



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C14

For the meeting of: May 22, 2018

Date: May 1, 2018
To: Board of Supervisors
From: John H. Ford, Planning and Building Director
Subject: Sensi Valley General Plan Amendment and Zone Reclassification Petition
Case Number GPP18-002/ZRP18-001
Assessor's Parcel Number 208-071-032
Dinsmore Area

RECOMMENDATION(S):

That the Board of Supervisors:

1. Consider the petition as part of the consent agenda; and
2. Accept the petition by approving the attached resolution (Attachment 1) based on the findings in the staff report and testimony received about the project; and
3. Direct the Clerk of the Board to give notice of the decision to the applicant and any other interested party.

SOURCE OF FUNDING:

Applicant Fees.

Prepared by Keenan Hilton, Planner

CAO Approval

REVIEW:

Auditor _____ County Counsel *JH* Human Resources _____ Other _____

TYPE OF ITEM:

☒ Consent
☐ Departmental
☐ Public Hearing
☐ Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Fennell* Seconded by Supervisor *Wilson*

Ayes *Bass, Fennell, Sundberg, Bohn, Wilson*
Nays _____
Abstain _____
Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *5/22/18*

By: *[Signature]*
Hayes, Clerk of the Board

Kathy

DISCUSSION:

Petition

The Humboldt County Planning and Building Department has received a petition requesting that the Board accept for processing an applicant-initiated General Plan Amendment and Zone Reclassification (Attachment 2). The petition seeks to change the General Plan designation of approximately 20 acres of land (Assessor's Parcel Number [APN] 208-071-032) currently designated Residential Agriculture (RA20) to Industrial General (IG). The change in designation would facilitate a Zone Reclassification of the subject parcel from Unclassified (U) to Heavy Industrial with a Qualified Combining Zone (MH-Q). The petition also seeks the Zone Reclassification of the subject parcel from Unclassified Zone (U) to Heavy Industrial with a Qualified Combining Zone (MH-Q). The "Q" Zone would identify and restrict principally and conditionally permitted uses to those that are consistent with the General Plan designation IG, if approved, and which have no impacts on the Van Duzen River watershed, and adjacent recreational, open space and residential uses.

Background

The parcel is located in Humboldt County, in the Dinsmore area, on the south side of State Highway 36, approximately 100 feet south from the intersection of Cobb Road and State Highway 36, on the property known as 46068 State Highway 36.

The applicant chose this property—which was a mill site—as a location to establish commercial cannabis processing, manufacturing, testing, distribution, and nursery operations. The Framework Plan designation that applied to the subject parcel on December 28, 2016, when the application was submitted, was Agricultural Land (AL20). Primary and Compatible Uses of the AL designation included resource production allowing intensive management opportunities. The designation allowed forest products processing which was consistent with the prior use of the site as a lumber mill. The General Plan update on October 23, 2017 changed the designation of the subject parcel to Residential Agriculture (RA20). The current land use designation does not allow all uses proposed in the cannabis application, most notably commercial cannabis manufacturing and distribution.

If approved, the General Plan Amendment to designate the subject parcel IG would necessitate a Zone Reclassification as the current U zone is not consistent with the IG designation. An MH-Q zone would allow all proposed uses and bring the zoning into conformity to the updated General Plan designation.

Issues

Should the General Plan Amendment and Zone Reclassification Petition be accepted, several issues would be more thoroughly analyzed during the General Plan Amendment and Zone Reclassification application review process. Some of these issues include the extent of the Flood Zone along the proximate stretch of the Van Duzen River, adequate water availability and storage, adequate parking, the location of proposed structures, the uses allowed in light of the proposed zone and plan change, and the compatibility of the surrounding neighborhood. There may be other issues that arise as part of the General Plan Amendment and Zone Reclassification process. Environmental review pursuant to the California Environmental Quality Act (CEQA) would be required.

Required Findings

Policy G-P8 of the Humboldt County General Plan specifies:

1. That a petition for amendment of this Plan may be accepted for processing upon the Board of Supervisors making one or more of the following findings:
 - A. Base information or physical conditions have changed; or
 - B. Community values and assumptions have changed; or
 - C. There is an error in the plan; or
 - D. To maintain established uses otherwise consistent with a comprehensive view of the plan; or
 - E. The proposed amendment has the potential for public benefit and is consistent with the Guiding Principles and applicable goals of the Plan; and
2. That the Board must also determine the revision is not appropriate for the next scheduled update; and
3. That for approval of Plan Amendments, the Board must make the findings that the proposed revision is in the public interest, and is consistent with the Guiding Principles in Section 1.4 and applicable goals of the Plan.

