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**AGENDA ITEM NO.:** 8 (Action Item – Public Hearing)

**PLANNING COMMISSION MEETING DATE:** August 28, 2019

**SUBJECT:** Conditional Use Permit (CUP) 2019-07/Eco Holdings LLC

#### **EXECUTIVE SUMMARY**

The applicant has applied for a CUP for the cultivation of hemp located at 377 Rosemary Ln. in the community of Sandy Valley in southeast Inyo County.

#### **PROJECT INFORMATION.**

**Supervisory District:** 5

**Project Applicant:** Eco Holdings LLC – 3993 Howard Hughes Pkwy, Suite 140, Las Vegas NV 89169

**Property Owner:** Sandy Prem 2 LLC – 2300 W. Sahara Ave., # 140, Las Vegas NV 89102

**Site Address:** 377 Rosemary Ln, Sandy Valley CA

**Community:** Sandy Valley

**A.P.N.:** 048-350-15

**General Plan:** Agricultural (A)

**Zoning:** Open Space with a 40 acre minimum (OS-40)

**Size of Parcel:** Approximately 160-acres

**Surrounding Land Use:**

<b>Location:</b>	<b>Use:</b>	<b>Gen. Plan Designation</b>	<b>Zoning</b>
Site	Turf farm	Agricultural (A)	Open Space with a 40 acre minimum (OS-40)
North	Vacant/BLM	Agricultural (A)	Open Space with a 40 acre minimum (OS-40)
East	Vacant/private	Agricultural (A)	Open Space with a 40 acre minimum (OS-40)
South	Vacant/BLM	Agricultural (A)	Open Space with a 40 acre minimum (OS-40)
West	Vacant/BLM	State & Federal lands (SFL)	Open Space with a 40 acre minimum (OS-40)

**Staff Recommended Action:**

**1.) Approve the Conditional Use Permit (CUP) 2019-07/Eco Holdings and certify the project as a Mitigated Negative Declaration under CEQA.**

**Alternatives:**

- 1.) Deny the CUP.
- 2.) Approve the CUP with additional Conditions of Approval.
- 3.) Continue the public hearing to a future date, and provide specific direction to staff regarding what additional information and analysis is needed.

