

ATTACHMENT D
FINDINGS
ZONE FILE #2018-0018
YOLO 1, LLC AND YOLO 2, LLC
CANNABIS USE PERMIT

Upon due consideration of the facts presented in this staff report and at the public hearing for Zone File #2018-0018, the Yolo County Planning Commission finds the following:¹

I. Findings Related to the California Environmental Quality Act (CEQA) and CEQA Guidelines

The Planning Commission finds that the project is consistent with the Cannabis Land Use Ordinance Environmental Impact Report (CLUO EIR) (SCH #2018082055), certified by the Board of Supervisors on September 14, 2021 (Resolution 21-111) and that no further environmental review is needed pursuant to Sections 15168(c), 15162, and 15183 of the California Environmental Quality Act (CEQA) Guidelines based on the CLUO Program EIR Checklist / Initial Study prepared for the project, and hereby makes the following findings:

Section 15168(c) Findings (Activity Within Scope of CLUO Program EIR)

1. The CLUO EIR is a program EIR pursuant to Section 15168 of the CEQA Guidelines.
2. The proposed project is a later activity anticipated in the CLUO EIR and subject to the regulatory controls established through the CLUO.
3. No subsequent EIR would be required under CEQA Guidelines Section 15162 (see Section 15162 Findings, below).
4. Applicable mitigation measures from the CLUO EIR have been integrated into the proposed project and/or imposed on the proposed project.
5. The proposed project is within the scope of the project described in the CLUO EIR, the CLUO EIR adequately describes the activity for purposes of CEQA, and the environmental effects of the proposed project were analyzed within the scope of the CLUO EIR.

Section 15162 Findings (No Subsequent EIR Required)

1. There are no components of the proposed project that will result in new significant impacts or a substantial increase in the severity of previously identified significant impacts that would require substantial revisions to the CLUO EIR.
2. There are no changes to the circumstances under which the proposed project will be undertaken that would require revisions to the CLUO EIR due to new significant environmental impacts or a substantial increase in the severity of previously identified significant impacts.
3. There is no new important information relevant to the proposed project that was not previously known or reasonably could have been known at the time the CLUO EIR was certified that identifies significant impacts not discussed in the CLUO, substantial increases in the severity of previously identified significant impacts, previously infeasible mitigation measures or alternatives that are now

¹ The findings generally applicable to the granting of a Use Permit under the Yolo County Code do not apply to Cannabis Use Permits, which are subject only to the findings set forth below (Cannabis Land Use Ordinance, Section 8-2.1406(L)).

feasible that the project proponent proponents decline to adopt, or considerably different and more effective mitigation measures or alternatives that the project proponent proponents decline to adopt.

Section 15183 Findings (Streamlined Environmental Review due to Consistency with Zoning)

1. The zoning of the project site accommodates the density/intensity of the cannabis land uses allowed under the CLUO which is a zoning regulation comprehensively and cumulatively analyzed in the certified CLUO EIR.
2. The CLUO is a uniformly applied development standard of the County (Ordinance 1541, Section 1, adopted September 14, 2021, as amended) adopted based on substantial evidence in the record that the CLUO will substantially mitigate environmental effects when applied to future projects.
3. The proposed project has been analyzed for consistency with all requirements of the CLUO and found to be fully compliant with implementation of identified conditions of approval.
4. The proposed project will not result in environmental effects which are peculiar to the project or the parcel on which it will be located.
5. The proposed project will not result in significant environmental effects that were not analyzed in the CLUO EIR.
6. The proposed project will not result in potentially significant off-site impacts or cumulative impacts which were not addressed in the CLUO EIR.
7. There is no substantial new information which was not known at the time the CLUO EIR was certified demonstrating that effects of the proposed project will be more severe than discussed in the CLUO EIR.
8. Based on the CLUO Program EIR Checklist / Project Initial Study, no additional environmental review is required because the impacts of the project are not peculiar to the parcel or to the project, have been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards.