Section 312-50.5 of Humboldt County Code specifies that petitions for zoning map amendments shall be 1) in the public interest, and 2) consistent with the General Plan.

Staff Recommendation

Planning staff believes that findings for the approval of the General Plan Amendment Petition may be made on the basis of potential for public benefit. The current designation of RA(20) does not allow all proposed uses. The proposed amendment to an IG designation would be consistent to the County's Guiding Principles of supporting the County's economic development strategy and other efforts to retain and create living-wage job opportunities, and of encouraging, incentivizing and supporting agriculture, timber ecosystem services and compatible uses on resource lands. The placement of a variety of supporting infrastructures for the legal cannabis market will support niche manufacturing, create living-wage job opportunities, and facilitate the process of allowing cultivators in the Dinsmore area to compete in the legal cannabis market.

Planning staff believes that the revision is not appropriate for the next scheduled update as the supporting services proposed by the applicant are needed now. Cultivators in the region require the proposed land uses in order to enter competitively into the legal market. The land uses intended on the parcel following the General Plan Amendment are not currently present in the Dinsmore area.

Planning staff believes that the revision may be in the public interest as the community demand for the infrastructures supporting the legal cannabis market is significant.

Planning staff believes that the findings for the approval of the Zone Reclassification Petition may be made for the following reasons:

1. Public Interest

The U Zone that presently applies to the site would allow all of the proposed uses. However, it is not consistent with the proposed change of General Plan Designation to IG.

The Applicant presented evidence that it is in the public interest to change the designation and zoning to allow all proposed commercial cannabis activities on a parcel previously used for industrial timber processing. The Applicant reports that there exist 554 applications for cultivation on parcels within 20 miles of the subject parcel and as many as 2,000 cultivation sites including illegal operations. The zoning change would facilitate the conversion of a vacant lot into a hub of supporting facilities for the cannabis industry with minimal impact to county roads because the parcel is located on State Highway 36.

2. Consistent with the General Plan

Section 312-50.6 of Humboldt County Code specifies that petitions for amendment of the Zoning Regulations may also be initiated in conjunction with a petition for a General Plan Amendment. This report speaks to the conjoined petitions for both a Zone Reclassification and General Plan amendment.

Table 4-H of the General Plan shows that the IG designation under consideration for the subject parcel is not compatible with the U zone, but is compatible with the MH-Q zone. Accordingly, if the General Plan amendment is approved the Zone Reclassification to MH-Q would be consistent to the General Plan.

Planning staff believes that all necessary findings can be made to approve the Zone Reclassification Petition and General Plan Petition. Both proposals would be in the public interest. There is no reason that staff is aware of that the petitions should not be further analyzed. Staff recommends approval of both petitions.

A petition to accept an application for General Plan Amendment and Zone Reclassification is not a project as defined in Section 21065 of the Public Resources Code and is not subject to the California Environmental Quality Act (CEQA).

FINANCIAL IMPACT:

The source of funding is applicant fees deposited into Planning and Building Department Current Planning Revenue Account, 1100-277-608000. Applicant is responsible for all costs associated with processing of the project.

The proposed petition supports the Board's Strategic Framework through its core role of creating opportunities for improved safety and health and support for business development and the creation of private-sector jobs.

OTHER AGENCY INVOLVEMENT:

Should the petition be accepted, responsible and trustee state and local agencies will be involved in the referral process of the General Plan Amendment and Zone Reclassification, including Native American Consultation pursuant to AB 52, and as part of the environmental review for the project.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could find that not one of the grounds for considering a plan amendment can be made or that the revision is appropriate to be deferred until the next scheduled update. The Board could find that only one or neither of the grounds for considering a zone reclassification can be made. If any of these findings is made, the Board should reject the petition. Staff believes the necessary findings may be made, so staff does not recommend further consideration of this alternative.

ATTACHMENTS:

- Attachment 1: Resolution No. 18-49
- Attachment 2: Copy of Petition for General Plan Amendment and Zoning Reclassification submitted by the applicant March 20, 2018
- Attachment 3: Location Map/Assessor Parcel Map/General Plan Map/Zoning Map/Aerial Map

Attachment 1

Resolution No. 18-49

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of May 22, 2018

RESOLUTION NO. 18-49

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT
APPROVING THE GENERAL PLAN AMENDMENT PETITION AND ZONE
RECLASSIFICATION PETITION APPLICATION FOR APN 208-071-032; CASE NUMBERS
GPP18-002/ZRP18-001.**

WHEREAS, Section 312-50.4 Humboldt County Code allows a property owner to petition the Board of Supervisors to initiate a zone reclassification; and

WHEREAS, Section 312-50.2 of the Humboldt County Code allows the Board of Supervisors to initiate, grant, deny, or modify proposed amendments to Zoning Regulations; and

