



COUNTY OF HUMBOLDT

For the meeting of: 10/6/2020

File #: 20-1295

To: The Humboldt County Board of Supervisors

From: Planning and Building Department

Agenda Section: Time Certain Matter

SUBJECT:

1:30 p.m. - Appeal of the Planning Commission actions to approve the Honeydew Ranch, LLC, Conditional Use Permit and Special Permit to allow continued cultivation of 16,175 square feet of mixed light cannabis cultivation and a 14,000-square-foot wholesale nursery, and up to 3.82 acres of cannabis cultivation relocated to the site through the RRR program and Adoption of a Mitigated Negative Declaration that evaluated a maximum of 6 acres of mixed light commercial cannabis cultivation and the wholesale nursery on Assessor Parcel Number (APN): 107-272-005.

RECOMMENDATION:

That the Board of Supervisors:

1. Open the public hearing and receive the staff report, testimony by the appellant (applicant), and public;
2. Close the public hearing;
3. Adopt the resolution (Resolution 20-__). (Attachment 1) which does the following:
 - a. Adopt the Initial Study and Mitigated Negative Declaration, State Clearinghouse No. 2019069066;
 - b. Make the findings required to deny the appeal and approve the Conditional Use Permits and Special Permit;
 - c. Deny the Appeal;
 - d. Adopt the mitigation monitoring and reporting plan; and
 - e. Approve the Conditional Use Permit, Special Permit and Zoning Clearance Certificates subject to the conditions of approval (Attachment 1A);
4. Direct the Clerk of the Board to give notice of the decision to the appellant, the project applicant, the property owner, and any other interested party; and
5. Direct the Planning and Building Department to file a Notice of Determination with the Humboldt County Recorder's Office, pursuant to the California Environmental Quality Act.

SOURCE OF FUNDING:

The appellant has paid the appeal fee associated with filing this appeal.

DISCUSSION:

Executive Summary

This is a continuance of the public hearing item from September 1, 2020. The Board considered the staff report on the proposed project and considered testimony from the applicant and members of the public. The item was continued to the October 6, 2020, hearing to address the following:

1. Determine power demand and power availability from PG&E and the proposed solar system,
2. Orchestrate a meeting between the applicant and neighbors to see if to determine if there are design alternatives and measures that can be taken to address the neighborhoods concerns and to
3. Direct staff to come back with a range of options to address certain intensities of development. (4-1, Madrone opposed)

The applicant has proposed modifications to the design and intensity of the site which greatly improve the site design relative to the potential impacts on the neighbors. A meeting was held with two of the neighbors and the applicant where concerns were discussed. It is not possible to address the fundamental concern that most of the surrounding parcels now support cannabis cultivation and the applicant and neighborhood have not developed a positive relationship. The subject site is within an area where the County's cannabis ordinance encourage cultivation to be located, which is reflected by the number of cultivation sites in the area. The applicant has modified the proposed plan to place all new cultivation as far away from the neighbors as possible and has reduced the area requested and changed all additional cultivation to be outdoor planted in the soil. This report will outline a range of alternatives, but the applicant's revised proposal achieves the Board of Supervisors' desire to minimize impacts on neighbors. Staff recommends approval of the applicant proposed alternative.

Discussion

In response to expressed concerns, prior to the neighborhood meeting, the applicant removed the proposed 20,000-square-foot cultivation area from the northeast corner of the property (closest to neighbor's residence), a proposed 20,000-square-foot cultivation area from the northwest portion of the property, and converted 78,820 square feet of proposed mixed-light cultivation to outdoor cultivation. Additionally, the applicant reduced the size of the processing structure to a one-story, 5,000-square-foot structure. After the meeting the applicant redesigned the site plan to move all new cultivation as far away from the nearest residence as possible. This resulted in switching the location of the solar panels and proposed hoop houses. As of the date of this staff report, the applicant had not provided power calculations, however, the reduction of 40,000 square feet of cultivation and conversion of 78,820 square feet of mixed-light cultivation to outdoor cultivation will greatly reduce the project power needs. An existing 400-amp service is on-site, and the applicant is proposing to supplement that with a 500 kw solar system.