II. Findings Related to the Cannabis Land Use Ordinance

The Planning Commission finds that the proposed project is consistent with the Cannabis Land Use Ordinance (CLUO) based on the following:

(A summary of the evidence to support each FINDING is shown in italics)

1. The requested use is a conditionally allowed use in the applicable zone designation.

The requested use is a Cannabis Use Permit to allow issuance of cannabis cultivation licenses for up to two acres of canopy each for colocation of Yolo 1, LLC and Yolo 2, LLC, for a total of four acres of canopy of outdoor cultivation. Additionally, the project includes the issuance of a nursery license and a self-distribution license (non-allocated license type). The subject property is zoned Agricultural Extensive (A-X). Pursuant to Article 3, of Chapter 2, of Title 8 of the Yolo County Code, cannabis cultivation and cannabis nursery and distribution uses are permitted in the A-X zone upon issuance of a use permit.

2. The requested use is consistent with the general plan, and area or specific plan if applicable.

The requested use is consistent with the Yolo County General Plan. Cannabis cultivation (including nurseries) and cannabis distribution uses are included in the Agriculture (AG) land use designation (Policy LU-1.1, and Table LU-4).

3. The proposed use complies with each of the applicable provisions of the Cannabis Land Use Ordinance and other applicable sections of the County Zoning Regulations.

The project has undergone a thorough review against the applicable provisions of the Cannabis Land Use Ordinance (CLUO) and Article 3 (Agricultural Zones) of Chapter 2 of Title 8 of the Yolo County Code. The project, as conditioned, is determined to be in compliance with the Cannabis Land Use Ordinance and zoning requirements applicable in the Agricultural Zones. The applicable provisions of the Cannabis Land Use Ordinance are included as conditions of approval. The operator is required to submit an annual report on July 1 of each year starting the first July in the year after permit issuance documenting compliance with the Cannabis Use Permit requirements.

4. The proposed use, together with the applicable conditions, will not impair the integrity or character of the neighborhood nor be detrimental to the public health, safety, or general welfare.

Cannabis cultivation and associated uses, such as nursery and self-distribution, are permitted in agricultural zones with a use permit. The operator has been cultivating cannabis on an annual basis under validly issued county and state licenses since 2017. The project site is located in an agriculturally zoned area and is surrounded by land in agricultural production on all sides. The agricultural uses in the area of the project site contain intensive agricultural uses, such as nut hulling and shelling facilities, wine grape vineyards, pistachio and olive orchards, and standard row crops. The outdoor cultivation areas are fenced and screened from public view along County Road 17. The operator has prepared a security plan and will implement measures to secure the property, such as security cameras, motion detectors, alarms, security guards (when necessary), and administrative controls. The operator is also required to provide property owners within 1,000 feet of the property line with an operable method of communication with a local or on-site responsible party having prompt access to the site, operations, and activities. This requirement facilitates communication between neighbors related to conditions at the site and operation of the activity.

The operator submitted an odor control plan that describes the odor emitting activities and the administrative and passive controls to reduce and control odors to the greatest extent possible. If odor nuisances are verified pursuant to the enforcement procedure set forth in the CLUO, the operator may employ active controls, such as odor neutralizers for the outdoor canopy or carbon filtration systems for the processing building, as well as passive controls such as additional vegetation barriers, different plant strains, and relocation of the outdoor canopy area.

The project, as conditioned, will therefore not impair the integrity or character of the area nor be detrimental to the public health, safety, or general welfare.

- 4.a. The population in the area has been taken into consideration.

The site is surrounded by agricultural (almonds orchards to the west, wheat and barley to the south, pistachios to the east, and grapes and olives to the north). The project is located on County Road 17, a portion of which is unmaintained, and, as conditioned, the project will be required to improve the unmaintained sections of the County Road 17 to local fire district standards to ensure that the project does not further degrade the road quality for other users and make emergency vehicle access inaccessible.

The project site is not located within a densely populated area. There are three residences on agriculturally zoned parcels within 1/2-mile of the project site. The three residences are located on parcels to the southwest of the site, ranging from 40 acres to 104 acres. The nearest population center is the town Zamora, which is located approximately 4.3-miles northeast of the project site. According to 2020 Census data, the total population within the 95698 Zip Code, which includes the town of Zamora, is 236 persons (99 households). Pursuant to the CLUO, the Yolo 1, LLC and Yolo 2, LLC operation is not located within an over-concentrated area.