WHEREAS, Section 312-50.6 of Humboldt County Code specifies that petitions for amendment of the Zoning Regulations may also be initiated in conjunction with a petition for a General Plan Amendment; and

WHEREAS, the property owner has submitted an application requesting a plan amendment and zone reclassification for property as identified in Project File Number APN 208-071-032; Case No. GPP18-002/ZRP18-001; and

WHEREAS, Section 65358 of the State Government Code allows the Board of Supervisors to amend the General Plan up to four times in any calendar year;

WHEREAS, Section 3.4 of Humboldt County General Plan specifies that a petition for amendment of this Plan may be accepted for processing upon the Board of Supervisors making one or more of the following findings:

- A. Base information or physical conditions have changed; or
- B. Community values and assumptions have changed; or
- C. There is an error in the plan; or
- D. To maintain established uses otherwise consistent with a comprehensive view of the plan; or
- E. The proposed amendment has the potential for public benefit and is consistent with the Guiding Principles and applicable goals of the Plan

WHEREAS, Section 312-50.5.2 Humboldt County Code requires that the Zone Reclassification Petition demonstrate that the change will be in the public interest and consistent with the General Plan; and

WHEREAS, evidence is contained within planning files in support of finding that the proposed uses of the application would be in the public interest by providing necessary infrastructures for the legal cannabis industry to succeed in the Dinsmore area, creating opportunities for living-wage jobs and niche manufacturing; and

WHEREAS, the eventual approval of the proposed General Plan Amendment would make the proposed Zone Reclassification consistent to the General Plan; and

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of May 22, 2018

RESOLUTION NO. 18-49

WHEREAS, the petition to accept an application for zone reclassification and general plan amendment is not a project as defined in Section 21065 of the Public Resources Code and is not subject to CEQA.


NOW, THEREFORE, BE IT RESOLVED by the Humboldt County Board of Supervisors that the following findings are hereby made:

1. There is factual evidence in support of the petition for general plan amendment and zone reclassification; and
2. The revision is not appropriate for the next scheduled update because the community need for the proposed land uses is urgent in the rapidly evolving legal cannabis market; and
3. The petition is in the public interest by providing necessary infrastructure for the success of the legal cannabis industry in the Dinsmore area, and the proposed amendment to the General Plan would make the designation consistent to the proposed Zone Reclassification.

BE IT FURTHER RESOLVED that based on the above findings, the findings in the staff report, evidence in the file for the project, and public testimony received on the project, the Board of Supervisors accepts the Sensi Valley Zone Reclassification and General Plan Amendment Petition as recommended by the Planning and Building Department, Case No. GPP 18-002/ZRP18-001; and

BE IT FURTHER RESOLVED that the Clerk of the Board is directed to provide notice of this decision to all interested parties.

Dated: May 22, 2018



Ryan Sundberg, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor Fennell, seconded by Supervisor Wilson, and the following vote:

AYES:	Supervisors	Bohn, Sundberg, Fennell, Wilson, Bass
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of May 22, 2018

RESOLUTION NO. 18-49

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By Ryan Sharp
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California

Attachment 2

Copy of General Plan and Rezoning Petition submitted by the applicant March 20, 2018



**From the Desk of Sean Trainor
Founder/CEO
Sensivalley.com**

To whom it may concern

Sensi Valley, Inc. comes before you with an application to amend the new zoning on parcel 208-071-032-000. As noted below, Humboldt County brought forth and approved a new General Plan in 2017 which affects our proposed and future business plans for the site. This new General Plan is not consistent with the historical land use or historical zoning for this parcel. We are asking the Planning Department to initiate this application and recommend this amendment to the BOS to grant the zoning change to bring the parcel back into consistency with the New General Plan. (Please see attached application)

This amendment is in the public's best interest in order to bring forth a cannabis project that was built upon the Old General Plan, the historical land use and zoning that was in place prior to Dec 2016 when the applicant submitted a cannabis application to the county. The business model developed for this parcel was based on these directions from the State of California and Humboldt County. Please see references below to the State of California's MAUCRSA, Humboldt County's Commercial Cannabis Ordinances, and the General Plan.

Currently there are over 2000 cannabis cultivation sites within 20 miles of this parcel. 554 are current applicants for cannabis cultivation and the rest are potential applicants. There are extremely limited industrial or commercial zoned parcels in this area which has created severe challenges for the State of California, Humboldt County and many communities in the county. While cultivators may be permitted to grow, the processing, manufacturing, testing and distribution services are almost nonexistent in the county forcing most applicants or potential applicants to move back to or remain in the black market. This causes the State of California and Humboldt County to remain out of compliance on their cannabis regulations as well as places thousands of operatives in between a rock and a hard place. This then creates enormous stress on our communities while increasing the risks of public health and safety. This is not consistent with the State or County goals.

