

ATTACHMENT D

**FINDINGS
ZONE FILE #2023-044
S&R Pharms, LLC/Apex Agriculture, LLC
CANNABIS USE PERMIT**

Upon due consideration of the facts presented in this staff report and at the public hearing for Zone File #2023-044, 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 the following:

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

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)).

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 feasible that the project 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 collocated Cannabis Use Permit to allow issuance of a cannabis cultivation licenses for up to two acres of cultivation canopy for each licensee (S&R Pharms and Apex Agriculture), for a total of four acres of canopy on the project site. Additionally, the project includes the issuance of a self-distribution license (non-allocated

license type) for each licensee. The subject property is zoned Agricultural Intensive (A-N). Pursuant to Article 3, of Chapter 2, of Title 8 of the Yolo County Code, cannabis cultivation is permitted in the A-N zone upon issuance of a use permit. Cannabis cultivation includes activities involving the planting, growing, harvesting, drying, curing, grading, storing, and trimming of cannabis grown onsite.

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 is 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 CLUO and zoning requirements applicable in the Agricultural Zones.

S&R Pharms and Apex Agriculture currently meet, and will continue to maintain, all buffers from nearby sensitive land uses (i.e., off-site legal residences, residentially zoned land, and public parks). The nearest agricultural homesite (to the east) is approximately 3,292 feet from the existing outdoor cultivation area and the nearest residential homesite within the City of Woodland is approximately 1,961 feet from the outdoor cultivation area. The parcel boundary of the nearest public park (i.e., Woodland Regional Park) is approximately 640 FT north from the existing outdoor cultivation area.

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 onsite processing and self-distribution, are permitted in agricultural zones with a use permit. S&R Pharms has been cultivating cannabis on an annual basis under validly issued county and state licenses since 2017. Apex Agriculture previously held a state cultivation license and a county cultivation license from 2017 to 2021, but did not seek renewal after 2021. The project site is located in an agriculturally zoned area and is surrounded by land in agricultural production to the east, south, and west (olives, pistachios, sunflowers, and tomatoes). The property immediately to the north is located within the City of Woodland and is zoned as Open Space (OS) per the City's 2035 General Plan Land Use map and contains the Woodland Regional Park. The outdoor cultivation areas are fenced and screened from public view along County Road 102 to the west and is setback from County Road 25A to the north approximately 640 feet.

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. Additionally, the project is conditioned to install and use carbon air filters and/or scrubbers (or similar technology) in greenhouses used for flowering canopy.

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

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

The project site is not located within a densely populated area, however, the Spring Lake community within the City of Woodland is located approximately 0.35-mile west of the property boundary. The site is surrounded by agricultural (pistachios to the west, olives to the east, and tomatoes/sunflowers to the south and southeast) land uses, the Woodland Regional Park (within City limits) immediately to the north, and the Spring Lake neighborhood (within City limits) approximately 1,800 feet from the nearest extent of the northwestern parcel boundary. There are zero residences on agriculturally zoned parcels within 1/2-mile of the project site. The nearest residence on agriculturally zoned land is approximately 3,292 feet from the existing outdoor cultivation area. The nearest population center is the City of Woodland, which is located immediately north/northwest of the project site. There are approximately 118 residences within 1/2-mile of the project site located within the Spring Lake neighborhood. These parcels are approximately 0.1-acre to 0.5-acre in size. According to 2020 Census data, the total population within the 95776 Zip Code, which includes the City of Woodland, is 26,612 persons (8,165 households). Pursuant to the CLUO, the S&R Pharms/Apex Agriculture 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 Woodland area. There is nothing to suggest that existing cannabis cultivation activities at the S&R Pharms/Apex Agriculture operation caused an increase in crime in the Woodland 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 no nuisance complaints reported to the County's Cannabis Unit regarding the cannabis operations dating back to 2019 within the past two years (the Department of Community Services Cannabis Unit maintains complaint data going back to 2019 when the Cannabis Unit was relocated to Community Services). The area surrounding the project site is not known to have an unusual amount of reported nuisance complaints.

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, except for the area north and northwest of the cannabis operation that includes both open space (Woodland Regional Park) and low-density residential (Spring Lake community) uses per the City of Woodland's 2035 General Plan map. Cannabis cultivation and associated uses are considered agricultural land uses in the General Plan and allowed with a use permit in the A-N 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.

