project Description document provides an evaluation of the Lake County General Plan below and provides findings indicating that the subject site and proposed cannabis cultivation facilities project is in conformance with the goals and policies of the Lake County General Plan.

Lake County Zoning Ordinance

The subject property is zoned RL- Rural Lands District. According to Article 7, Section 7.1 of the Lake County Zoning Ordinance, the purpose of this Zoning District to provide for resource related and residential uses of the County's undeveloped lands that are remote and often characterized by steep topography, fire hazards, and limited access. Section 27.2 - Table A indicates that Adult Use Cannabis Cultivation is permitted within the RL Zoning District subject to approval of a Major Use Permit.

This Project Description document contains an evaluation of the Lake County Zoning Ordinance, including the Cannabis Cultivation Ordinance and provides suggested findings indicating that the subject site and proposed cannabis cultivation facilities project is in conformance with the applicable County Ordinances.

Conformance with Lake County Cannabis Cultivation Regulations

The Lake County Board of Supervisors in March of 2018 adopted Cannabis Cultivation Ordinance regulations (Lake County Ordinance #3703) which are now part of the Lake County Zoning Ordinance.

These regulations are consistent with current State law and establish a program to be implemented in coordination with the State of California's Medical and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA").

The following **Suggested Findings** are in response to applicable County Zoning (Cultivation Ordinance) provisions (**bold text/underlined**) and provide a nexus between the County Ordinance and the project's site plans, floor plans, property management and operational details, to support the project's compliance with applicable County regulations.

A person interested in applying for a cannabis cultivation use permit shall be enrolled with the applicable Regional Water Quality Control Board or State Water Resources Control Board for water quality protection programs as of the effective date of this ordinance or written verification from the appropriate board that enrollment is not necessary.

Applicant's Response and Suggested Findings:

- In compliance, Sunny S Ranch is enrolled in the Central Valley Regional Water Quality Control Board as of May 9, 2018, with application prior to the effective date of the Ordinance in April 2018. See CVRWQCB Notice of Applicability WDID # 5S17CC401847. See attached.

Applicants shall schedule and pay the fee for a pre-application conference with the Department prior to the submittal of an application for a use permit.

Applicant's Response and Suggested Findings:

- In compliance, Sunny S Ranch applied for and completed the Lake County Community Development Department pre-application process in June 2018.

Permit application supplemental information.

Applicant's Response and Suggested Findings:

- In compliance, Sunny S Ranch has completed the Lake County Supplemental Data Questionnaire. See attached County Form - Supplemental Data Questionnaire.

Project description: The project description shall provide adequate information to evaluate the impacts of the proposed project and consists of three parts: a site plan, written description section, and a property management section.

Applicant's Response and Suggested Findings:

- In compliance. See Project Description document, site plan - 8 sheets, written description section, Property Management Plan, CEQA IS Checklist. and related exhibits.

Site Plan: A site plan is a graphic representation of the project consisting of maps, site plans, or drawings prepared by a design professional consistent with the requirements of the Department pursuant to Article 55.5.

Applicant's Response and Suggested Findings:

- In compliance. Van Der Wall Engineering has prepared detailed site plans, aerial photos, existing conditions plans, proposed conditions plans, floor plans, building layout plans, and security

plans. In addition, general information and catalog plans prepared by the project proponent are attached.

Written Description: A written section which shall support the graphic representations and shall, at a minimum, include:

(a) A project description;

(b) The present zoning;

(c) A list and description of all uses shown on the site plan;

(d) A development schedule indicating the approximate date when construction of the project can be expected to begin and be completed for each phase of the project; including the permit phase;

(e) A statement of Sunny S Ranch's proposal for solid waste disposal, vegetative waste disposal, storm water management, growing medium management, fish and wildlife protection, water resources protection, energy use, water use, pest management, fertilizer use, property management, grading, organic farming, and protection of cultural resources;

(f) Quantitative data for the development including but not limited to:

Gross and net acreage; the approximate dimensions and location of structures for each district or area; employee statistics; support services required; traffic generation data based on anticipated uses; parking and loading requirements; and outdoor storage requirements based on anticipated uses;

