Exhibit A

COUNTY OF LAKE
COMMUNITY DEVELOPMENT DEPARTMENT
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Planning • Building • Code Enforcement
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Item 6b
9:30 A.M.
June 25, 2026

TO: Planning Commission

FROM: Mireya G. Turner, Community Development Department

Trish Turner, Associate Planner

DATE: June 25, 2026

SUBJECT: Consideration of proposed Major Use Permit PL-25-155 (UP 20-58), Lake Coco Farms/ Juan Gamino, and Mitigated Negative Declaration PL-25-155 (IS 20-72), for the approval of no more than 205,800 square feet (sf) of commercial cannabis cultivation and a Type 13 Distribution, self-transport license located at 3417 and 3547 Hendricks Road, Lakeport (APNs 005-006-07 and 005-013-01). (Continued from April 23, 2026 and June 11, 2026 Planning Commission meetings).

EXECUTIVE SUMMARY

Action Requested:

The Planning Commission will consider adopting a Mitigated Negative Declaration (MND) and approving Major Use Permit PL-25-155 (UP 20-58). This project proposes no more than 205,800 sf of outdoor commercial cannabis cultivation and a Type 13, Distribution, self-transport license at 3417 and 3547 Hendricks Road, Lakeport (APNs: 005-006-07 and 005-013-01).

Background and Compliance

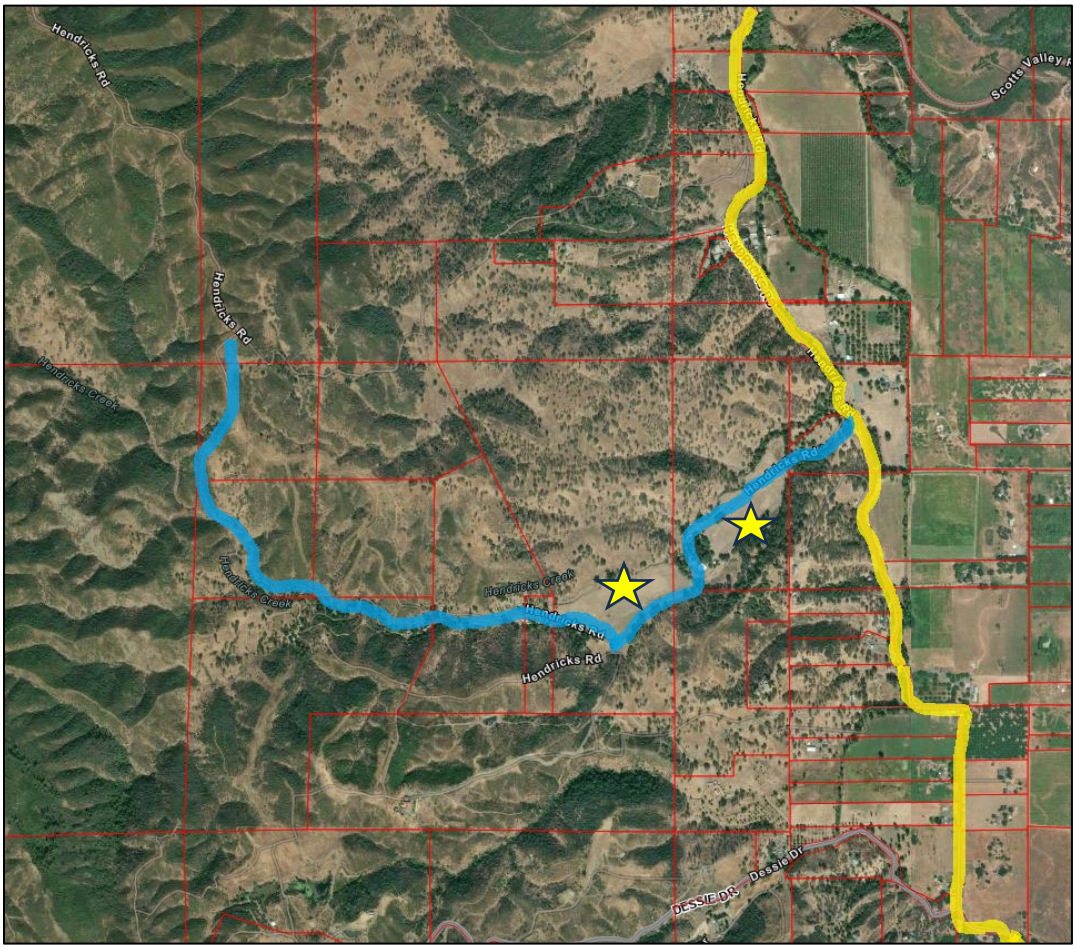
This item is a continuation from the April 23, 2026, Planning Commission hearing, during which the Commission requested additional information regarding site access and odor mitigation. A subsequent continuance occurred on June 11, 2026, due to the lack of a quorum. Staff has reviewed these items and provided the following information related to these topics.