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 April 18, 2024. Additionally, the Courtesy Notice was emailed to the interested parties list maintained by the Planning Division. Staff received one response from a nearby property representative expressing concern about odor, impacts to the conservation easement encumbering the parcels immediately south of the operation and south of Willow Slough, camping/trespassing along Willow Slough resulting in security and littering issues, and the potential contamination of Willow Slough from the cannabis compost piles located more than 100 feet to the west of the slough. Staff also received a letter from the Yolo Land Trust detailing the elements of said conservation easement mentioned above located south of the project site (consisting of approximately 110 acres) to inform the cultivators of the on-going stewardship efforts that could be inadvertently affected without thoughtful planning.

The City of Woodland also submitted a letter detailing their concerns with the proposal regarding the public experience at the Woodland Regional Park that may disrupt or interfere with the sensitive wildlife at the preserve. The City asked that any new construction and cultivation activities are located as far south of the northern property line of the project site to minimize visual and odor impacts. Light and glare from the operation onto the preserve is requested to be shielded in a manner to not be disruptive to sensitive wildlife, such as Tricolored Blackbirds. It is also requested that the operators coordinate with the City well in advance of harvest activities to avoid scheduling events at the preserve when odors may be at their peak and that the operators be aware of probable nests in or around the site during harvest activities if occurring between March through July.

The Applicant submitted a response to comments to County staff to address the concerns and demonstrate their willingness to work with the appropriate county and state agencies to ensure that all regulatory requirements are met and that the proposed operations do

not impose risk to the surrounding sensitive land uses and community, and to foster open communication with neighbors.

The project site is not located in any Citizens Advisory Committee (CAC) comment area.

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). Access to the property is from County Road 103 via an existing 20-foot-wide access easement along a gravel road on the neighboring parcel to the east. As required by the Public Works Division, the project is conditioned to secure an encroachment permit to install a paved driveway and relocate any existing gates to guarantee a 40-foot minimum clearance from the edge of pavement. The site is conditioned to be served by an on-site wastewater treatment system (septic system) for domestic wastewater, as approved and regulated by the Environmental Health Division. Industrial strength waste (e.g., wastewater from processing) is regulated by the State Regional Water Quality Control Board and is not approved to be discharged into the septic system. The project proposes one new 2,100 SF processing facility, including an ADA restroom for employees, and the reconstruction of twelve previously existing hoop houses. Site drainage is reviewed during the building permit process. 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.

S&R Pharms and Apex Agriculture are considered 'Existing Licensees' and their operations are located outside of the Capay Valley, an area identified in the CLUO EIR as overconcentrated. The remaining unincorporated area of the County is not considered to be over-concentrated. Therefore, the project site is not located in an area considered to be over-concentrated.

The nearest existing/licensed cannabis operations are approximately 6.4 miles northwest of the project site. All other existing/licensed cannabis operators are more than 7 miles from the extent of S&R Pharms/Apex Agriculture's property boundary.

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, the project site is not within an area that is considered over-concentrated. The nearest existing/licensed cannabis operations are approximately 6.4 miles northwest of the project site. All other existing/licensed cannabis operators are more than 7 miles from the extent of S&R Pharms/Apex Agriculture property boundary. The City of Woodland is immediately north/northwest of the S&R Pharms/Apex Agriculture property boundary.

S&R Pharms and Apex Agriculture currently meet, and will continue to maintain, all CLUO buffers from sensitive land uses. There are zero residences on agriculturally zoned parcels within 1/2-mile of the project site. The nearest residence on agriculturally zoned land is

approximately 3,292 feet northeast along County Road 103 from the existing outdoor cultivation area. There are approximately 118 residences within 1/2-mile of the project site located within the Spring Lake neighborhood within the City of Woodland to the northwest. The nearest residential homesite within the City of Woodland is approximately 1,961 feet from the outdoor cultivation area. The outdoor cannabis cultivation area is approximately 640 FT south of the property line adjoining the Woodland Regional Park to the north of the project site.

