

ATT. I

May 7, 2025

VIA ELECTRONIC MAIL

County of Yolo
Department of Community Services Planning Division
292 W. Beamer St.,
Woodland, CA 95695
Attn: Leslie Lindbo

Re: Zone File #2022-0083 – Outdoor Properties Cannabis Use Permit

Dear Planning Commission,

This letter is being provided to the Yolo County Planning Commission (the “**Planning Commission**”) in connection with the Cannabis Use Permit request to allow issuance of a cannabis cultivation license for up to one acre of canopy and a self-distribution license for Outdoor Properties LLC (“**Outdoor Properties**”).

In connection with Outdoor Properties’ request, staff has recommended denial of the permit primarily on the basis that Outdoor Properties and Loma West, LLC, the real property owner, have not maintained a satisfactory compliance history during their previous licensure for cannabis cultivation, including non-payment of property taxes, cannabis taxes, and solid waste and recycling service fees. Additionally, Outdoor Properties has not previously been overly responsive to community complaints, causing concerns about whether the project can be operated in compliance with the Cannabis Licensing Ordinance, Cannabis Land Use Ordinance, and state law.

While such concerns were valid with respect to the actions (or lack thereof) by the previous management of Outdoor Properties, as both this letter, county records, and staff will confirm, over the last several months, significant improvements have been made and nearly all of the previous concerns raised have been alleviated as a result of the removal of previous actors and the addition of new management with the knowledge and capabilities to successfully run the operation.

Not only has over \$150,000 of additional capital been spent in recent weeks to ensure that all previously unpaid property taxes and Waste Management fees have now been paid in full (with additional funds committed), but the new management team has also completed various site improvements and engaged in extensive community outreach efforts to understand and address all concerns brought about as a result of previous management’s actions/inactions. Each of these efforts is discussed in more detail, below.

The following highlights staff’s concerns raised regarding the compliance history of the property owner and applicant, which, when taken together, informed staff’s decision to recommend denial of the Cannabis Use Permit:

1. **Non-payment of property taxes.** As of the date of this letter, all outstanding property taxes have been paid in full. While property tax assessments for tax years 2023 and 2024 were previously outstanding, since the Advisory Committee Meeting last month, a total of **\$82,890.11** has been paid, bringing the total outstanding balance owed to zero. See Exhibit A evidencing confirmation of the same.

2. **Non-payment of cannabis taxes.** As with the other items listed, this was the result of poor prior management. New management has obtained the necessary information to confirm the amount of unpaid taxes (approximately \$5,000), all of which will be paid in full by Friday, May 9, 2025, in the event the Cannabis Use Permit is approved.
3. **Physical property is in pre-foreclosure.** While the property owner, Loma West, LLC, is in default under a deed of trust for an unpaid balance of \$2,189,443 (as of January 16, 2025) on the property, as staff can attest, the primary lender to Outdoor Properties, Erik Egger, was present at the Advisory Committee Meeting and explained that he began foreclosure proceedings on the property in order to prompt Outdoor Properties to make the necessary management changes to its operations. Mr. Egger has been actively working with the new management team and has stated his continued willingness to do so and has confirmed that the previously planned Trustee's Sale will be postponed while such discussions continue.
4. **Non-payment of solid waste and recycling service fees.** The property owner's account with Waste Management, Inc. has been paid in full and is no longer delinquent. While Outdoor Properties previously had a minimal balance owing, since the Advisory Committee Meeting, payment has been made in full. See attached Exhibit B confirming the same.
5. **Installation of large generator without permits and non-payment of PG&E bills.** Outdoor Properties is actively involved in discussions with PG&E power regarding a payment plan for the outstanding balance owed. While the intent was to have the plan fully agreed upon prior to the Planning Commission Meeting, Outdoor Properties is confident that it will be finalized and permanent power restored to the site by Friday, May 9, 2025.