Our research of the old General plan, the historical land use and the zoning provides us the ability to apply for a commercial cannabis permit that allows:

1. 3rd party processing
2. Manufacturing
3. Testing and

4. Distribution

5. Nursery services

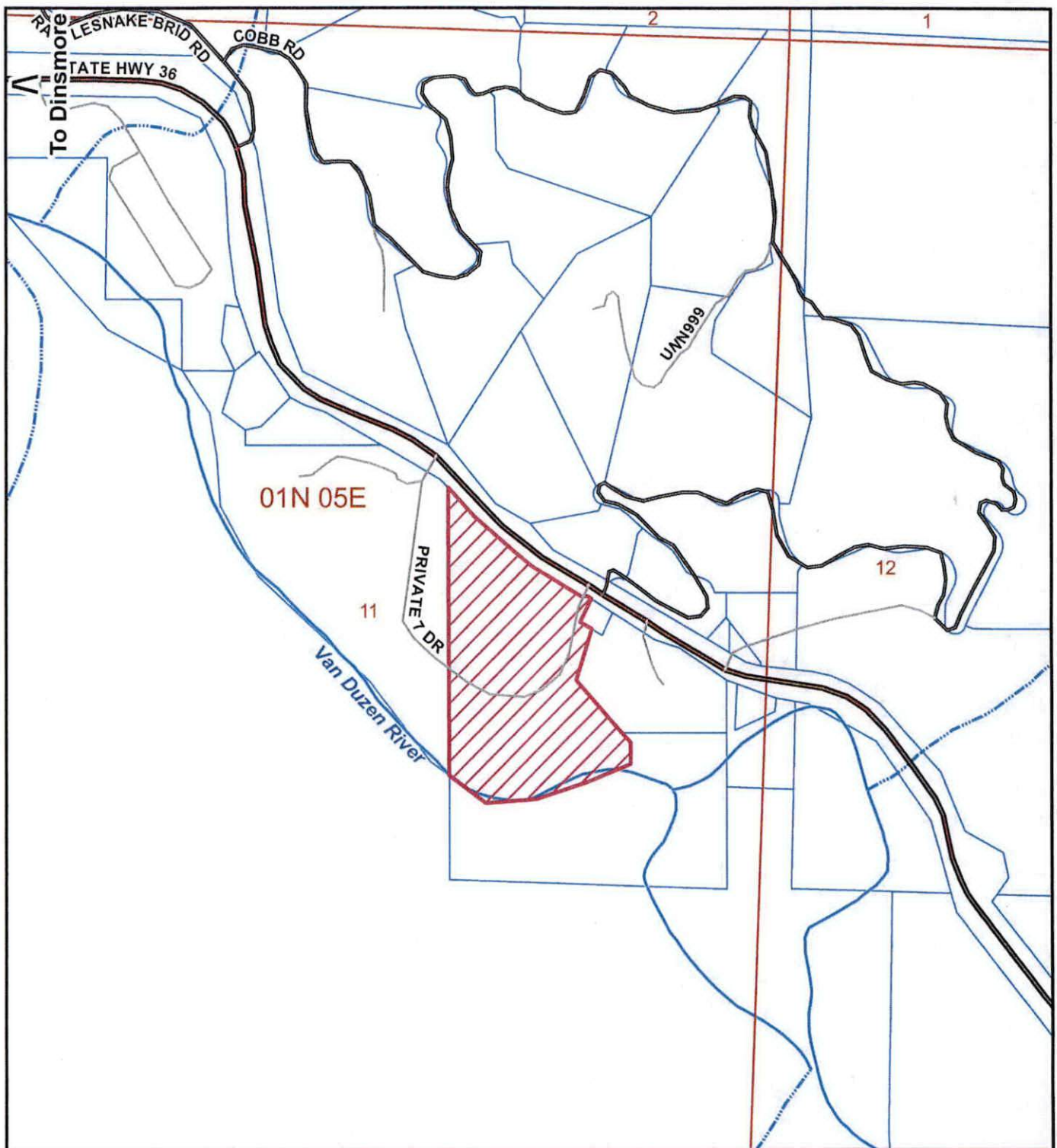
This "Support facility" is proposed to be located on the above-mentioned parcel which historically provided these same services for decades as a Mill site for the timber industry. This heavy industrial mill site provided the community a centralized hub of economic activity that allowed development and improvement of the economic and social status of its community members.