**Project Planner:**

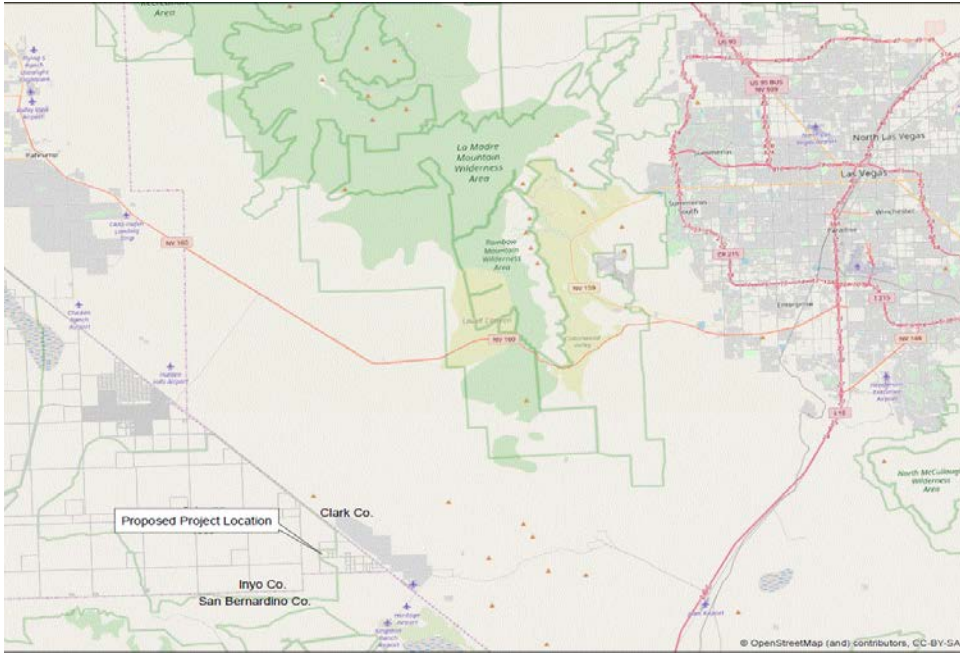
Steve Karamitros

**STAFF ANALYSIS**

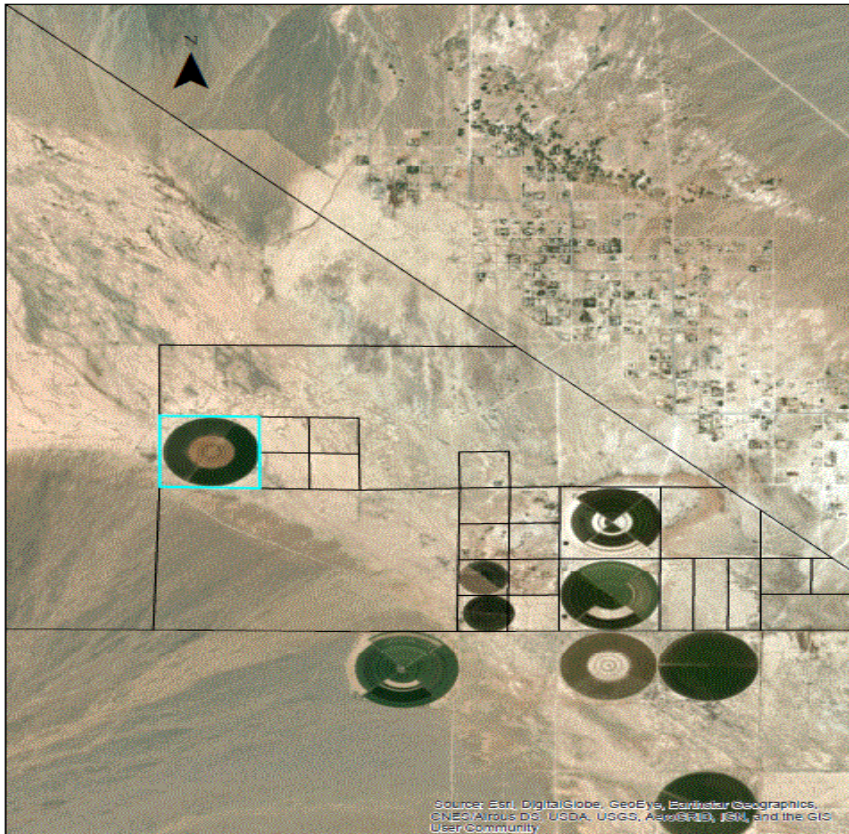
Background and Overview

The applicant has applied for a CUP to operate a commercial hemp cultivation farm located at 377 Rosemary Ln. in the community of Sandy Valley. This farm will produce hemp plants in order to extract CBD oil for medicinal uses. The property is zoned OS-40, which allows for hemp cultivation with a CUP, and is located in an agricultural area of the county surrounded by other turf farms that are currently operational. The surrounding area is primarily zoned OS-40. The proposed location is not within 600-feet of a school, daycare, park or library; and therefore, is not prohibited by state or county exclusion areas.

## Site Proximity Map



## Site Location



### General Plan Consistency

The goal of this project is to allow for a hemp cultivation & manufacturing operation. The project is consistent with the General Plan designation of Agricultural (A) as it provides for the production of “food or fiber on a regular and sustained basis” with accompanying “agricultural processing facilities.” The (A) General Plan designation is compatible with the existing Open-Space (OS-40) zoning designation. It is also compatible with the General Plan’s Conservation and Open Space Element’s Goal Agriculture (AG) 1.0: Provide and maintain a viable and diverse agriculture industry in Inyo County. The applicant is proposing to grow hemp, which will be processed into CBD oil for sale. This activity is consistent with Goal AG 1.0, as it provides for a more diverse agriculture industry than currently exists in the County.

### Zoning Ordinance Consistency

The proposed project is a CUP to allow for the commercial cultivation of hemp. The OS-40 zone allows for commercial hemp cultivation with a CUP as long as the project can meet the 300-foot setback requirement. The Open Space zone, within its purpose statement, says that it is established to: encourage the protection of mountainous, hilly upland, valley, agricultural, potential agricultural, fragile desert areas, and other mandated lands from fire, erosion, soil destruction, pollution and other detrimental effects of intensive land use activities. This project will bring more agriculture activities to the county and is proposed to be conducted outdoors, using drip or pivot irrigation.