Additionally, it bears mentioning that the generator that staff believed to have been installed without necessary permit approvals was in fact inspected and approved as part of the initial permit approval process. Specifically, the inspector who finalized the 10 permits to gain occupancy advised that Outdoor Properties did not need a formal permit for the generator that was onsite as it was intended to be used as an emergency backup system. He did indicate that if it was intended to be used as a primary source of power then such use would require a permit, however, the generator was never intended to be used in such a manner. So, full occupancy was granted under those conditions.

Moving forward, permanent power will be restored and the generator will be used solely for emergency power. The generator's previous use outside of the permitted parameters was an acknowledged failure of the previous management team and will not happen again.

6. **Several structures in disrepair.** The Advisory Committee previously expressed concerns regarding siding and plastic panels from several of the greenhouses that had been broken and/or severely damaged during winter storm events in late 2024 that had

not been repaired. Further, the Committee suggested that failure to promptly address such issues created a safety concern for workers.

While such damage did occur, at no point did it result in an employee safety issue as the damage occurred after operations had been paused and no workers were on site. In any event, in the time since the Advisory Committee Meeting, a significant number of these repairs have been completed, and an additional \$60,000 in new roofing materials have been brought onsite and poised for installation. See images of site currently cleaned up and with new roofing materials attached as Exhibit C.

7. **Notice of Violation.** The County's Cannabis Unit issued a Notice of Violation to Outdoor Properties on October 14, 2024 for failure to comply with track and trace requirements. While there is no excuse for prior management's failure on this issue, the company's previous decision to outsource labor and compliance functions led to this issue, which was resolved long ago. The new management team has a longstanding record of compliance in California and other state markets and will ensure an issue such as this does not occur again.
8. **Community concerns.** While there have been many public comments regarding the project, over the last few months, the new management team has made a concerted effort to remedy all previous issues, communicate with neighbors regarding such changes, and respond to all public comments that were submitted about the project.

Many of the concerns and complaints expressed in the various comment letters received from citizens centered around the following issues:

A. Loud Noise From Generator and/or Greenhouse Fans

- Staff required Outdoor Properties to submit a noise survey prepared by a qualified professional so the results could be analyzed in the application review process. In early 2023, Outdoor Properties contracted with Acoustics Group, Inc. ("**AGI**"), to conduct a noise survey as required by the County. The noise survey prepared by AGI concluded that the measured noise levels were in compliance with the County's noise standards, as further confirmed by the County. Nonetheless, there are also quite a few options to further mitigate noise. Since construction is now complete, construction noise associated with contractors driving has been eliminated or greatly reduced. Additionally, the neighboring parcels would benefit from "Green Barriers" including brush, trees, and burns to further reduce noise. Outdoor Properties has also built technology into its process that have drastically reduced the sound of the fans and have added in regular maintenance to make sure they are well oiled and properly functioning. Noise on any commercial facility tends to be the most common concern of neighbors and we likely will not be able to eliminate this completely, but we will stay within the mandated limits and we are willing to meet with the concerned parties at any time to discuss the issues.

B. Strong Cannabis Odors Emitted from the Property

- The County previously performed odor measurement using an olfactometer at the site and confirmed that the olfactometer never received an odor

reading that reached or exceeded the dilution-to-threshold ratio of seven parts clean or filtered air to one-part filtered odorous air at the property line of the site. Therefore, the County has already determined that the odor readings were not persistent (exist for three consecutive days within any two-week period at or exceeding the 7:1 dilution-to-threshold ratio), and thus, the site is also compliant in this respect. It is important to note that the potential for cannabis odors to occur is likely and was considered a significant and unavoidable impact in the CLUO EIR.

C. Lack of On-Site Presence to Address Community Concerns

- While previous management was lacking in its on-site presence, there is now a manager on site during all production within business hours to assist with supervision of the site. Additionally, Outdoor Properties has sent communications via USPS to all residents of Guinda and Brooks providing all residents with a contact phone number and dedicated email address for communications with site management, with a guaranteed response time of less than 48 hours.

D. Damage to Roadways During Construction of the Greenhouses

- Outdoor Properties is undoubtedly a beneficiary of functional roads in the area, and while one individual provided a picture of a damaged road alleging that our vehicles caused such damage, we have never received any formal allegation of such claims and have no evidence that such damage wasn't pre-existing or caused by other vehicles. That said, it is worrisome that the roads could be damaged by typical agriculture activities. In the event Outdoor Properties was responsible, any required remedial actions will be taken.