Sensi Valley seeks the permission to improve this vacant heavy industrial site and to provide the above-mentioned services for the cottage and other cannabis cultivators in the county. This development and facility will provide a path forward to bring the black-market operatives into the regulated industry as prescribed by the State of California and Humboldt County. This approved rezoning and the cannabis permit will help regulate thousands of operatives while providing jobs and improving the economic and social status of this agricultural community located in Humboldt County. Humboldt county is and will always be a resource-based county and Sensi Valley wishes to bring its project to fruition in order to assist the county and state in bringing unregulated cannabis operatives into compliance.

Applicable State and County regulations and ordinances relevant to the parcel's (re)zoning and commercial cannabis permit application:

Attachment 3

Location Map/Assessor Parcel Map/General Plan Map/Zoning Map/Aerial Map



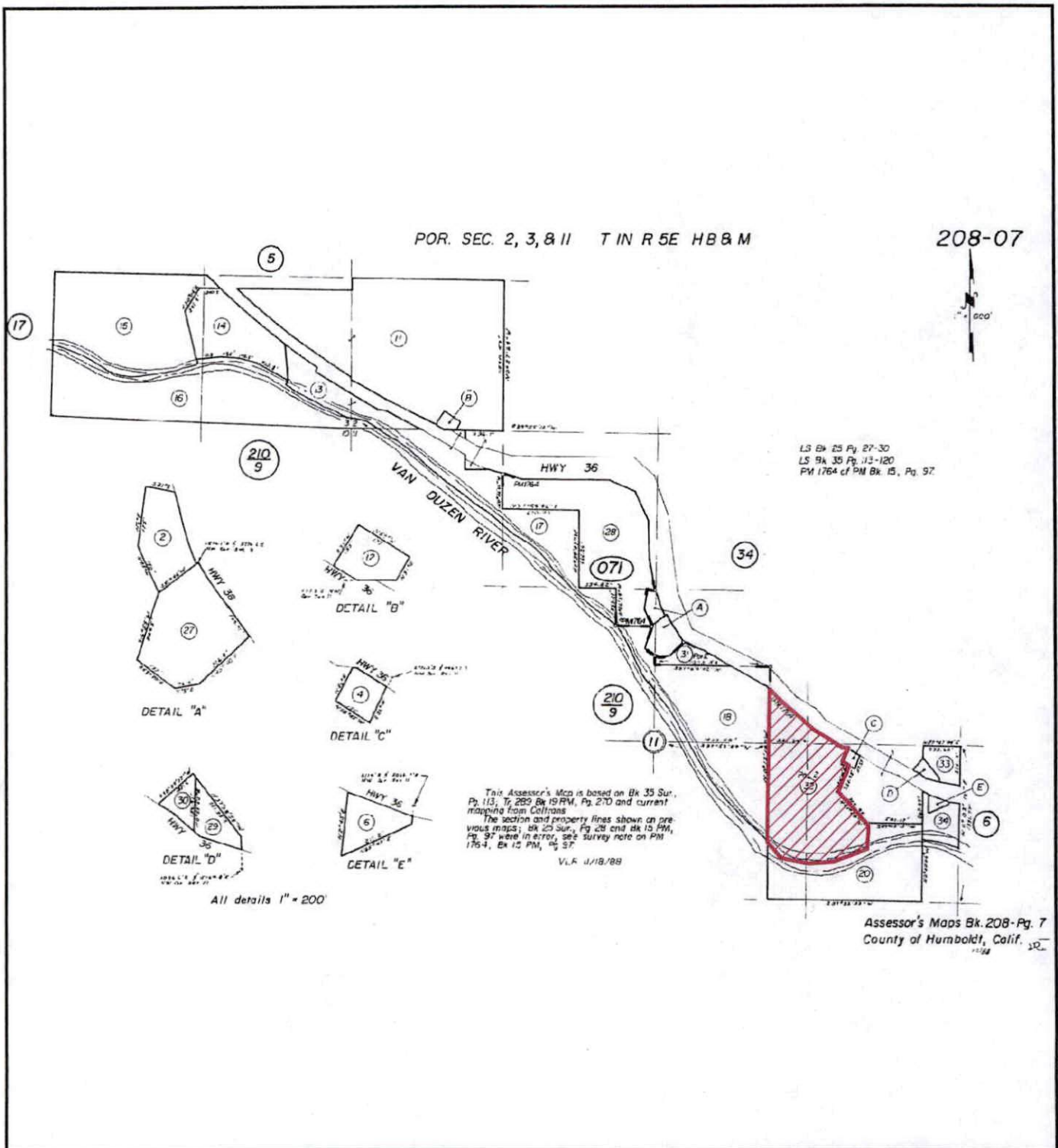
LOCATION MAP

PROPOSED SENSI VALLEY INC
GENERAL PLAN PETITION &
ZONE RECLASSIFICATION PETITION
DINSMORE AREA
GPP-18-002/ZRP-18-001
APN: 208-071-032
T01N R05E S11 HB&M (Dinsmore)

Project Area = 

This map is intended for display purposes and should not be used for precise measurement or navigation. Data has not been completely checked for accuracy.