Applicant's Response and Suggested Findings:

- In compliance, this Project Description includes the current General Plan and Zoning information.
- The County Application Form - Supplemental Questionnaire sheets include a development schedule.
- The Property Management Plan addresses and describes a wide array of operational procedures and provides information regarding the Sunny S Ranch's procedures for solid waste disposal, vegetative waste disposal, storm water management, growing medium management, fish and wildlife protection, water resources protection, energy use, water use, pest management, fertilizer use, property management, grading, organic farming, and protection of cultural resources.
- Information concerning acreage, dimensions and location of structures for each district or area, employee statistics, support services required, traffic generation data based on anticipated uses, parking and loading requirements, and outdoor storage requirements based on anticipated uses is also provided.

Property Management Plan: All permittees shall prepare a Property Management Plan. The intent of said plan is to identify and locate all existing cannabis and non-cannabis related uses on the property, identify and locate all proposed cannabis and non-cannabis related uses on the property, and describe how all cannabis and non-cannabis related uses will be managed in the future. The property management plan shall demonstrate how the operation of the commercial cannabis cultivation site will not harm the public health, safety, and welfare or the natural environment of Lake County.

Applicant's Response and Suggested Findings:

- In Compliance, see Sunny S Ranch Property Management Plan.

Major Use Permit Suggested Findings - Article 51, Section 51.4 (a) 1- 6 Lake County Zoning Ordinance:

(a) The Lake County Planning Commission may only approve or conditionally approve a Major Use Permit if all 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.*

Applicant's Response and Suggested Findings:

- As described herein, the establishment, maintenance, and operation of the proposed Sunny S Ranch cultivation project will not be detrimental to the health, safety, morals, comfort, and general welfare of persons residing or working in the neighborhood of the proposed use. The proposed cultivation improvements are isolated and have been well planned to minimize detrimental impacts and conflicts with people residing and working in the area, property and improvements in the neighborhood or the general welfare of the County.
- The cannabis cultivation project will be built to California Building Code standards and will provide for a high level of security and safety consistent with the County regulations.
- The 1-acre cultivation site will be situated in the isolated northern portion of the 20-acre parcel and will maximize property line setbacks from adjoining properties and structures in order to minimize perceived detrimental health, safety, morals, comfort, and general welfare impacts to people in the neighborhood and the region.
- The cannabis cultivation laws of the State of California and the County of Lake have been approved by the voters and thus reflects the current morality of a majority of the state's voters and Lake County region. The intent with regard to development of the cannabis cultivation project is to be sensitive to the community's morality and comfort and general welfare of the Middletown area by installing and operating state-of-the-art cannabis cultivation facilities and equipment in order to minimize detrimental impacts.

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.*

Applicant's Response and Suggested Findings:

- The subject site meets the minimum 20-acre lot size for cannabis cultivation projects within the RL zoning district as adopted by the Lake County Board of Supervisors and within that context adequate in terms of size, shape, location and physical characteristics to accommodate the type of use and level of development proposed.
- The subject site is rectangular in shape with 600' of frontage on Butts Canyon Road and over 1,450' of depth and as such provides for sufficient land area for greenhouse construction and related activities within a secure and isolated location.
- The subject site has sufficient width and depth to accommodate the use and required setbacks and provide opportunity to locate outside of any nearby scenic corridor, which is consistent with the intent of the zoning ordinance

- The cultivation of cannabis within a greenhouse is an agricultural activity involving the propagation and growing of plant materials within a soil medium along with the application of irrigation water.
- The subject site is within an area with some agricultural activities and is consistent with adjoining and nearby uses and level of agricultural development.
- The project is to be developed with maximum canopy area in accordance with the County Cannabis Ordinance. This will allow for a high level of production and generate revenues for the County of Lake.
- The location is in an existing small ranching area and the cultivation use is a compatible agricultural activity.
- The subject cultivation site is flat which facilitates land development and it is provided with the full range of utilities, irrigation water, available land for accommodating septic facilities and storm water runoff without affecting adjoining land.

