



May 8, 2019

VIA EMAIL: GUENOCVALLEYCOMMENTS@LAKECOUNTYCA.GOV

Ms. Michalyn DelValle
Community Development Director
255 N. Forbes Street
Lakeport, CA 95453

Governor's Office of Planning & Research

MAY 08 2019

STATE CLEARINGHOUSE

Dear Ms. DelValle:

NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT FOR
THE GUENOC VALLEY MIXED-USE PLANNED DEVELOPMENT PROJECT,

The Department of Conservation's (Department) Division of Land Resource Protection (Division) has reviewed the Notice of Preparation of a Draft Environmental Impact Report for the Guenoc Valley Mixed-Use Planned Development Project. The Division monitors farmland conversion on a statewide basis and administers the Williamson Act and other agricultural land conservation programs. We offer the following comments and recommendations with respect to the proposed project's potential impacts on agricultural land and resources.

Project Description

The proposed project consists of the development of a master planned mixed-use resort community within the 16,000-acre Guenoc Valley Ranch property in southeast Lake County. Proposed land uses include a destination luxury resort, consisting of five hotels, resort residential units, single family residential villas/estates and recreational facilities, as well as commercial centers (i.e. the Farmstead Compound), modified agricultural production, and associated supporting infrastructure. Proposed outdoor recreational and resort amenities include two wineries, a wellness center and spa, golf course, equestrian facilities, polo grounds, and wilderness camp.

Other undeveloped areas of the project site will continue to be rural lands and will remain in managed grazing which is an integral part of the fire management plan being developed for the site along with an on-site fire station. Project components would be developed over multiple phases. The first phase would be constructed in the near-term (approximately the next ten years) and would be analyzed in the Draft EIR at a project level. Future phases will be built out based on market demands and the Draft EIR will analyze these on a programmatic level.

Department Comments

The Department recommends the following discussion under the Agricultural Resources section of the Environmental Impact Report:

- Type, amount, and location of farmland conversion resulting directly and indirectly from implementation of the proposed project.
- Impacts on any current and future agricultural operations in the vicinity; e.g., land-use conflicts, increases in land values and taxes, loss of agricultural support infrastructure such as processing facilities, etc.
- Incremental impacts leading to cumulative impacts on agricultural land. This would include impacts from the proposed project, as well as impacts from past, current, and likely future projects.
- Proposed mitigation measure for all impacted agricultural lands within the proposed project area.

Although direct conversion of agricultural land is often an unavoidable impact under CEQA analysis, mitigation measures must be considered. In some cases, the argument is made that mitigation cannot reduce impacts to below the level of significance because agricultural land will still be converted by the project, and therefore, mitigation is not required. However, reduction to a level below significance is not a criterion for mitigation under CEQA. Rather, the criterion is feasible mitigation that lessens a project's impacts.

All mitigation measures that are potentially feasible should be considered. A measure brought to the attention of the Lead Agency should not be left out unless it is infeasible based on its elements. The Department suggests that the County consider the adoption of an agricultural land mitigation program that will effectively mitigate the conversion of agricultural land.

Agricultural Mitigation Program

Agricultural conservation easements are an available mitigation tool that the County should consider. The Department highlights easements as a mitigation tool because of their acceptance and use by lead agencies as an appropriate mitigation measure under CEQA and because they follow an established rationale similar to that of wildlife habitat mitigation.

Programs that establish agricultural conservation easements and in-lieu fees for mitigation banking are most effective at conserving comparable quality agricultural land when the easement requirements or fees are determined concurrent with project approval. Should significant time elapse between initial approval and the applicant's receipt of a building or grading permit, conflict may arise over the agricultural quality or value of the land being converted.

Mitigation via agricultural conservation easements can be implemented by at least two alternative approaches: the outright purchase of easements or the donation of mitigation fees to a local, regional, or statewide organization or agency whose purpose

includes the acquisition and stewardship of agricultural conservation easements. The conversion of agricultural land should be deemed an impact of at least regional significance. Hence, the search for replacement lands should not be limited strictly to lands within the project's surrounding area.

A source that has proven helpful for regional and statewide agricultural mitigation banks is the California Council of Land Trusts. They provide helpful insight into farmland mitigation policies and implementation strategies, including a guidebook with model policies and a model local ordinance. The guidebook can be found at:

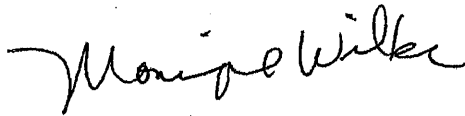
<http://www.calandtrusts.org/resources/conserving-californias-harvest/>

Another source is the Division's California Farmland Conservancy Program (CFCP), which has participated in bringing about conservation easements throughout the State of California involving many California land trusts. Any other feasible mitigation measures should also be considered.

Conclusion

Thank you for giving us the opportunity to comment on the Notice of Preparation of a Draft Environmental Impact Report for the Guenoc Valley Mixed-Use Planned Development Project. Please provide this Department with notices of any future hearing dates as well as any staff reports pertaining to this project. If you have any questions regarding our comments, please contact Earl Grundy, Environmental Planner at (916) 324-7347 or via email at Earl.Grundy@conservation.ca.gov.

Sincerely,



Monique Wilber
Conservation Program Support Supervisor