- **Access and Traffic:** The portion of Hendricks Road that travels north-south between the Scotts Valley Road connections is County-maintained public right-of-way (yellow highlighted portion in Figure 1 below). However, the portion of Hendricks Road that travels west to the project parcel (blue highlighted portion in Figure 1 below) is a privately maintained easement road and is not part of the County-maintained road system. As such, the applicant has no legal authority to improve or widen the roadway beyond the existing easement boundaries, as doing so would constitute an unauthorized encroachment on private property. However, the applicant is required to obtain an encroachment permit from the Department of

Public Works for any work connecting to the public-right-of-way, and the applicant has committed to an arrangement with the neighbors to pave the first 40-to-60-feet from the County-maintained portion of Hendricks.

Furthermore, because the access road is a privately maintained easement and not a public roadway, the County does not have the legal authority to establish or enforce a speed limit.

Figure 1- Hendricks Road

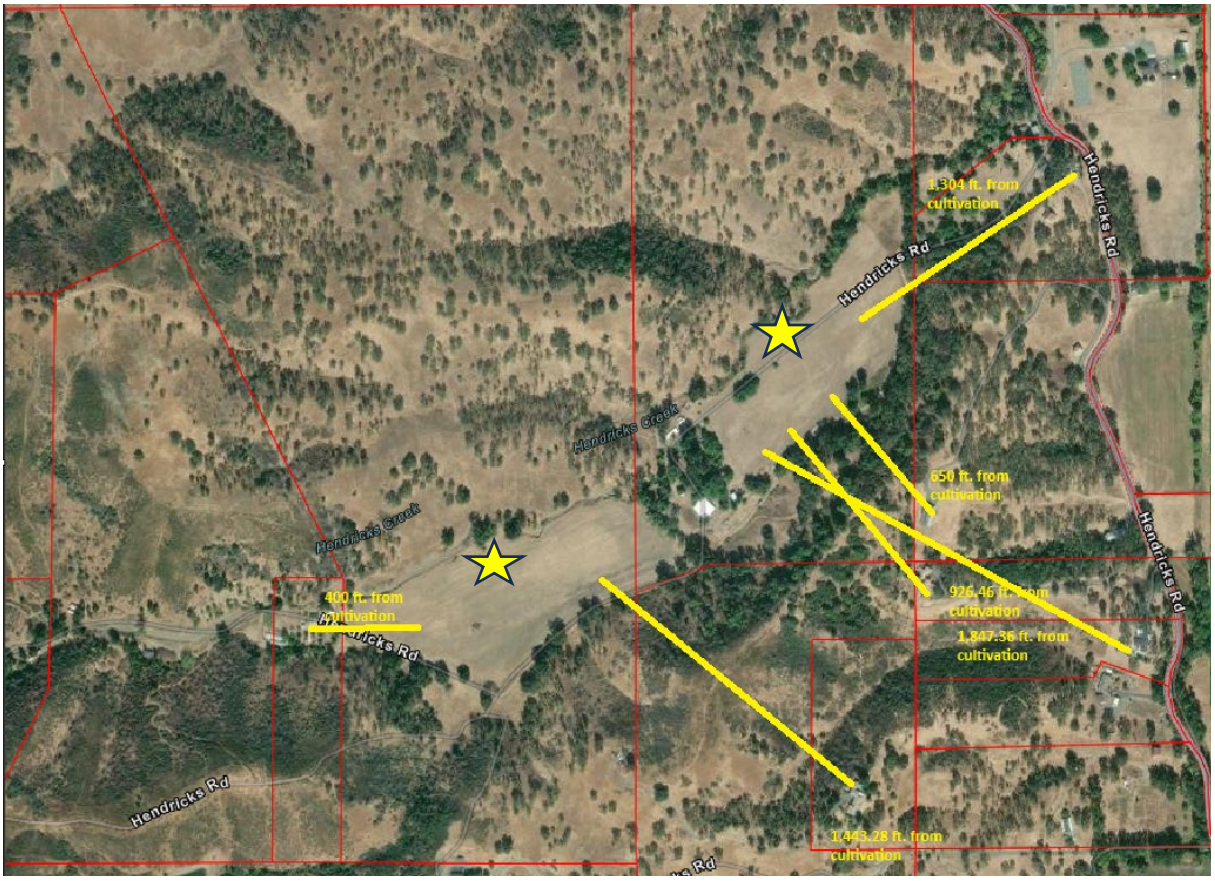


Source: Lake County GIS, 2026

- **Odor Mitigation:** Regarding odor concerns, the project design complies with the setback standards—100 ft from property lines and 200 feet from off-site residences—established by the Lake County Zoning Ordinance to mitigate impacts on neighboring properties. The project as proposed would have odor filtration systems installed in the processing building (Attachment 3 – Property Management Plan). Additionally, the residential setbacks are in full compliance with the current Lake County Zoning Ordinance Article 27.11(at); the project

property is zoned APZ (Agricultural Preserve District), which requires a minimum 200-foot setback from off-site residences. This design also aligns with the proposed Cannabis Ordinance update, as the Lake County Board of Supervisors has determined that these residential setbacks within agricultural zoning districts will remain at a minimum of 200 feet. The proposed project exceeds this standard, as the closest neighboring residence is located approximately 400 feet away.