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

The surrounding land uses to the east, south and west are zoned A-N and are in agricultural production (olives, pistachios, sunflowers and tomatoes) and the property to the north/northwest is identified as Open Space (OS) and Low Density Residential (LD) per the City of Woodland's 2035 General Plan Land Use map. The outdoor cultivation area is fenced and screened from public view along County Road 102 to the west and County Road 25A to the north. The property is not visible from County Road 103 to the east. The project site is mostly flat with open topography and riparian habitat along the slough. The majority of the site drains an agricultural ditch along County Road 25A to the north, and the remainder drains south into Willow Slough.

The existing mixed-light greenhouse, hoop houses, administrative office and processing structures are centrally located on the project site in a manner to maintain the 100-foot buffer from Willow Slough, the 600-foot buffer for outdoor cannabis uses from nearby sensitive land uses, and to provide a buffer from the oak woodland oak and riparian forest habitat located on the southern portion of the parcel. The existing and proposed structures meet the required setbacks set forth in the Yolo County Code. The project complies with the CLUO buffer requirements from sensitive land uses.

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

S&R Pharms and Apex Agriculture first received a cultivation license in 2017. The operator has not received a Notice of Violation. Five odor complaints (dated 9/26/2019, 9/30/2019, 10/8/2019, 10/15/2019, and 8/4/2021) were lodged against this operation with the Cannabis Unit per records maintained by the Department of Community Services (the Department of Community Services maintains complaint data going back to 2019 when the Cannabis Unit was relocated to Community Services). The two complaints in received in September 2019 were within a week of each other and investigated by staff at the same time. The two complaints received in October 2019 were handled similarly due to the timeframe in which they were received. Staff were unable to validate the complaints received during their three-to-four-day investigations, which resulted in the cases being closed.

Staff coordinated with the County Department of Financial Services to produce a history of cannabis and property tax payments for the site, which verified that S&R Pharms, LLC, Apex Agriculture, LLC, and the property owner, are up to date on their property taxes and cannabis taxes. It should be noted that Apex Agriculture, LLC, is on a payment plan for property taxes for the 2019 and 2020 Tax Year.

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

The subject parcel is ±40 acres and is mostly flat with open topography and riparian habitat along the eastern and southern boundary immediately adjacent to Willow Slough. Existing development currently occupies approximately seven acres of the site and includes two mixed-light greenhouses, twelve hoop houses, an administrative office, and processing structures. These structures are centrally located on the project site and the remaining ±33 acres are flat with various trees and shrubbery. The property has traditionally been used for agricultural purposes and/or undeveloped space. The remaining acreage (planted with grasses) will remain fallow and will be regularly mowed and/or disced to control weeds. The property owner does not have immediate plans for the ±33 acres of cleared land or riparian habitat but may consider other agricultural uses consistent with the A-N zoning regulations.

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 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 create the potential for conflict with property to the west of the project site that is planted in pistachios. The Agricultural Commissioner commented that there is a minor potential for pesticide drift onto the cannabis crop. The Agricultural Commissioner also commented that the tentative location for expansion of the outdoor cannabis canopy to four acres is acceptable in terms of compatibility with adjoining crops.

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

S&R Pharms has been cultivating cannabis annually under validly issued County and State licenses since 2017, and Apex cultivated under County and State licenses from 2017-2021. 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 operators were 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 November 14, 2024, Planning Commission meeting.

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

The existing buildings and structures that are used to support the cannabis operations are clustered in the center of the property within an existing perimeter fence that encompasses approximately 7-acres. A new 2,100-square-foot processing building is proposed, with ADA compliant restrooms, and the twelve existing hoop houses will be reconstructed. The proposed cultivation expansion area for Apex Agriculture will be immediately south of the existing cultivation area, and the proposed cultivation expansion area for S&R Pharms will be immediately east of the existing cultivation area, making efficient use of the site. The cultivation expansion area will encompass approximately three additional acres of a previously disturbed agricultural field and gravel parking area, leaving approximately 33 acres of already fallow land planted in grasses to the north and riparian habitat to the south. The northern portion of the property has been fallowed since approximately 2016/2017 and previously consisted of native grasses and trees/shrubbery. The property owner does not have immediate plans for the 33 acres of fallow land and riparian habitat other than occasional discing or mowing to control weeds, but may consider other agricultural uses consistent with the A-N zoning regulations.