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

Applicant's Response and Suggested Findings:

- The subject site is located on the north side of Butts Canyon Road which is identified in the Lake County General Plan Circulation Diagram - Figure 6-1 as a minor collector Road. Chapter 6 of the Lake County General Plan – the Transportation and Circulation Element indicates that minor collectors are community travel routes and collectors of traffic from local roads providing access to higher density residential areas, local commercial facilities, neighborhood parks and schools, as land asked access facilities providing direct access to adjacent development. Butts Canyon Road serves this purpose and is consistent with this General Plan requirement.
- Butts Canyon Road is a level, straight, two lane paved roadway which is in good condition with good visibility and sight distance.
- The subject site is provided with a paved, developed driveway access from Butts Canyon Road into an existing parking area.
- The adjacent street and pedestrian facilities are reasonably adequate to safely accommodate the proposed cultivation facilities and the anticipated traffic that may be generated.
- The proposed cultivation project is set back almost 1,000 feet from Butts Canyon Road in a manner that protects natural and scenic resources.
- Roadway signing, and speed limit signs have been posted on Butts Canyon Road in accordance with County standards.

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.

Applicant's Response and Suggested Findings:

- The property has been developed with a SFD, garage, and a few small outbuildings for many years. There has been a history of public and private service usage. Services include, but are not limited to, fire protection as provided by the South Lake County Fire Department, water supply as provided from an existing private well on the subject site, sewage disposal as provided through the existing septic tank and leach field area, and

police protection as provided by the Lake County Sheriff's Department. These public and private services will continue to be available to the subject site and will be adequate to serve the proposed greenhouse/cannabis cultivation facilities.

- Lake County has developed an adopted a cannabis cultivation taxing structure that is intended to generate a significant tax revenue component that will benefit County departments in their provision of adequate public services including but not limited to the Sheriff's Department law enforcement services.
- Applicants for cannabis cultivation Major Use Permit's such as the Sunny S Ranch are also required to pay significant land-use application fees (\$5,000 +/-) to cover the costs of the Lake County Community Development Department's processing services. Building permit and plan check application fees are also required to cover the cost associated with review of plans and issuance of permits.
- Other fees for permits and services are charged by the County/State in order to cover the cost of providing services including for required background checks, air quality management permits, grading permits, water quality permits, streambed alteration agreements, driveway curb cut permits, septic permits, fire mitigation expenses, etc.

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.

Applicant's Response and Suggested Findings:

- The project is in conformance with the applicable provisions and policies of the Lake County Zoning Ordinance and the Lake County General Plan. The subject site is designated by the Lake County General Plan as Rural Lands. The purpose of this land use category per the General Plan is to "allow rural development in areas that are primarily in their natural state the category is appropriate for areas that are remote. Typical uses permitted by right include, but are not limited to animal raising, crop production, single-family residences, game preserves, and other typical uses permitted conditionally but are not limited to, recreational facilities manufacturing and processing operations, mining, and airfields."
- The Lake County General Plan contains many goals and policies concerning economic development including - **Goal LU – 1. To encourage the overall economic and social growth of the County while maintaining its quality of life standards.** The Sunny S Ranch project is consistent with this Lake County General Plan Goal in that a fundamental premise of the facility and its operations is to cultivate a legal cash crop, which will generate business income and regional employment opportunities, just like all other farming operations which will enhance the overall economic and social growth of the County. The Rural Lands General Plan Designation of the site mentions "*important groundwater recharge functions. As watershed lands, these lands function to collect precipitation and provide for important filtering of water to improve water quality*". The Sunny S Ranch mixed light greenhouse site design will support this General Plan Policy.
- The project will be operated in accordance with **Lake County General Plan** policies regarding maintenance of on-site drainage features to promote groundwater recharge functions and to properly manage the natural infrastructure of the watershed. There will be minimal ground disturbance activity and grading, the small parking area and access driveway will be provided with base rock-pervious surfaces to facilitate rainwater

absorption. Maintaining the pasture environment and minimizing water runoff are important operational features of this project.