Figure 2 – Off-Site Residence Setbacks



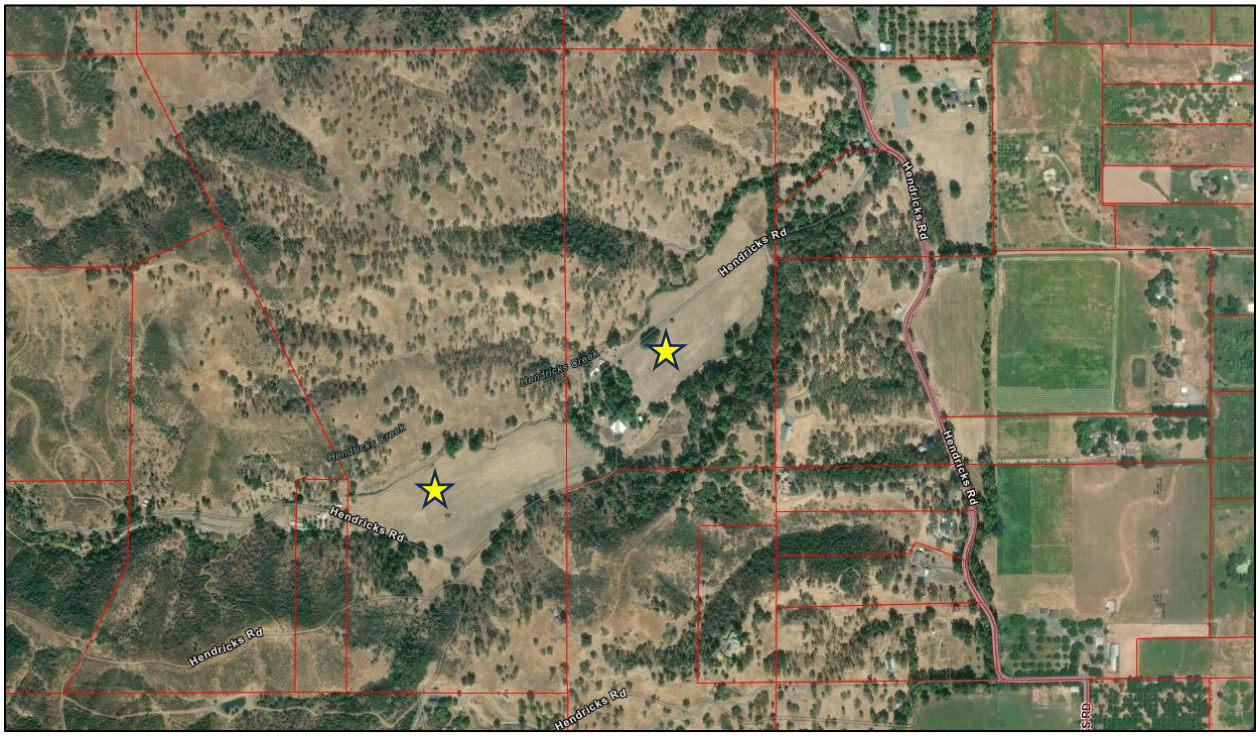
Source: Lake County ArcGIS 2025

Project Overview:

The applicant proposes no more than 205,800 sf of commercial cannabis canopy within two fenced outdoor cultivation areas totaling approximately 12 acres on a combined ± 228.77-acres of land zoned "APZ-WW" Agriculture Preserve Zone – Waterway Combining District'. Site infrastructure includes three - 3,000 sf greenhouses for immature plant propagation, two - 120 sf wooden storage sheds, a 9,600-sf metal building, an existing 5,138 sf metal barn, four - 5,000-gallon water storage tanks for cultivation purposes, a total of 25,000-gallon metal water storage tank dedicated to fire suppression. An imported

organic soil mixture in above ground nursery pots will be used in the three proposed immature plant greenhouses. The growing medium of the proposed canopy areas will be native soil at or below grade, amended with compost and/or manure. No tree removal is proposed.