0 250 500 750 1,000
Feet

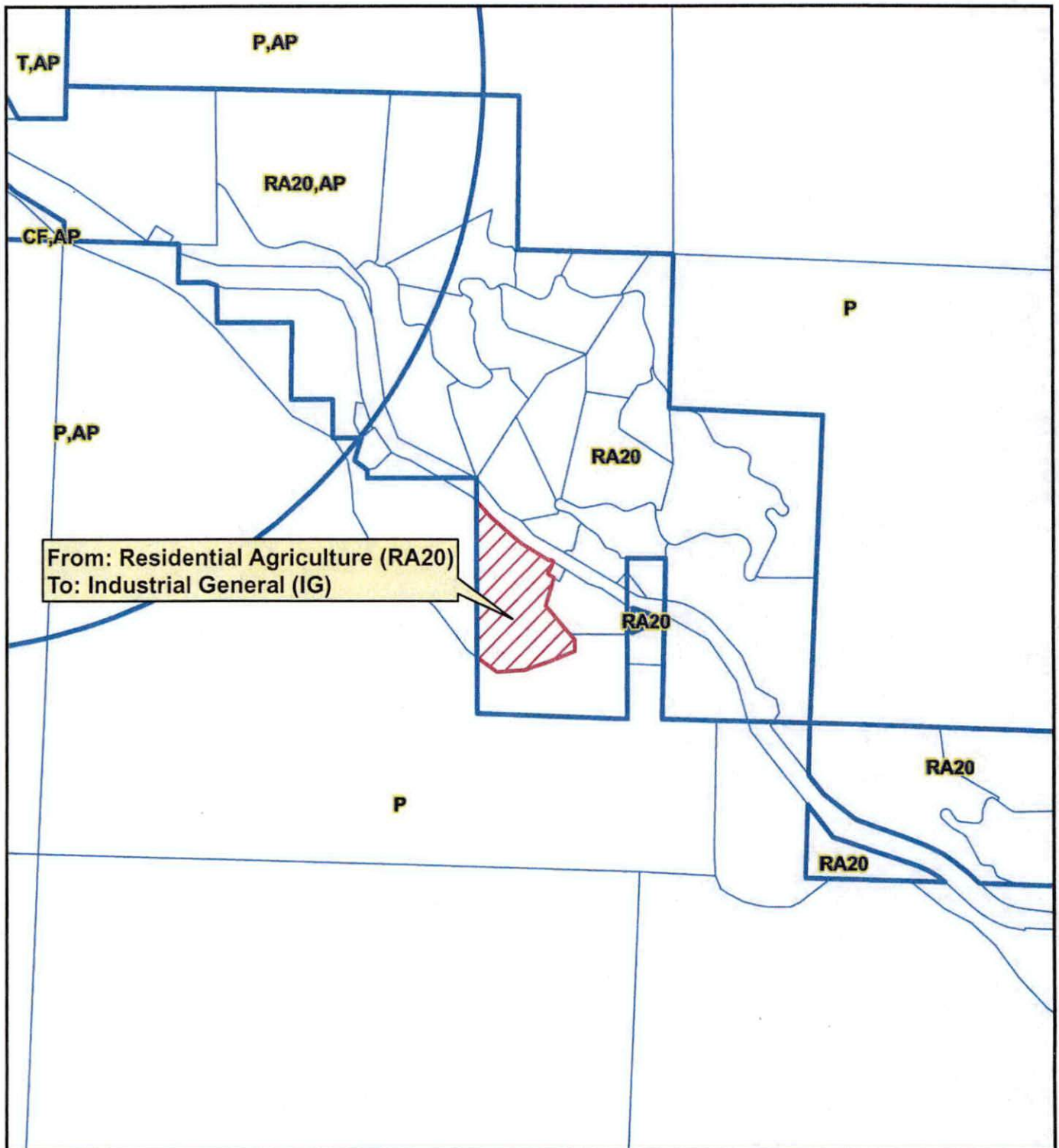


ASSESSOR PARCEL MAP
PROPOSED SENSI VALLEY INC
GENERAL PLAN PETITION &
ZONE RECLASSIFICATION PETITION
DINSMORE AREA
GPP-18-002/ZRP-18-001
APN: 208-071-032
T01N R05E S11 HB&M (Dinsmore)

