

Before the Planning Commission

Planning Department File No. 2021-04-013

Extension of Conditional Use Permit 2018-10-012

Planning Commission Meeting Date: June 24, 2021

1. **APPLICANT:** Calico Resources USA Corp
665 Anderson Street
Winnemucca, NV 89445
2. **OWNER OF RECORD:** Calico Resources USA Corp
665 Anderson Street
Winnemucca, NV 89445
3. **PROPOSED ACTION: Extension Request for Grassy Mountain Project CUP 2018-10-012.**
4. **PROPERTY IDENTIFICATION:** Tax lot 101 of Malheur County Assessor's Map 22S44E.
5. **PROPERTY LOCATION AND DIRECTIONS:** The property is located approximately 22 miles south of Vale. It is accessed by driving south from highway 20 on Russell Road approximately 2.7 miles, then continuing south on Cow Hollow Road approximately 4.1 miles to Twin Springs Road, then continuing south for approximately 15.2 miles.
6. **ZONING:** Exclusive Range Use (C-A2).
7. **PARCEL SIZE:** The parcel is 61.98 acres.
8. **PARCEL USE:** Vacant land, steep hill side, non-irrigated.
9. **SURROUNDING USE:** The surrounding land is entirely federal and managed by the Bureau of Land management. Land uses primarily include open cattle rant, hunting, and other recreation activities.
10. **ACCESS:** The primary access is located at the intersection of Highway 20 and Russell Road.
11. **ZONING HISTORY:** The parcel was created within BLM land through the patenting of Calico's mining claim in 1986. A conditional use permit (2018-10-012) was approved on May 23, 2019.

BACKGROUND INFORMATION

In 2018, Calico Resources applied for two related land use permits for a gold and silver mine (the “Grassy Mountain Mine”) located on Tax Lot 101 of Assessor’s Map No. 22S44E. The first was a Conditional Use Permit (the “CUP”) to allow the mining activity, pursuant to Malheur County Code (“MCC”) 6-6-7 (County File No. 2018-10-012). The second was a permit for development within identified sage grouse habitat.

Calico’s CUP was approved on May 23, 2019 and is set to expire on May 23, 2021. To date, no construction has occurred on the subject property because Calico is still working through state and federal permitting processes, which it must complete before it can begin construction of the mine and related facilities. On April 23, 2021, Calico’s legal counsel filed a timely request for a two-year extension, which if approved would allow the CUP to remain valid until May 23, 2023.

APPLICABLE CRITERIA

Under MCC 6-6-12, approved conditional use permits are valid for two years, unless extended by the Planning Commission:

“A. Authorization of a conditional use shall be void after two (2) years or such lesser time as the planning commission may specify, unless substantial construction pursuant thereto has taken place. However, the planning commission may extend authorization for additional periods, on request or on its own motion, without the necessity of following any formal procedures such as those set out in this chapter and in chapter 10 of this title.”

An extension under MCC 6-6-12 is a ministerial act that the MCC delegates to the Planning Commission instead of the Planning Director. No specific procedure or public notice is required. However, public notice of Calico’s request was provided to the Bureau of Land Management (the only landowner within 500 feet) and published in the newspaper under the County’s normal notice procedures. There are no applicable criteria for an extension of a conditional use permit. There is no limit on the number of times such an extension can be approved.

Calico provided the following explanation of why the extension is necessary:

“Construction of the Project may not begin until the Oregon Department of Geology and Mineral Industries (“DOGAMI”) approves a chemical mining permit (the “Consolidated Permit”). Application for the Consolidated Permit required a land use approval and associated land use compatibility statement from Malheur County, requiring the Applicant to obtain the CUP and SGP prior to applying for its Consolidated Permit. The Director can find that the enormously complex review process entailed in the Consolidated Permit prevented the Applicant from beginning construction within the initial two-year approval period. A flow-chart describing this process is enclosed as Exhibit 2. The Applicant submitted its Consolidated Permit application on November 15, 2019, and DOGAMI and its state agency partners issued its 114-page completeness

determination on February 19, 2020. The Applicant has been in the process of study, engineering, and interpretation of comments, and back and forth iteration with DOGAMI to respond to the completeness determination. The notes of the most recent DOGAMI Technical Review Team meeting, held on February 2, 2021, which demonstrate the Applicant's diligence in obtaining the Consolidated Permit, are included as Exhibit 3. In addition, the Applicant requires a final approval from BLM, which has yet to be approved."

The Applicant's full written request is enclosed as **Exhibit 1**.

CONCLUSION

Based upon the foregoing finding of fact, the Malheur County Planning Commission makes the following conclusion and decision:

Calico Resources USA Corp, through their attorney, has filed a timely request for an extension of their conditional use permit (planning action number 2018-10-012), and has met the requirements of Malheur County Code 6-6-12.

ORDER

This application for an extension pursuant to Malheur County Code 6-6-12 is APPROVED. CUP 2018-10-012 is valid until May 23, 2023 unless a subsequent extension is granted.



Planning Commission Chair
Kathy Clarich



Date