Figure 3 – Vicinity Map



Source: Lake County ArcGIS 2025

PROJECT SUMMARY

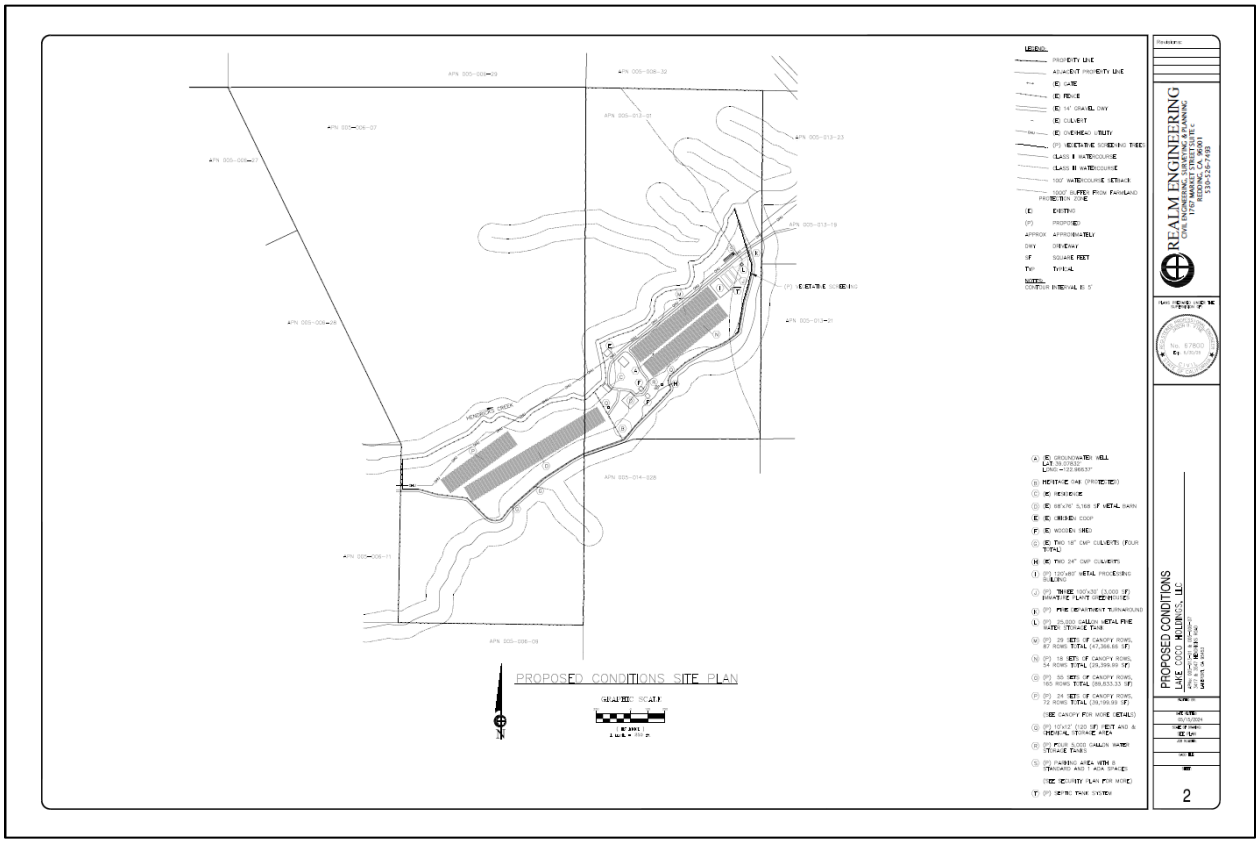
- Up to 205,800 sq. ft. (4.72 acres) of cannabis canopy within two (2) fenced outdoor cultivation areas (existing fencing)
- Parcel Size: combined +228.77-acres
- Corresponding State Licensing: Five M-Type 3 Outdoor Licenses; Type 13 Distribution (self-transport only)
- Employees: Up to four full-time, up to six seasonal employees
- Hours: 8:00 a.m. – 7:00 p.m. Monday through Sunday with some flexibility during harvest
- Four 5,000-gallon water storage tanks (proposed)
- A total of 25,000-gallon metal fire water storage tank (proposed).

- Three 30’ x 100’ (3,000 sq. ft.) greenhouses / immature plant areas (proposed)
- Two 120 sq. ft. wooden storage sheds (proposed)
- An 80’ x 120’ (9,600 sq. ft.) metal building (proposed)
- A 68’ x 76’ (5,138 sq. ft.) metal barn (existing)
- An onsite septic system (proposed).
- An existing onsite permitted groundwater well (existing).
- Drip irrigation systems consisting of black poly tubing and drip tapes/lines.
- Nine employee parking spaces, including 1 ADA space (proposed).

Construction Details:

- Construction activities would occur over a five-to-seven-week period.
- Materials and equipment would be staged on previously disturbed areas adjacent to the proposed buildings and cultivation areas.
- Construction activities would occur during daylight hours, typically between 9:00 a.m. and 6:00 p.m., Monday through Saturday.
- Visibly dry disturbed soil and road surfaces will be watered throughout construction and operation activities to minimize fugitive dust.
- Unpaved roads will have a speed limit of 10 miles per hour (mph).
- Dust-generating activities will not occur during periods of high winds (over 15 mph).

