



# Inter Office Memo

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**ATTENTION: FOR FINAL ACTION OR MODIFICATION TO OR ADDITION OF CONDITIONS, SEE FINAL BOARD OF SUPERVISORS' ACTION SUMMARY MINUTES**

DATE: November 18, 2021  
TO: Board of Supervisors  
FROM: Planning Commission  
SUBJECT: RESOLUTION NO. 12918 - INITIAL STUDY NO. 7938 AND CLASSIFIED CONDITIONAL USE PERMIT APPLICATION NO. 3690

APPLICANT/  
OWNER: Chenguang Biotech America, LLC.

REQUEST: Allow a value-added agricultural facility that will consist of a processing facility for raw agricultural materials including tomato pumice, grape seed, and industrial hemp for extraction of lycopene and CBD oil, and distribution of produced projects on a 20-acre portion of an existing 38.33-acre parcel in the AE-20 (Exclusive Agricultural, 20-acre minimum parcel size) Zone District.

LOCATION: The project site is located at the northwest corner of N. Chateau Fresno Avenue and W. Shields Avenue, approximately 0.53 miles west of the city limits of the City of Fresno (APN 512-120-19S) (3025 N. Chateau Fresno Avenue/8008 W. Shields Avenue) (Sup. Dist. 1).

## **PLANNING COMMISSION ACTION:**

At its hearing of October 14, 2021, the Commission considered the Staff Report and testimony (summarized in Exhibit A).

A motion was made by Chairman Abrahamian and seconded by Commissioner Ede to continue this item to the November 18, 2021 hearing to allow the Central Unified School District opportunity to comment on the project and allow the Applicant additional time to address concerns expressed by the Commission.

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This motion passed on the following vote:

VOTING:      Yes:            Commissioners Abrahamian, Ede, Carver, Chatha, and Hill  
                  No:            None  
                  Absent:        Commissioners Eubanks, Ewell, and Woolf  
                  Abstain:       None

At its hearing of November 18, 2021, the Commission considered the Staff Report Addendum and testimony (summarized in Exhibit A).

A motion was made by Commissioner Woolf and seconded by Commissioner Carver to adopt the Mitigated Negative Declaration prepared for the project based on Initial Study No. 7938, adopt the required Findings of Fact and approve Classified Conditional Use Permit Application No. 3690, subject to the Mitigation Measures, Conditions of Approval and Project Notes.

This motion failed on the following vote and resulted in a technical denial of the application:

VOTING:      Yes:            Commissioners Woolf, Carver, and Ewell  
                  No:            Commissioners Abrahamian, Chatha, and Hill  
                  Absent:        Commissioners Ede and Eubanks  
                  Abstain:       None

STEVEN E. WHITE, DIRECTOR  
Department of Public Works and Planning  
Secretary-Fresno County Planning Commission

By: \_\_\_\_\_  
William M. Kettler, Manager  
Development Services and Capital Projects Division

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Attachments

EXHIBIT A

Initial Study No. 7938  
Classified Conditional Use Permit Application No. 3690

Staff: The Fresno County Planning Commission considered the Staff Report dated October 14, 2021 and heard a summary presentation by staff.

Applicant: The Applicant's representative concurred with the Staff Report and the recommended Conditions. He described the project and offered the following information to clarify the intended use:

- The subject property was previously operated as a fruit packing facility with approximately 80,000 square feet of existing structures. We propose to expand the facility with another 85,000 square feet of buildings.
- 10,000 acres of industrial hemp grown is currently grown in Fresno County, with the greater Central Valley cultivating an approximate total of 35,500 acres.
- There are no processing plants for industrial hemp in the area. Cultivated industrial hemp is shipped to Lancaster, CA or to Colorado for processing.
- Industrial hemp is a legal crop under the State of California and regulated by the Department of Agriculture.
- Technical studies including a Noise Study, Greenhouse Gas Analysis, Air Quality Analysis, and Traffic Study were conducted and accepted by the County and other regulatory agencies.
- Processing capacity is dependent on the market and how much material is available for purchase.
- The majority of traffic trips generated by the project proposal are seasonal with our seasonal operation occurring in July, August, and September.
- Chemicals utilized during the processing are subject to regulation by the State and Fresno County Department of Public Health.
- There is a house on the property which will be occupied by the operations manager.
- Lycopene and industrial hemp processing are not as heavily regulated in comparison to marijuana dispensaries.

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- Others: Two individuals presented information in support of the application.
- The property manager states that there are small hemp processing facilities located in the County where operators process their own crop.
  - A representative of the Fresno County Economic Development Corporation (EDC) stated that the project will be a benefit to the County through employment of 50 local employees, investment and contribution to the local economy, and Fresno County's global competitiveness.
- No individuals presented information in opposition to the application.
- Correspondence: No correspondence in support or in opposition of the application was received.
- Staff: The Fresno County Planning Commission considered the Staff Report Addendum dated November 18, 2021 and heard a summary presentation by staff.
- Applicant: The Applicant's representative concurred with the Staff Report and the recommended Conditions. He described the project and offered the following information to clarify the intended use:
- The Design Division and the Road Maintenance Division has reviewed the prepared Trip Generation and Distribution Study and did not require further analysis.
  - There are no entrances to the facility off Shields Avenue. All our entrances are located or proposed off Chateau Fresno Avenue.
  - Renovation and rebuilding of existing buildings can take up to two years. Completion of full buildout can take between five to seven years.
  - Wet products are delivered to the facility at a rate of six to seven trucks a day and would reach 250 tons a day. Dry products would be delivered via truck three times a day to a total of 100 tons a day. Delivery of industrial hemp would occur three times a week via truck and amounts to five tons a day.
  - As the project will operate 24 hours a day, employee trips are dispersed throughout the day and would not result in all employees traveling to the site at the same time.
  - We do not anticipate a large impact on the Central Unified School District in terms of traffic and safety as the majority of the students are

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located within the city with a smaller amount coming from the rural area.

Others: Two individuals presented information in support of the application.

- A representative of the Fresno County Economic Development Corporation stated that the processing of agricultural waste and production of valuable materials will in turn create jobs, divert waste from landfills, and can have beneficial environmental and economic impacts for our region.
- A professor from the University of California, Davis stated that the State of California seeks technology for value-added agricultural processing to reduce waste produced from the agricultural industry. The technology provided by the Applicant will convert agricultural waste and produce desirable value-added products.
- The professor also noted that the estimated conversion is approximately one ton per acre processed and believe that the facility has the capacity to process 100 tons per day.
- The professor specified that there are two different types of industrial hemp. One type can be harvested two times a year, with the other harvested once a year.

No individuals presented information in opposition to the application.

Correspondence: A letter submitted by the Central Unified School District expressed concern with transportation impacts resulting from the project, stating the W. Shields Avenue is a bus route, and that additional study on transportation impacts be conducted and reviewed. Additionally, the Central Unified School District stated that developer impact fees would be applicable to this project.