Alternatives

There are a range of alternatives available to the Board of Supervisors as follows:

1. **Project Denial.** Deny the Conditional Use Permit and Special Permit and reduction of the size of the processing structure to a 1-story, 5,000-square-foot structure. Under this scenario, the approved projects (totaling 40,000 square feet) will be allowed to remain on the subject parcel. The existing cultivation and wholesale nursery would not be approved. The size of the rain catchment pond and solar power system should be modified to be consistent with this recommendation. The size of the rain catchment pond and solar power system should be modified to be consistent with this recommendation. The size of the processing building would be reduced to a 1-story, 5,000-square-foot structure. Total cultivation area would be 0.92 acres (Cultivation area = 1.9% of parcel).

2. **Existing Only.** Approve the Conditional Use Permit and the Special Permit with no additional RRR sites allowed to be relocated to the subject parcel and reduction of the size of the processing structure to a 1-story 5,000-square structure. Under this scenario, the Conditional Use Permit to allow continued cultivation of 16,175 square feet of mixed light cultivation and the 14,000-square-foot wholesale nursery would be approved. The approved projects (totaling 40,000 square feet) would also be allowed to remain on the subject parcel. No additional RRR sites would be approved to relocate to subject parcel. The size of the processing building would be reduced to a 1-story, 5,000-square-foot structure. The size of the rain catchment pond and solar power system should be modified to be consistent with this recommendation. Total cultivation area would be 1.29 acres (Cultivation area = 2.63% of parcel).

3. **Neighborhood Compatibility.** This alternative was developed to correlate the percentage of cultivation on other properties with the amount of cultivation proposed on this site. The percentage of site area approved for cultivation in relation to the total size of the parcel for projects within 1.5 miles of the project site have been identified. The percentage of cultivation area in relation to parcel size ranges from 0.15% to 9.5% as shown on the following table:

Table 1. Percentage of Cultivation Area based on Parcel Size of Approved Projects within 1.5 miles of the subject parcel.

APN*	APPS	ACRES	APPROVED CULTIVATION AREA (SF)	PERCENT (%) AREA OF CULTIVATION
107-283-001	12132, 12336, 13039	25.77	50,000 (30,000 ML and 20,000 OD)	4.5
107-272-007	11067	14.43	43,330 (25,000 ML, 18,330 OD)	6.9
107-311-001	10259, 10261, 10262, 10263, 10373, 10374, 10375	600	261,360 (6 acres)	1
107-272-005**	11950, 11954	49	40,000 ML	1.9

107-106-006	12657	37	9,300 ML 5,000 indoor	0.57
107-106-005	11475	158	5,000 ML 5,000 OD	0.15
107-055-014	11584, 12090	44.50	30,000 OD	1.56
107-272-009	11765	7.23	30,000 OD	9.5
Subject Site	12256	49.0	199,399.2	7.8

*Parcels are located within 1.5 miles of the subject parcel

**Approved cultivation area on subject parcel

The initial thought behind this was to correlate this site with other similar properties. As can be seen in the table above, the percent cultivation on the subject site is less than a property supporting a single approved ZCC and Single RRR with a combined cultivation area of 30,000 sf. Based on this, the subject site is consistent with the area of cultivation on other sites.

4. Applicant’s Proposal. Approve the Conditional Use Permit and Special Permit and allow 5 RRR sites to be relocated to the subject parcel and reduction of the size of the processing structure to a 1-story, 5,000-square-foot structure. Under this scenario, the Conditional Use Permit to allow continued cultivation of 16,175 square feet of mixed light cultivation and the 14,000-square-foot wholesale nursery would be approved. The approved projects (totaling 40,000 square feet) would also be allowed to remain on the subject parcel. There would be 5 RRR sites allowed to transfer to the parcel totaling 96,260 square feet. Total cultivation area would be 3.82 acres (Cultivation area = 7.8% of parcel). All RRR sites that have not yet been located on the site would be changed from mixed light to outdoor and planting would be in the native soil. The greenhouses would be exchanged for hoop houses without lighting. This change will result in the hoop houses not being enclosed with odor mitigation. In order to address odor and any noise from fans the applicant is changing the site plan to move the cultivation to the western side of the property way from the closest neighbor. The solar arrays would replace the greenhouses, and the hoop houses will be moved to the location of the solar arrays.