### **ENVIRONMENTAL REVIEW**

Conditional Use Permit 2019-07/Eco Holding LLC is a Mitigated Negative Declaration under CEQA. This project will have incorporate several mitigation measures as conditions of approval for the issuance of a conditional use permit. Any use of lighting will adhere to Inyo County’s General Plan Visual Resources requirement (VIS-1.6-Control of Light & Glare), which requires all outdoor light fixtures including street lighting, externally illuminated signs, advertising displays, and billboards use low-energy, shielded light fixtures which direct light downward (i.e., lighting shall not emit higher than a horizontal level) and are fully shielded. In addition, the owner or his agent will be required to follow best management practices to control for dust and odors & will consult with the Great Basin Air Pollution Control District to minimize potential air quality effects from the hemp crop’s VOC emissions (Terpenes). The owner or his agent shall consult with the Inyo County Environmental Health Department and use portable toilets to manage sewage waste; the toilets will be moved offsite and returned weekly to a company contracted RV dump station, in San Bernardino County, to dispose of sewage. No underground waste disposal system is planned at this site.

Please note, the current water use for the existing turf farm can be as high as 3.5 acre-feet-per-year. The proposed hemp cultivation is expected to be no greater than 2 acre-feet-per-year, so the operation will actually conserve groundwater resources while providing an economic benefit to the County.

## **TRIBAL CONSULTATION**

In compliance with AB 52, SB 18, and Public Resource Code Section 21080.3.1(b), tribes identified as being local to Inyo County, were notified via a certified letter on June 5, 2019 about the project and the opportunity for consultation on this project. The tribes notified were as follows: the Twenty-Nine Palms Band of Mission Indians, the Big Pine Paiute Tribe, the Bishop Paiute Tribe, Cabazon Band of the Mission Indians, the Fort Independence Paiute Tribe, Lone Pine Paiute-Shoshone Tribe, the Shingle Springs Band of Miwok Indians, the Timbisha Shoshone Tribe, and the Torres Martinez Desert Cahuilla Indians.

Inyo County received a letter from the Shingle Springs Band of Miwok Indians stating that there were no known tribal resources in the project area; however, they requested that the County keep them apprised of any new developments. The Torres Martinez Desert Cahuilla Indians also replied, stating that they wished to defer all future notifications, related to this project, to Tribes that are closer to the site location.

## **NOTICING & REVIEW**

The application for CUP 2019-07/Eco Holdings LLC has been reviewed by the appropriate county departments and no issues were reported. This included reviews by the Environmental Health, Public Works, and the Inyo/Mono Agricultural Commission.

Public review of the CEQA document was noticed in the Inyo Register on July 16, 2019. No comments were received. The public hearing date for this CUP was noticed on August 10, 2019 in the Inyo Register and mailed to property owners within 1,500-feet of the project location as required by 18.78.360(F).

## **RECOMMENDATION**

Planning Department staff recommends the approval of Conditional Use Permit No. 2019-07/Eco Holdings LLC, with the following Findings and Conditions of Approval:

## **FINDINGS**

1. The proposed Conditional Use Permit is an Initial Study with Mitigated Negative Declaration under CEQA guidelines and the provisions of the California Environmental Quality Act have been satisfied.  
*[Evidence: Pursuant to 14 California Code Regulatory Sections 15000 et seq., the County has performed an Initial Study with a Mitigated Negative Declaration in order to “consult with other County departments, agencies, groups, and individuals, which may provide information and assistance to the Planning Department during this phase of environmental review” (Inyo County Code Section 15.28.030). This document contains the necessary “project description, evaluation of environmental impacts that may be conducted using an environmental checklist supported by sufficient explanations, discussion of any potentially significant impacts and mitigation measures” (Inyo County Code Section 15.28.040).]*
2. The proposed Conditional Use Permit is consistent with the Inyo County General Plan Land Use designation of Agricultural (A).

*[Evidence: The goal of this project is to allow for cultivation of an agricultural produce, hemp, on a parcel of land with an (A) General Plan designation. The project is consistent with the (A) designation as it allows the production of “food or fiber on a regular and sustained basis” with accompanying “agricultural processing facilities.” The proposed Eco Holdings hemp cultivation project is an agricultural product, which is compatible with the A General Plan designation. It is also consistent with the General Plan’s Conservation and Open Space Element’s Goal Agriculture (AG) 1.0: Provide and maintain a viable and diverse agriculture industry in Inyo County. The applicant is proposing to grow hemp, which will be processed into CBD oil for sale. This activity is consistent with Goal AG 1.0, as it provides for a more diverse agriculture industry than currently exists in the County.]*

3. The proposed Conditional Use Permit is consistent with the Inyo County Zoning Ordinance, which permits hemp cultivation activities, as a conditional use, in the OS-40 zone.