4.b. The crime rate in the area has been taken into consideration.

Staff reviewed two years of crime rates and statistics provided by the Yolo County Sheriff's Office for the Yolo-Zamora area. There is nothing to suggest that existing cannabis cultivation activities at the Yolo 1, LLC and Yolo 2, LLC operation caused an increase in crime in the Yolo-Zamora area. Further, the Yolo County Sheriff's Office provided anecdotal information that their office is not aware of any major crimes occurring on licensed cannabis cultivation sites throughout the county.

4.c. The record of nuisance abatement in area has been taken into consideration.

There have been four complaints lodged against the collocated cannabis operations—two in 2019, one in 2021, and one in 2024. All complaints were related to concerns stemming from employees and/or deliveries accessing the property via the unmaintained County Road 17 from the east. It should be noted that one complaint in 2019 related to loud music and the 2024 complaint regarding damage to gate/locks could not be verified to link the complaints to employees of the cannabis operation or deliveries to the cannabis operation. The project has been conditioned to require employee and delivery access to the property from the west, as the applicant has an obligation to maintain a segment of this road to Madison Fire District standards from the property entrance to county-maintained section. Should the applicant want to allow employee and delivery access to the property from the west, the applicant will be responsible for maintaining that segment of road to Yolo Fire Protection District standards from the property entrance to the county-maintained section of County Road 17 to the west. A condition of approval has been added to this effect.

4.d. Community character has been taken into consideration.

The community character of the area is typical of the rural, working agricultural landscape found throughout the unincorporated county. As mentioned above, the cannabis cultivation operations will not impair or conflict with the existing agricultural uses in the surrounding area. Cannabis cultivation and associated uses are considered agricultural land uses in the General Plan and allowed with a use permit in the A-X zone. The project, as conditioned, requires the permittee to maintain, manage, and operate the site, all improvements and alterations, and all structures, in good repair, acceptable in appearance, and in a reasonable safe condition. Measures are in place to protect the rural night sky by shrouding greenhouse structure(s) and requiring exterior lighting to be full cut-off, shielded, and downward facing. The project is conditioned to require maintenance of County Road 17 to local fire district standards for sections of road being used employee and delivery access.

4.e. Community support has been taken into consideration.

A Courtesy Notice was mailed to property owners within 1,000 feet of the property boundary of the subject parcel on August 18, 2018. Additionally, a second Courtesy Notice was emailed to the interested parties list maintained by the Planning Division on July 1, 2024. Staff followed up with neighboring property owners by phone to discuss the project and how the development of the

Cannabis Land Use Ordinance affected the project's review. Staff received one response from a nearby property owner expressing concern about odor, trash, traffic, and crime. When staff followed up with the property owner by phone, she mentioned how some of her initial project concern was alleviated after hearing from her tenant how the applicant has been a good neighbor and improved the road quality for all users. Staff contacted the residents nearest to the cultivation area on the parcel to the south, they did not have any concerns with the project expansion.

The project site is located near the northernmost boundary of the Madison Advisory Committee area, approximately 4.25 miles northeast of the town of Madison; however, the Madison Advisory Committee is not an active committee due to lack of membership, and therefore did not convene to discuss and make a recommendation on the project.

5. Adequate utilities, access roads, drainage, sanitation, and/or other necessary facilities will be provided, as required in applicable County and State regulations, standards, and specifications.

The project is served by PG&E and is conditioned to achieve Valley Clean Energy ultra-green or equivalent standard (100 percent renewable and 100 percent carbon-free). The site will also receive electricity from the 6,000 square foot ground mounted solar array (350 kilowatts). Access to the property is from County Road 17, from the western side near to I-505. As required by the Public Works Division, the project is conditioned to maintain a gravel driveway Madison Fire District standards to access the site. If the applicant wishes to utilize I-5 to access the site in the future, the applicant will be required to maintain the section of County Road 17 beginning at the project site, extending east to where County-maintenance ceases, the applicant will be required to improve the section of road to Yolo Fire District standards.