Figure 4 – Site Plans (Attachment 1)



Source: Realm Engineering Site Plans, 2024

SITE CONTEXT

Location: 3417 and 3547 Hendricks Road, Lakeport (APNs: 005-006-07 and 005-013-01).

- General Plan: Resource Conservation, Agriculture, Rural Lands.
- Zoning: “APZ-WW”, Agriculture Preserve - Waterway Combining District.
- Parcel Size: ±228.77-acres.
- Access: Hendricks Road off of Scotts Valley Road, Lakeport.

The parcel contains existing residential and agricultural flat fields/ valley floors that has been used for intensive agricultural activities. No vegetation clearing is needed and very minimal site preparation will be needed for the proposed buildings. Additionally, the field in which the proposed canopy areas would be established has been fully fenced, and trenched irrigation lines have been run throughout the field for past agricultural operations. The surrounding area contains rural residential land and open space areas that consist of ranches, grazing land, vineyards, and cannabis cultivation operations.

Surrounding parcel consists of lands zoned for Rural, Agricultural, and Agricultural Preserve uses. Existing development in the area is comprised of a blend of single-family residences and established farming activities.

Figure 5 – Site Photo

Source: Staff Site Visit, August 2025

WATER SUPPLY & USE (SUMMARY)

- Source: Existing on-site groundwater well (est. 102 gpm; drilled 1967).
- Annual Demand: ~9.72 acre-feet/year.
- Hydrology Conclusion: According to the applicant's Hydrology Report (Attachment 5), even during drought years, the onsite groundwater well has the capacity to handle the water needs of the proposed Project without impacting surrounding neighbors' wells.
- Finding: Adequate groundwater supply exists to support operations. (See Hydrological Assessment, Attachment 5).

ENVIRONMENTAL REVIEW (CEQA)

An Initial Study/Mitigated Negative Declaration was circulated from November 04, 2025, to December 09, 2025.

Staff proposes that the all potentially impacts can be mitigated to less than significant with incorporation of mitigation measures and Conditions of Approval.

Potential impact areas with mitigation:

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Geology & Soils
- Hazards & Hazardous Materials
- Hydrology & Water Quality
- Noise
- Tribal Cultural Resources
- Wildfire

Mitigation measures are incorporated by reference from the IS/MND (Attachment 4) into the Conditions of Approval (Attachment 2). All impacts would be reduced to a less-than-significant level through incorporation of mitigation measures and compliance with existing regulations.

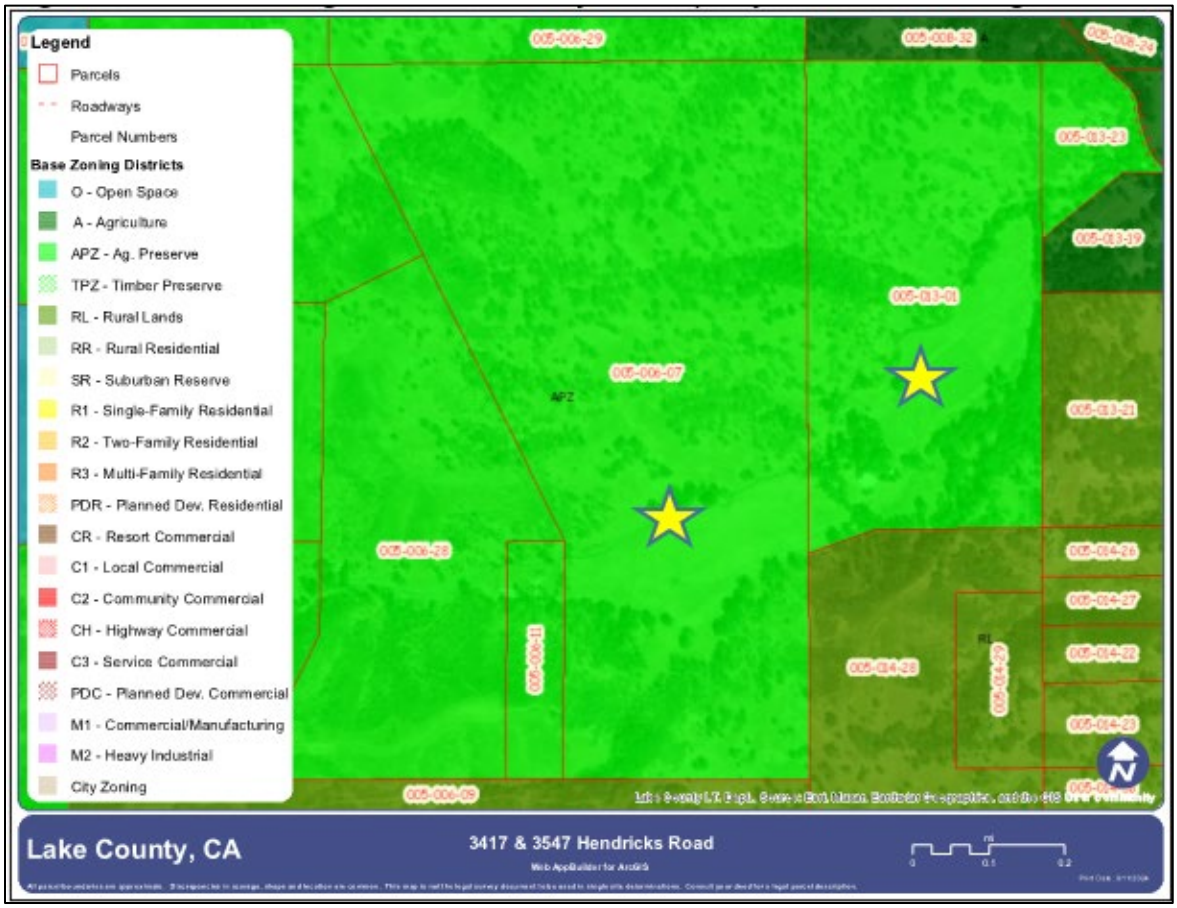
No significant and unavoidable impacts were identified. Therefore, preparation of an Environmental Impact Report is not required pursuant to CEQA Guideline §15070.