Neighborhood Meeting

On Wednesday, September 30, 2020, the appellant, applicant, and Planning Department staff met at the project site to see if any solutions could be worked out between the parties. The meeting was outdoors and lasted for one hour. The applicant presented proposed changes for review during the meeting. The appellant seemed appreciative of the proposed changes, however, requested the revisions in writing to discuss further with the other Hindley Ranch Neighbors as not all members were in attendance. The appellant was very clear that there was concern with the growth of the cannabis industry in the area, and was concerned with noise, odor, road maintenance, and a potential for increase in crime. It was agreed that it would be helpful to have regular neighborhood meetings to discuss if there are any issues and formation of a Road Maintenance Association. These provisions have been addressed in the

conditions of approval. A condition addressing noise has also been included. Given the high concentration of cultivation in this area it will be hard to address odor. In moving the cultivation as far away from the neighbor's property as possible, this is a good alternative to large enclosed greenhouses that are energy consumptive and produce fan noise. Planning staff prepared meeting notes for the group to review that included the proposed changes from the applicant and four scenarios that would be presented to the Board of Supervisors at the October 6, 2020, hearing.

Staff Recommendation

Based on input from both the appellant and the applicant and a review of neighborhood compatibility, Planning staff is recommending the following:

Approve the Conditional Use Permit and Special Permit and allow 5 RRR sites to be located on the subject parcel, reduction in size of the processing structure to a 1-story, 5,000-square-foot structure approval of the Conditional Use Permit to allow continued cultivation of 16,175 square feet of mixed light and the 14,000-square-foot wholesale nursery. The approved projects (totaling 40,000 square feet) would be allowed to remain on the subject parcel. Total cultivation area would be 3.82 acres (Cultivation area = 7.8% of parcel).

This recommendation also includes the revisions proposed by the applicant as follows:

1. All future RRR sites brought to the subject parcel will be outdoor cultivation in hoop houses with fans only.
2. Total square footage is proposed as 3.82 acres
3. Relocation of solar panels to eastern portion of meadow and greenhouses move toward western portion of parcel.

FINANCIAL IMPACT:

There will be no additional effect on the General Fund. The appellant has paid in full the appeal fee associated with this appeal.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by enforcing laws and regulations to protect residents.

OTHER AGENCY INVOLVEMENT:

Department of Health and Human Services, Division of Environmental Health; Department of Public Works, Land Use Division.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

There are four alternatives for the Board of Supervisors to consider. Staff recommends the alternative prepared by the applicant in response to the community meeting. It does what the Board of Supervisors requested which is to hear the concerns of the community and attempt to address those

ATTACHMENTS:

NOTE: The attachments supporting this report have been provided to the Board of Supervisors; copies

are available for review in the Clerk of the Board's Office.

1. Draft Board Resolutions and Findings
2. Revised Site Plan
3. Staff Report and Attachments from the 9.1.2020 Meeting
 - A. Appeal filed by Roxanne Kennedy received October 15, 2019
 - B. Letter from Hindley Ranch Neighbors dated April 16, 2020
 - C. Additional Materials Submitted by the Applicant
 - Letter from Applicant dated February 17, 2020, regarding concerns expressed by community members.
 - HDR Letters of Support
 - Traffic Management Plan
 - Noise Mitigation Plan
 - Honeydew Ranch, LLC, Electrical and Solar Plan prepared by JFL Design, LLC, dated March 1, 2020.
 - Soils Management Plan
 - Light Management Plan
 - Pest Management Plan
 - Honeydew Ranch Odor Control Plan
 - Power Point Remediation and Restoration Plan
 - Modified Project Description
 - Security Plan
 - Site Map
 - Hazardous Materials Plan
 - Site Management Plan for the Honeydew Ranch, APN: 107-272-005, prepared by Stillwater Sciences, dated December 2019.
 - Water Management Plan for the Honeydew Ranch, LLC
 - Fire Suppression Plan
4. Resolution of the Planning Commission, Resolution No. 19-120
5. Planning Commission Staff Report
6. Road Evaluation Report
7. Public Comments Received
8. Mitigated Negative Declaration

PREVIOUS ACTION/REFERRAL:

Board Order No.: K-2

Meeting of: September 1, 2020

File No.: 20-1046