E. Presumed Impact to Water Table

- This concern was not based on any supporting data. In fact, as part of the initial application process, Outdoor Properties had to demonstrate its water usage. Authorities took into account on site water usage, neighbors water usage, aquifers and groundwater table and ground water availability. The 1 acre canopy uses less water than outdoor plants because the plants are grown in a semi-controlled environment using high efficiency emitters to prevent runoff. In some dehumidification devices wastewater is recycled and we store water in tanks, underground and in an pond, all aligned with best practices for resource conservation. We do not believe there is a credible assessment from a hydrogeologist indicating that this business is damaging the watershed or available water to other properties.

F. Light Pollution

- Supplemental lighting in our greenhouses are designed to prevent premature budding when there is darkness. The greenhouses all have internal "black out" shades preventing "light bleed" when the internal lights are on after sunset, so there is very little additional light pollution being caused by the site. While there were previously some technical malfunctions to the automated internal blackout shades that were not attended to in a timely manner by

former management, such issues have been resolved long ago and no longer persist.

G. Lack of Site Maintenance (i.e., trash, debris, damaged structures)

- As addressed above, while there was previously siding and plastic panels from several of the greenhouses that had been broken and/or severely damaged during winter storm events in late 2024, all repairs have been completed and an additional \$60,000 in new roofing materials have been brought onsite and poised for installation. See images of site currently cleaned up and with new roofing materials attached as Exhibit C. New management will ensure that the site does not appear in such disarray in the future.

H. Compatibility Issues with Surrounding Area

- The Agricultural Commissioner reviewed the project application materials and determined that the project, as proposed, does not appear to create a potential for conflict with adjacent and nearby non-cannabis crops. As with much of the land in the surrounding area, cannabis is grown as an agricultural crop that can bring substantial revenue, local jobs, and economic revitalization to the community.

In addition to the above, the new management team has prepared and mailed responses to each individual who had submitted a complaint, and Outdoor Properties also sent communications via USPS to all residents of Guinda and Brooks proposing that they attend a “meet and greet” on-site on May 7, 2025 to meet with anyone who is interested in understanding the operations or interacting directly with the new management team. The letters also included a phone number and dedicated email address for communications, with a guaranteed response time of less than 48 hours. Despite such efforts to engage with community members, not a single resident chose to attend the scheduled meet and greet to discuss their concerns with the new management team.

Thus, while we can understand staff’s concern that the previous history demonstrates a lack of responsiveness to community concerns and lack of effort to reach out to community members, each of the above confirms that all such issues have been resolved. Previous management has apologized for past mistakes and relinquished control to a new management team led by the financiers of the operation who have a vested interest in its success and are committed to ensuring that past mistakes are not repeated.

It is our sincerest hope that the Planning Committee will recognize the extensive efforts that have been undertaken to correct the past errors of this operation and set it on a path to be a successful and contributing business to the Capay Valley and approve Outdoor Properties’ Cannabis Use Permit request.

Please do not hesitate to contact us if you have any questions or require additional information.

OUTDOOR PROPERTIES LLC
Yarrow Kubrin,
Director of Community Affairs

EXHIBIT A
Confirmation of Payment of Property Taxes

[See Attached]

YOLO COUNTY

Payment Receipt

Tax Payment

Assessment Number	Tax Year	Installment	Amount
060-080-010-000	2024	P	\$41,200.93

Merchant Name County of Yolo
Property Tax
First Name WADOT Gapital Inc
IRETA Trust
Middle Initial
Last Name
Address 5413 MERIDIAN AVE
N STE C
City Seattle
Country United States
State Washington
Postal Code 98103-6166
Phone US +1 206-362-4444
Email Address ee@wadot.com

Total Payment Amount \$41,200.93

Account Number xxx0322
Routing Number 325081306

Payment submitted!