GENERAL PLAN & ZONING CONSISTENCY

The project is an allowable agricultural use, maintains required setbacks, and incorporates fire safety, water management, and environmental protection measures. As demonstrated below, the project is consistent with the General Plan, Lakeport Area Plan, and the Lake County Zoning Ordinance.

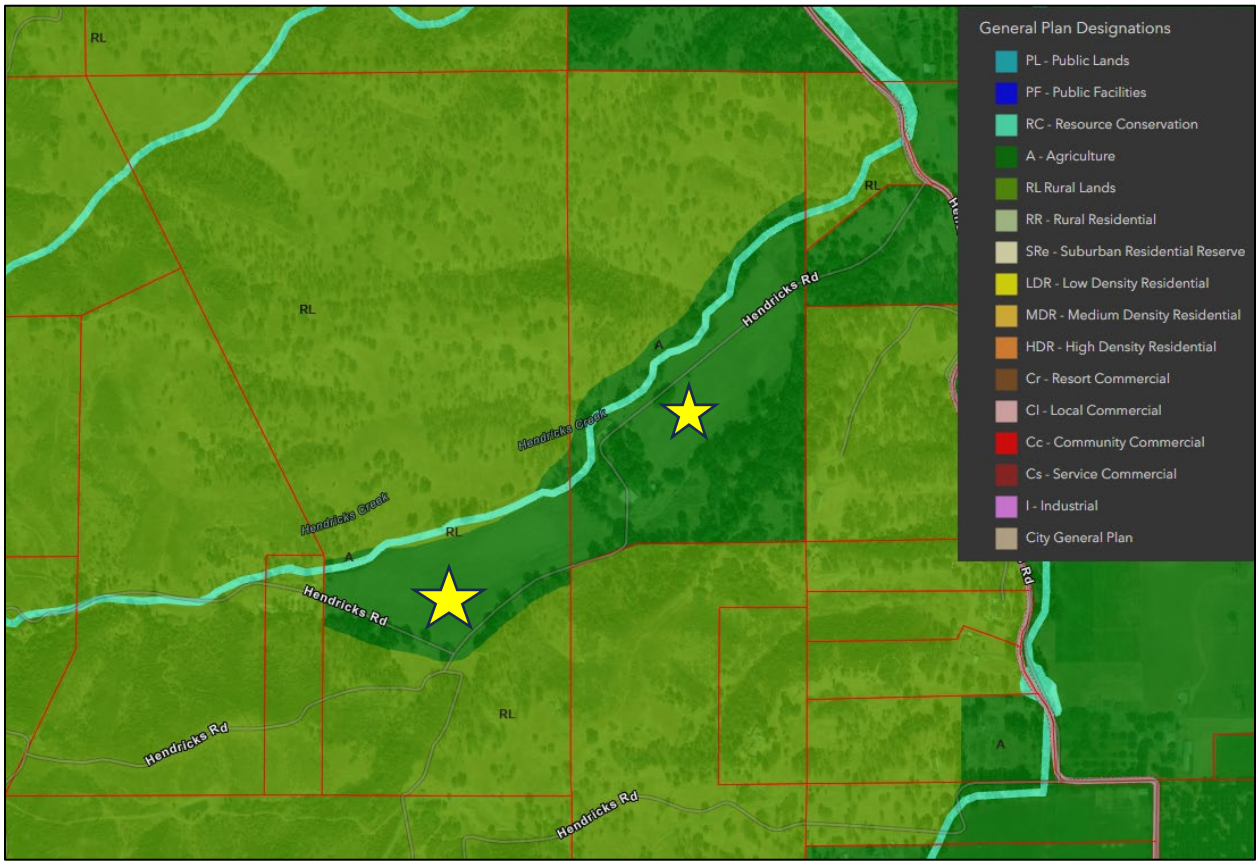
Policy Area	Conclusion
General Plan – Rural Lands - Agriculture – Resource Conservation	Chapter 3 Land Use; Chapter 7 Health and Safety; Chapter 8 Noise; Chapter 11 Water Resources
Lakeport Area Plan	Policy 5.4.1.b – Coordinate the county and local fire protection districts to provide assurances that fire standards are met by new development. Objective 6.3.1 – Protect Scotts valley for agricultural enterprises; Policy 6.3.1.d Encourage the diversification of agricultural enterprises within Scotts Valley to make the industry more stable. Policy 5.5.2.a – Give high priority to providing service and employment opportunities locally as well as coordination with the City if Lakeport to boost economic development and reduce travel distances from home to work.
Zoning: **Article 4 - APZ** **Article 27.11(at) – Cannabis Uses**	 Permitted under Article 4.5 with a Major Use Permit Permitted with a Major Use Permit in the “APZ” zoning.
Setbacks	• The cultivation site is set back a minimum of 100 ft from property lines (varies in areas), • At least 100 ft setback (varies in areas)from all waterways, • at least 400 ft from the nearest off-site residence
Waterways Combining District	Avoidance by design; meets all necessary setbacks and conditioned to protect the Clear Lake Hitch
Lake County Muni Code	There are no violations of Chapter 5, 17, 21, 23, or 26
Background Checks	Lake County Sheriff’s Office sent in qualifications for the applicant.