Project Area =

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MAP NOT TO SCALE

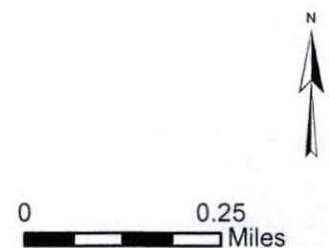


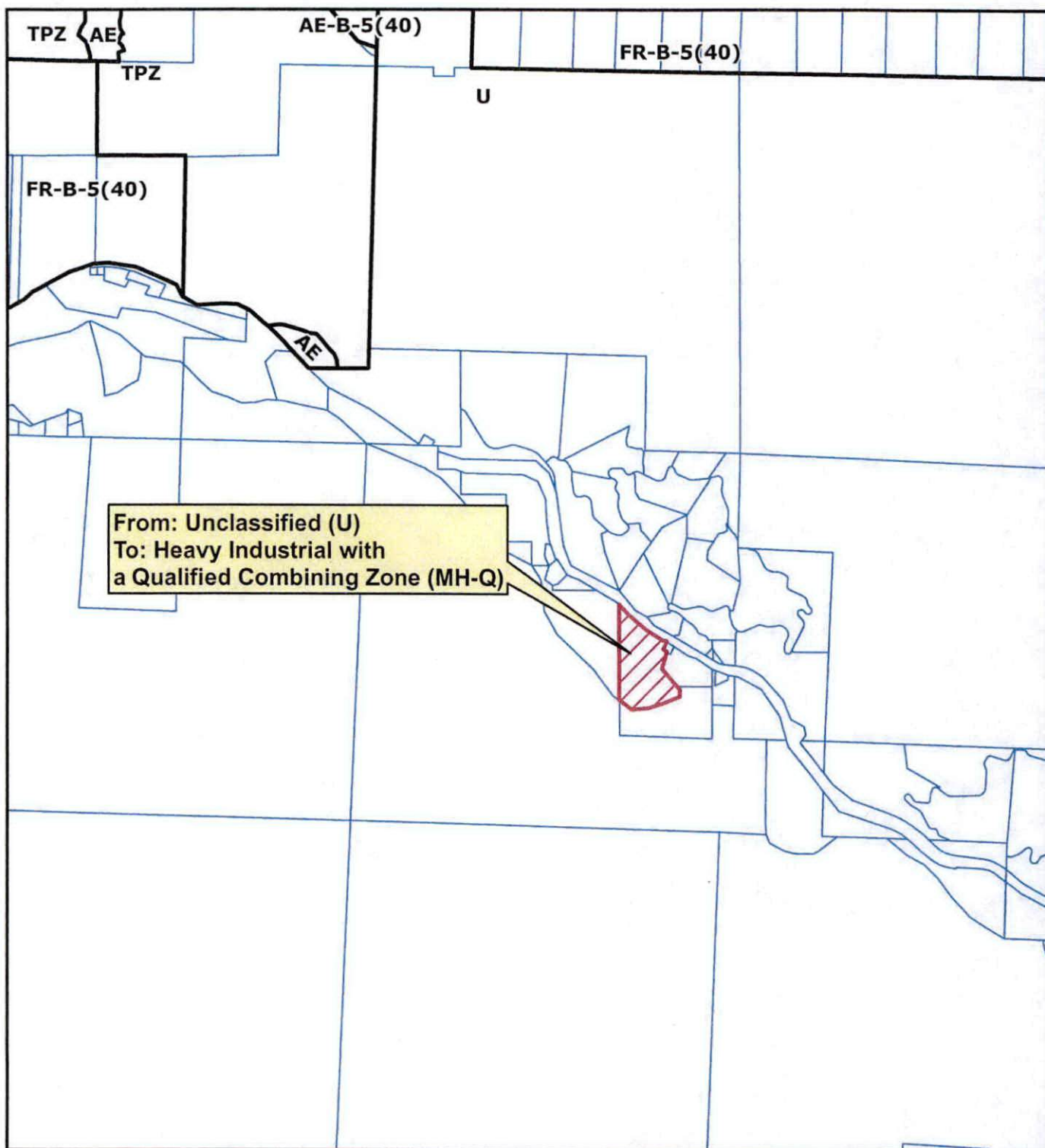
LAND USE MAP DETAIL

PROPOSED SENSI VALLEY INC
 GENERAL PLAN PETITION &
 ZONE RECLASSIFICATION PETITION
 DINSMORE AREA
 GPP-18-002/ZRP-18-001
 APN: 208-071-032
 T01N R05E S11 HB&M (Dinsmore)

Project Area = 


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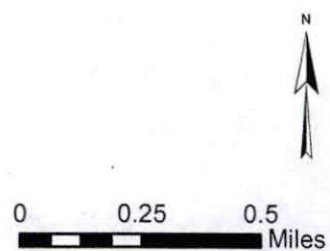