Amount Charged \$41,200.93
Transaction ID 310222890
Payment Date / Time 4/25/2025 10:34:28 AM
Pacific

PAYMENT TERMS AND CONDITIONS

AUTHORIZATION

By checking the "I accept the Terms and Conditions" checkbox below I authorize my bank to debit my specified account for the amount of my payment. This is a one-time payment which will occur on the next business day or as soon as practical thereafter.

If my payment cannot be completed for any reason, including insufficient funds or error in the information which I submitted, I will retain the same liability, which is my sole responsibility, for payment as though I had not attempted to make the payment. I also understand that additional fees and penalties may be collected to the extent of applicable law.

RECEIPT

A receipt can be printed after payment is accepted which may serve as evidence of payment. If an email address is provided during the payment process, a receipt will be emailed to you after the payment is processed.

CONTACT

If for any reason you wish to make a change to the payment after submission, please contact County of Yolo Property Tax for assistance.

I agree to the terms and conditions.

YOLO COUNTY

Payment Receipt

Tax Payment

Assessment Number	Tax Year	Installment	Amount
995-136-095-000	2022	1	\$2,019.73
995-136-095-000	2022	2	\$2,029.73

Merchant Name County of Yolo
Property Tax
First Name WADOT Capital Inc
IRETA Client Trust
Middle Initial
Last Name
Address 5413 MERIDIAN AVE
N STE C
City Seattle
Country United States
State Washington
Postal Code 98103-6166
Phone US +1 206-362-4444
Email Address ee@wadot.com

Total Payment Amount \$4,049.46

Account Number xxxx0322
Routing Number 325081306

Payment submitted!

Amount Charged \$4,049.46
Transaction ID 310223537
Payment Date / Time 4/25/2025 10:39:26 AM
Pacific

PAYMENT TERMS AND CONDITIONS

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By checking the "I accept the Terms and Conditions" checkbox below I authorize my bank to debit my specified account for the amount of my payment. This is a one-time payment which will occur on the next business day or as soon as practical thereafter.

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YOLO COUNTY

Payment Receipt

Tax Payment

Assessment Number	Tax Year	Installment	Amount
060-080-010-000	2024	1	\$18,814.86
060-080-010-000	2024	2	\$18,824.86

Merchant Name County of Yolo
Property Tax
First Name WADOT Capital
Middle Initial
Last Name Egger
Address 5413 MERIDIAN AVE
N STE C
City Seattle
Country United States
State Washington
Postal Code 98103-6166
Phone US +1 206-362-4444
Email Address ee@wadot.com

Total Payment Amount \$37,639.72

Account Number xxxx0322
Routing Number 325081306

Payment submitted!

Amount Charged \$37,639.72
Transaction ID 311567022
Payment Date / Time 5/7/2025 11:31:52 AM
Pacific

PAYMENT TERMS AND CONDITIONS

AUTHORIZATION

By checking the "I accept the Terms and Conditions" checkbox below I authorize my bank to debit my specified account for the amount of my payment. This is a one-time payment which will occur on the next business day or as soon as practical thereafter.

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RECEIPT

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CONTACT

If for any reason you wish to make a change to the payment after submission, please contact County of Yolo Property Tax for assistance.

I agree to the terms and conditions.

EXHIBIT B
Confirmation of Waste Management Fees

Payment Confirmation

Your payment was successfully processed and will be posted to your account within three business days.

[View Billing Details](#)

Payment Details

Customer ID 000258064033009

Payment Date May 07, 2025

Customer ID 000258064033009

Payment Date
May 07, 2025

Confirmation Number 80108628172

Confirmation Number
80108628172

Invoice Number N/A

Invoice Number
N/A

Payment Amount \$ 2,197.13

Payment Amount
\$ 2,197.13

Convenience Fee \$ 9.99

Convenience Fee
\$ 9.99

Total **\$ 2,207.12**

Total
\$ 2,207.12

The convenience fee will appear on your statement as part of the total paid for U.S. customers and as a separate transaction for Canadian customers. Visit wm.com/payments to learn more.

EXHIBIT C
Current Site Photos