Figure 6 - Zoning Map



Source: Lake County ArcGIS, 2025

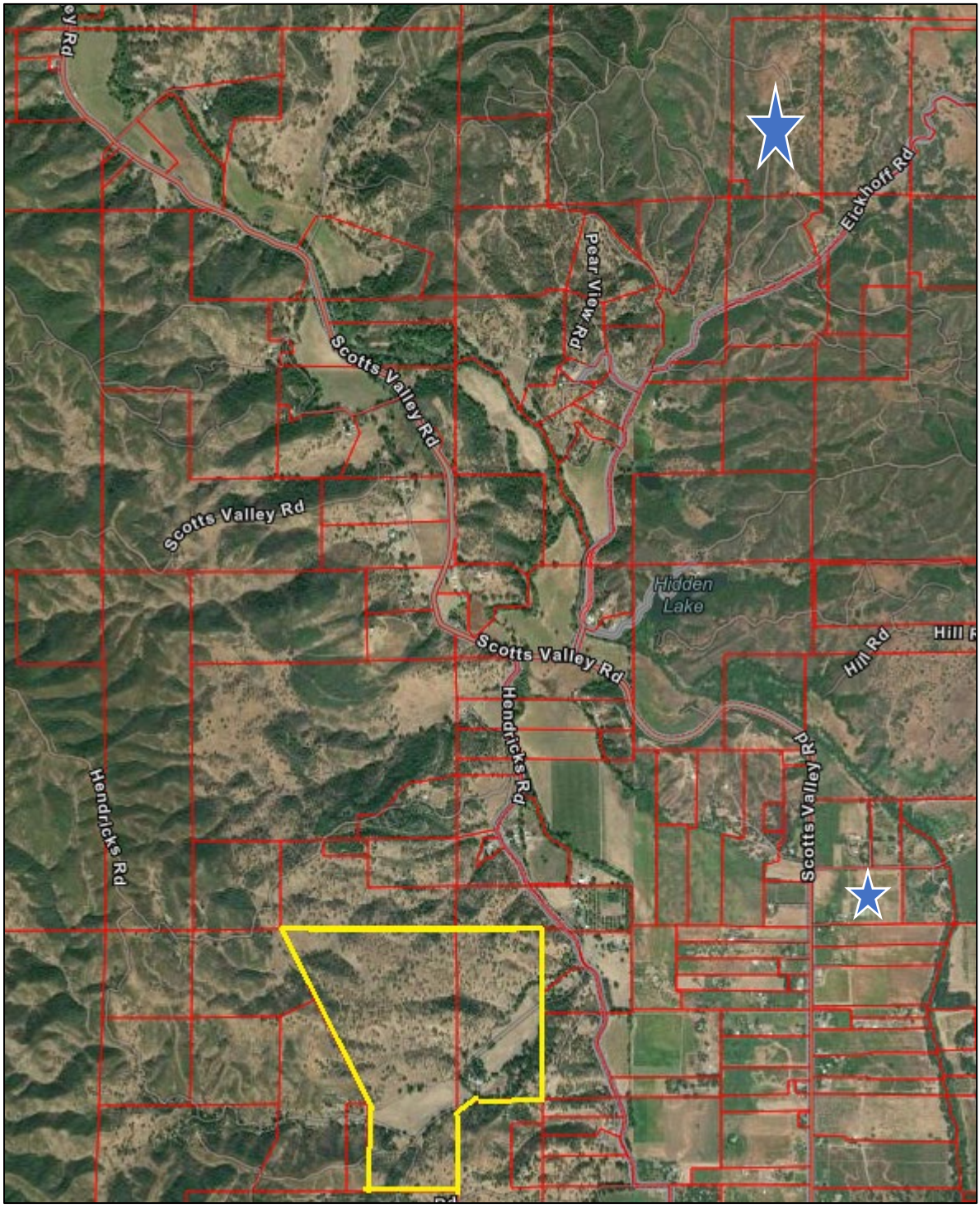
Figure 6 - General Plan Designation



Source: Lake County ArcGIS, 2025

CANNABIS PROJECTS PROXIMITY TO SITES:

Figure 7 - Approved Cannabis Projects Proximity to PL-25-155



Source: Lake County ArcGIS 2026

There are seven pending projects within three miles of the location.

TABLE 1 - Approved Projects and Canopy within a Three-mile Radius:

UP 18-41	20,000 sf of canopy within greenhouses equipped with odor filtration equipment.
UP 21-05	84,848 sf of outdoor canopy

AGENCY & TRIBAL CONSULTATION

Agency comments were received and addressed through Conditions of Approval, including CAL FIRE requirements for PRC 4290/4291 compliance.

The County of Lake Community Development Department initiated the AB 52 Tribal notification process by sending letters on June 15, 2020, to eleven (11) Lake County-based Tribes, informing them of the proposed project and offering consultation. The Scotts Valley Band of Pomo Indians requested consultation in late August 2020. County records indicated that a consultation may have been held on September 3, 2020, but documentation could not be located.

To ensure compliance, County staff reached out to the Scotts Valley Band of Pomo on August 19, 2025, and again on September 3, 2025, to verify whether the consultation had been concluded, the results of the consultation, or if a new consultation was necessary. Following a good faith effort to complete or confirm the required Tribal Consultation, the County concluded the AB 52 Tribal Consultation process on September 10, 2025.

REQUIRED FINDINGS (Article 51.4 – Major Use Permit and Article 27.11(at) Uses Generally Permitted under the Lake County Zoning Ordinance)

Based on the whole of the record, including the Initial Study/Mitigated Negative Declaration and supporting technical reports, staff finds the Project: Based on the whole of the record, including the Initial Study/Mitigated Negative Declaration and supporting technical reports, staff finds the Project:

1. That the establishment, maintenance, or operation of the use applied for will not under the circumstances of the particular case, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use or be detrimental to property and improvements in the neighborhood or the general welfare of the County.