- Lake County General Plan Land-Use Goal LU – 4 is ***to maintain economic vitality and promote the development of commercial uses that are compatible with surrounding land uses and meet the present and future needs of Lake County residents, the regional community and visitors.*** The proposed design of the project with its small light footprint, isolated site location, and minimal impervious surfaces, are compatible with the existing and surrounding land and farming uses and will help meet the current and future needs of Lake County residents, the regional community, and visitors to the area.
- General Plan Land-Use Goal LU – 6 is to ***maintain a healthy and diverse local economy that meets the present and future employment, shopping, recreational, and service needs of Lake County.*** The development of a small, mixed light greenhouse project on an existing agricultural farm site, is consistent with this goal. The farm business income, the generation of County revenues, the increased expenditure of employee's disposable income within Lake County, will all help enhance and maintain a healthy local economy and produce jobs. The revolving of local business revenue expended locally will help meet the employment, retail, recreational, and service's needs of the region.
- Lake County General Plan Policy LU – 6.1 ***promotes the development of a diversified economic base by continuing to promote agriculture, recreation services and commercial development.*** Over the years Lake County has encouraged and supported agricultural, recreational and commercial/resort development and business operations. The proposed Sunny S Ranch project is consistent with and promotes the agricultural sector with a well-designed greenhouse facility. The project is consistent with other facilities that have been approved and operated in Lake County.
- **The Lake County Comprehensive Economic Development Strategy (CEDS) 2016** vision is to achieve a sustainable, resilient, and prosperous economy that provides opportunity for an economically and socially diverse labor force and entrepreneurs that are educated, trained and prepared for future changes while protecting our rural agriculture-based quality of life and environment and providing a stable base for quality public services and programs. The **2016 CEDS** provides a snap shot of the economic situation in Lake County. The economy of Lake County is based on tourism and agriculture. Important trends to note are the large increases in the self-employment sector, and an ongoing resurgence in agricultural employment. Lake County recreation and tourism is based on the lakes, the outdoors, fine wines and good food, good customer service, and a lifestyle still grounded in agriculture Opportunities in this regard include promotion of sustainable agricultural practices and ag tourism attraction activities. The Land Use Element of the Lake County General Plan has additional policies that promote key industries including Agri-tourism (Policy LU-6.8). The proposed Sunny S Ranch mixed light greenhouse project should help support Agri-tourism and will help the County meet its goals of communicating the area's amenities and attributes and could help meet or exceed the potential for increased tourism and enhanced visitor experiences.

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.**

Applicant's Response and Suggested Findings:

- The proposed project Sunny S Ranch, LLC mixed light greenhouse project at 19424 Butts Canyon Road is not affected by any existing known violations of Chapters 5, 17, 21, 23, or 26 of the Lake County Code.

Conclusion

Sunny S Ranch, LLC has prepared and presented a comprehensive Major Use Permit application package including the completed County application form and supplemental questionnaire, *The Project Description* document, 8 site plans prepared by a civil engineer, the Property Management Plan, photos, and associated documents/exhibits in support of the approval of the Major Use Permit to develop and operate the A-Type 3B Mixed Light Cannabis Cultivation project at 19424 Butts Canyon Road.

The Major Use Permit application documents provide factual information concerning the project that supports approval of the Major Use Permit application.

There are considerable facts and suggested findings herein and in the Property Management Plan which support approval of and the establishment of the Sunny S Ranch, LLC cannabis cultivation project on the subject property.

The proposed mixed light greenhouse project will help support Agri-tourism and will help the County of Lake meet its goals of communicating the area's amenities and attributes and could help meet or exceed the potential for increased tourism and enhanced visitor experiences.

The cannabis farm business income, the generation of significant County revenues, employment opportunities and the increased expenditure of employee's disposable income within Lake County, will all help enhance and maintain a healthy local economy and produce jobs.

The proposed project is consistent with and promotes the Lake County agricultural sector with a high end, well designed state of the art greenhouse facility.

It is respectfully requested that the Lake County Planning Commission approve the Major Use Permit application for the Sunny S Ranch cannabis cultivation project based on the suggested findings and on the project application documentation/exhibits as submitted.

Thank you for your consideration and approval.