The site will be served by an on-site wastewater treatment system (septic system) as approved and regulated by the Environmental Health Division. The project includes new structures—all buildings and structures for cannabis use will be constructed under building permits. Site drainage is reviewed during the building permit process, there is an existing detention basin near the southern boundary of the site that will serve the proposed new structures. The project, as conditioned, provides adequate utilities, access roads, drainage, sanitation, and other necessary facilities as required in applicable County and State regulations, standards, and specifications.

6. The number of cannabis operations in the area has been taken into consideration.

Yolo 1, LCC and Yolo 2, LLC are considered 'Existing Licenses' and the operations are located outside of the Capay Valley, an area identified in the CLUO EIR as overconcentrated. Therefore, the colocated site is not located in an area considered to be over-concentrated. As of the date of this public hearing, six cannabis use permits have been issued.

For this Finding, the 'area' is considered three linear miles measured from the extent of the Yolo 1, LLC and Yolo 2, LLC property line. There are no existing/licensed cannabis operations within three linear miles of the project site. The nearest existing/licensed cannabis operation is located approximately 3.8 miles to the northeast of the project site.

7. The proximity of cannabis operations to each other, and/or to other identified sensitive land uses has been taken into consideration.

As stated in Finding 6, above, there are no existing/licensed cannabis operations within three linear miles of the project site. The nearest existing/licensed cannabis operation is located approximately 3.8 miles to the northeast of the project site.

The nearest agricultural homesite is approximately 1,350 feet from the existing outdoor cultivation area (one home to the southwest). Upon expansion of the outdoor cultivation, the distance between the homesite to the southwest and the outdoor cultivation will be approximately 1,230 feet.

8. The proximity to adjoining/nearby land uses has been taken into consideration.

The surrounding land uses are zoned A-X and are in agricultural production (almonds orchards to the west, wheat and barley to the south, pistachios to the east, and grapes and olives to the north) and the proposed development is compatible with the type of uses allowed on A-X zoning.

The existing structures are located toward the southwest portion of the property and meet the required setbacks set forth in the Yolo County Code. The project complies with the CLUO buffer requirements from sensitive land uses, and the proposed expansion of the cannabis cultivation area will also satisfy the buffer requirements from sensitive land uses.

9. The compliance history of the applicant and/or operator has been taken into consideration.

Yolo 1, LLC and Yolo 2, LLC first received a cultivation licenses in 2017. There have been four complaints lodged against the collocated cannabis operations—two in 2019, one in 2021, and one in 2024. All complaints were related to concerns stemming from employees and/or deliveries accessing the property via the unmaintained County Road 17 from the east. Reported issues included loud music coming from vehicles early in the morning, cars getting stuck near the County Road 17 west gate, and damage to the gate and locks. It should be noted that one complaint in 2019 related to loud music and the 2024 complaint regarding damage to gate/locks could not be verified to link the complaints to employees of the cannabis operation or deliveries to the cannabis operation. Both Yolo 1, LLC and Yolo 2, LLC and the property owner, are up to date on license application fee payments, property tax payments, and cannabis tax payments.

10. Parcel size and proposed uses on the non-cannabis portion(s) of the parcel have been taken into consideration.

The subject parcel is ±39.99 acres. There is no onsite residential development, and none is planned for the future. Portions of the northwest and southeast corners of the property contain natural drainages and swales that will remain undeveloped and avoided per the County's setback from watercourse requirements. The cannabis cultivation operations will encompass most of the site's usable acreage.

11. Subject matter input relevant to the specific location or proposed project from County department and division heads, and the Cannabis Unit have been taken into consideration. This shall include information and recommendations from the Agricultural Commissioner relevant to compatibility of proposed cannabis cultivation with adjoining non-cannabis crops.

Subject matter input from County department and division heads have been taken into consideration when analyzing the project. Project specific conditions of approval from the Public Works Division, Environmental Health Division, and Building Division, as well as Madison and Yolo Fire Districts, have been incorporated into the project. Additionally, the Cannabis Unit has provided information about compliance history (see Finding #9).