2. 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.

3. That the streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the specific proposed use.
4. 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. Is consistent with the General Plan, Area Plan, and Zoning Ordinance
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. Meets all cannabis development standards
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.
7. Applicant is qualified to apply for the Use Permit.
8. The Project was adequately analyzed under CEQA, and all impacts associated with the project can be mitigated to a less than significant level.

Please see the preceding sections of this Staff Report establishing these findings.

RECOMMENDATIONS AND SAMPLE MOTIONS

Based on the analysis provided herein and, in the IS,/MND, Staff finds the project consistent with all applicable codes and requirements. As such, Staff recommends approval of the IS/MND and the major use permit. Sample motions are provided below.

A. I move that the Planning Commission find that potential impacts associated with this project applied for by Lake Coco Farms/ Juan Gamino can be mitigated to 'less than significant' through the implementation of the Mitigated Negative Declaration for the property located at 3417 and 3547 Hendricks Road, Lakeport (APNs: 005-006-07 and 005-013-01) will not have a significant effect on the environment, and that the Planning Commission adopt Initial Study PL-25-155 (IS 20-72) with the findings listed in the Staff Report dated June 25, 2026.

B. I move that the Planning Commission find that the Major Use Permit PL-25-155 (UP 20-58) applied for by Lake Coco Farms/ Juan Gamino for the property located at 3417 and 3547 Hendricks Road, Lakeport (APNs: 005-006-07 and 005-013-01) does ,meet the requirements of the Lake County Zoning Ordinance Article 27 and Article 51.4 and that the Major Use Permit be granted based on the findings listed in the Staff Report and subject to Conditions of Approval dated June 25, 2026.

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 day following the Planning Commission's decision on this matter.

ATTACHMENTS (BY REFERENCE)

1. Site Plans
2. Draft Conditions of Approval
3. Property Management Plan
4. Initial Study / Mitigated Negative Declaration
5. Hydrological Assessment and Drought Management Plan
6. Biological Reports
7. Agency Comments
8. Public Comments