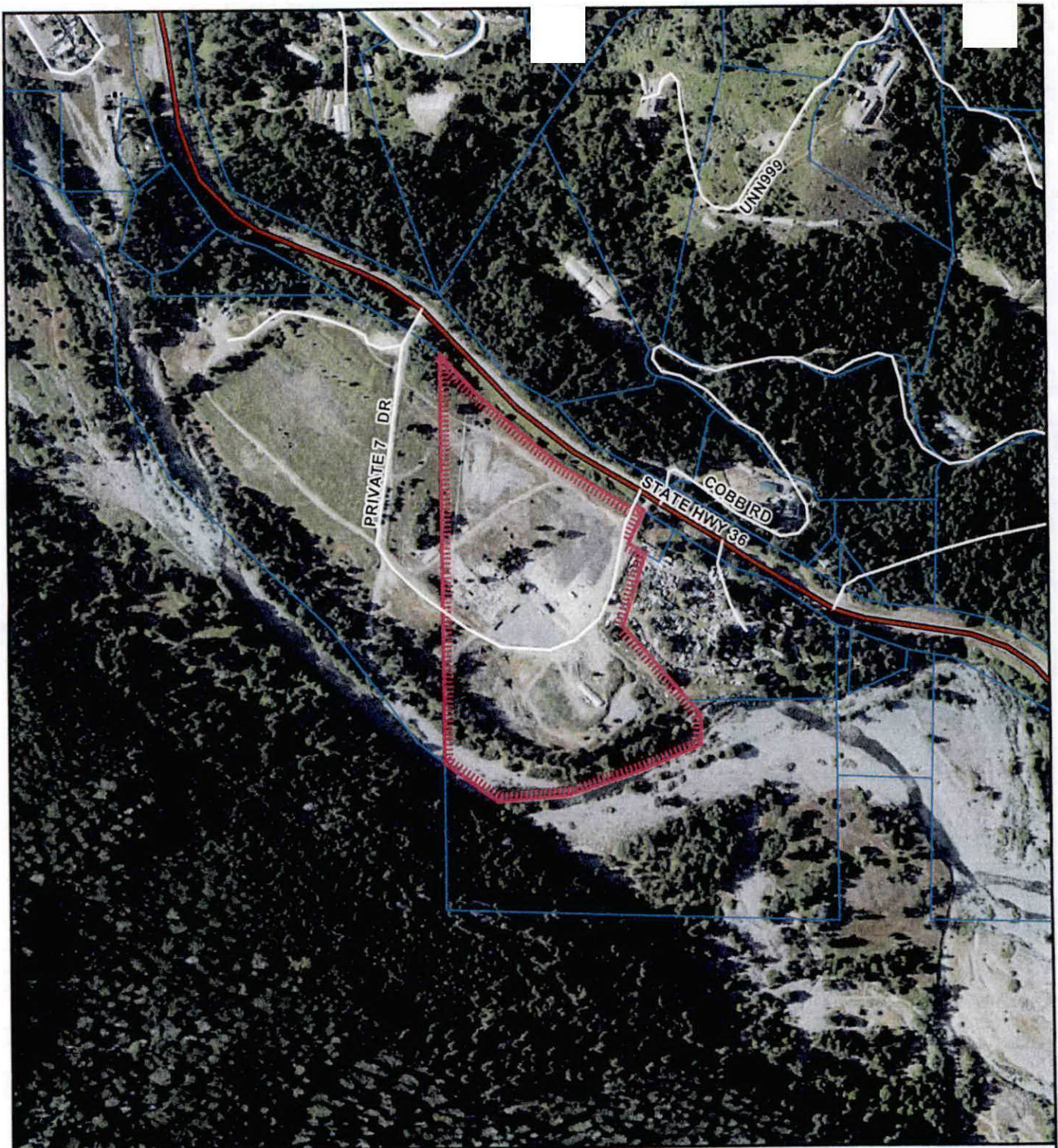
ZONING MAP DETAIL

**PROPOSED SENSI VALLEY INC
GENERAL PLAN PETITION &
ZONE RECLASSIFICATION PETITION
DINSMORE AREA
GPP-18-002/ZRP-18-001
APN: 208-071-032
T01N R05E S11 HB&M (Dinsmore)**

Project Area = 

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AERIAL MAP

Project Area = 

**PROPOSED SENSI VALLEY INC
GENERAL PLAN PETITION &
ZONE RECLASSIFICATION PETITION
DINSMORE AREA
GPP-18-002/ZRP-18-001
APN: 208-071-032
T01N R05E S11 HB&M (Dinsmore)**

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0 250 500 Feet