*[Evidence: The OS-40 zone allows for commercial hemp cultivation with a CUP as long as the project can meet the 300-foot setback requirement. The Open Space zone, within its purpose statement, says that it is established to: encourage the protection of mountainous, hilly upland, valley, agricultural, potential agricultural, fragile desert areas, and other mandated lands from fire, erosion, soil destruction, pollution and other detrimental effects of intensive land use activities. This project will bring more agriculture activities to the county and is proposed to be conducted outdoors, using drip or pivot irrigation.]*

4. The proposed Conditional Use Permit is necessary or desirable.

*[Evidence: The General Plan’s Economic Development Element states: ‘Inyo County’s wealth is...highly dependent on a number of activities that occur throughout the County...including grazing, mining, water transportation, and the growing of crops. These activities are expected to continue long term, and are expected to remain stable throughout the time horizon of this General Plan.’ The applicant has stated that Grow 4 Gold expects to produce plants that will serve both County businesses and others in the State, as inputs to medicinal products further down the supply chain. This is a sustainable model, which is desirable as evidenced by the County’s General Plan.]*

5. The proposed Conditional Use Permit is properly related to other uses and transportation and service facilities in the vicinity.

*[Evidence: The proposed conditional use permit is for agricultural use. The hemp cultivation would replace a pre-existing agricultural use of the turf farm. It is related to the other agricultural activities in the area and will not cause impacts on transportation or service facilities in the vicinity as these facilities already accommodate the pick-up and delivery of turf and sod products from Sandy Valley.]*

6. The proposed Conditional Use Permit would not, under all the circumstances of this case, affect adversely the health or safety of persons living or working in the vicinity or be materially detrimental to the public welfare.  
*[Evidence: The proposed conditional use permit is to allow for hemp cultivation. This agricultural use will not change or increase the current level or general type of allowed uses in the Sandy Valley area and the proposed security plan for Eco Holdings was reviewed by the Sheriff's Department as a business license requirement; therefore, it will not create impacts on the health or safety of persons living or working in the vicinity or be materially detrimental to the public welfare.]*
7. Operating requirements necessitate the Conditional Use Permit for the site.  
*[Evidence: Hemp cultivation activities require a conditional use permit per Inyo County Code Section 18.45.030(P) and is therefore necessary for the operation of Eco Holdings LLC.]*

## **CONDITIONS OF APPROVAL**

### **1. Hold Harmless**

The applicant/developer shall defend, indemnify and hold harmless Inyo County agents, officers, and employees from any claim, action or proceeding against the County or its agents, officers, or employees to attack, set aside, void or annul an approval of the county, its advisory agencies, its appeals board, or legislative body concerning Conditional Use Permit No. CUP 2019-07/Eco Holdings LLC. The County reserves the right to prepare its own defense.

### **2. Compliance with County Code**

The applicant/developer shall conform to all applicable provisions of Inyo County Code and State regulations. If the use provided by this conditional use permit is not established within one year of the approval date it will become void.

### **3. Environmental Commitments under CEQA:**

- **Aesthetic:** The owner or his agent will adhere to Inyo County's General Plan Visual Resources requirement (VIS-1.6-Control of Light & Glare), which requires all outdoor light fixtures including street lighting, externally illuminated signs, advertising displays, and billboards use low-energy, shielded light fixtures which direct light downward (i.e., lighting shall not emit higher than a horizontal level) and are fully shielded.
- **Air Quality:** The owner or his agent will be required to follow best management practices to control for dust and odors & will consult with the Great Basin Air Pollution Control District to minimize potential air quality effects from the hemp crop's VOC emissions (Terpenes).
- **Geology & Soils:** The owner or his agent shall consult with the Inyo County Environmental Health Department and use portable toilets and RV trailers to manage sewage waste; the trailers will haul the toilets weekly to a company contracted RV dump station, to dispose of sewage. No underground waste disposal system is planned at this site.