The Agricultural Commissioner reviewed the project application materials and determined that the project does not create a potential for conflict with adjacent properties and their associated crops. The Agricultural Commissioner noted the possibility of sulfur drift from the adjacent grape vineyard to the northeast but noted the concern is minor and that there have been no conflicts in agricultural

operations since cannabis cultivation began in 2017. The Agricultural Commissioner did not have any concerns related to site maintenance or remaining agricultural acreage since the property will be encompassed by almost entirely by the cannabis operations.

12. Other cultural, social, equity, and environmental justice concerns deemed applicable by the County have been taken into consideration.

The operator has been cultivating cannabis annually under validly issued county and state licenses since 2017. The CLUO establishes the regulatory framework for permitting cannabis related uses in a transparent and equitable process. The use permit process allows for fairness, regardless of race, color, national origin or income, and the meaningful involvement of community in the decision-making process. The County has not deemed additional cultural, social, equity, and environmental justice concerns applicable, as this project is not located in an area considered to be over-concentrated nor has it been identified to be located in a disadvantaged community. The operator was provided an equitable opportunity to apply for a cannabis use permit pursuant to the CLUO, and the public was provided opportunities to comment on the project and participate in a public hearing at the July 11, 2024, Planning Commission meeting.

13. Site efficiency and use of the site to minimize fallowing of agricultural land has been taken into consideration.

The cannabis operations will encompass most of the site's total acreage. The portions of the site that will remain undeveloped contain natural drainages and swales and must be avoided consistent with County setbacks from watercourses. Those areas will remain in open space grasslands. As noted in Finding 11, the Agricultural Commissioner does not have any concerns with site maintenance or the remaining agricultural acreage since the cannabis operations will encompass most of the property, and the unused acreage contains drainages and swales that are covered in grassland.

III. Findings Related to the Williamson Act

The subject project site is under Williamson Act Contract (Land Use Agreement #71-537). The Williamson Act (Gov't Code § 51200 et seq.) requires that the property be used for agricultural and open space uses, or uses that are compatible with agriculture. The CLUO recognizes cannabis cultivation and related activities as agricultural land uses. See Yolo County Code of Ordinances § 8-2.1404(E). To the extent that any of the project's proposed uses are not agricultural uses, the Williamson Act and the County's Williamson Act Guidelines set forth three "principles of compatibility" that non-agricultural uses on contracted lands must be consistent with. See Government Code § 51238.1. Accordingly, the Planning Commission makes the following findings:

1. The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels or on other contracted lands in agricultural preserves.

Approval of the project will not significantly compromise the long-term productive agricultural capability of the subject parcel or other contracted lands in agricultural preserves. Cannabis cultivation, processing, and distribution uses are included in the Agricultural land use designation in the Countywide General Plan. The project proposes adding approximately two acres of outdoor cannabis cultivation canopy, for a total of four acres of canopy on the ±39.99-acre parcel. The approximate total land disturbance of cannabis activities, including existing and proposed cultivation footprint in addition to existing structures, is approximately 19.7 acres. The CLUO EIR considered off-site impacts to agriculture and concluded that there would be no impact with zoning for agricultural use or Williamson Act contracts under any of the alternatives. The agriculturally

related uses on this parcel will support continued agricultural use of other contracted lands in agricultural preserves.

2. The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels or on other contracted lands in agricultural preserves. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping.

The proposed project will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or on other contracted lands in agricultural preserves. The expansion of cultivation activities will occur on lands immediately adjacent to agricultural areas, involving processing and distribution activities of other intensive agricultural commodities, including nut hullers and permanent orchard crop (olives and grape vineyard) processing. Continuation of and expansion of cannabis cultivation and associated uses are paramount to the project. The project is expected to support, not compromise or displace, the long-term agricultural capability of the land by encouraging the continuation of the land's productivity through cultivation of cannabis crops, and processing and distribution of cannabis products.

3. The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use.

All properties immediately surrounding the project site are under Williamson Act contract. Experience from the project's existing cannabis cultivation activities (since 2017) indicates that adjacent contracted land is not affected by the operations, and there is no evidence that the project will result in the removal of adjacent land from agricultural use.