



**DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT**

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July 7, 2022

MEMO TO: Stanislaus County Planning Commission

FROM: Department of Planning and Community Development

**SUBJECT: TIME EXTENSION FOR USE PERMIT & DEVELOPMENT AGREEMENT NO.  
PLN2019-0095 – CENTRAL VALLEY GROWERS, LLC – HOWARD ROAD III**

**PROJECT DESCRIPTION**

This is a request for a one-year Time Extension to extend the life of Use Permit (UP) & Development Agreement (DA) No. PLN2019-0095 from June 15, 2022, to June 15, 2023, with all approved Conditions of Approval remaining unchanged.

The Board of Supervisors approved the Use Permit on December 15, 2020, to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in four phases on a 49-acre parcel in the General Agriculture (A-2-40) zoning district. The project proposes to develop a total of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. The project site is located at 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area (see Exhibit B – *Board of Supervisors Agenda Report, December 15, 2020*). In addition to this project, the applicant was also approved, by the Board of Supervisors on July 16, 2019, UP & DA No. PLN2018-0114 – Central Valley Growers, LLC – Howard Road, for a similar commercial cannabis cultivation, nursery, and processing operation on a parcel located to the east of the subject project site (see Exhibit G of Attachment B - *Board of Supervisors Agenda Report, December 15, 2020*).

**DISCUSSION**

Section 21.104.030(A) of the Stanislaus County Zoning Ordinance includes provisions for the expiration of use permits. This section states that use permits shall be null and void 18 months from the date of approval, unless prior to the expiration date, the permit has been signed, and all Conditions of Approval have been met and either the property is being used for the purpose for which the permit was granted, or the landowner or developer has applied for all permits relating to project improvements and the landowner or developer is working diligently to complete all project improvements. The Use Permit was approved with a development schedule identifying construction of proposed structures to begin within 18 months of project approval, by June 15, 2022. As of the date of this report, only a grading permit application has been submitted, but not issued, for the project improvements required under the Use Permit.

A time extension application request requires the applicant to submit a written statement of reason(s) why the use permit extension should be granted, prior to the Use Permit expiration date. The applicant's request for an extension was submitted on March 24, 2022, requesting a time extension for the operation due to a large downturn in commercial cannabis prices over the past year. The applicant believes that with Phase 1 of their first location completed, UP and DA

No. PLN2018-0114, the company should focus on continued buildout of their original location to establish stable and consistent distribution of product while producing revenue for use on the Howard Road III location in the future (see Attachment A - *Applicant's Time Extension Request*). During the processing of the subject Use Permit, six letters of opposition were received from adjacent property owners. Each letter describes opposition to the project for reasons such as: commercial cannabis being better suited in industrial zones, slower Sheriff response times in rural areas, concern for farm worker safety, and concern with private access roads deteriorating due to the increased use creating an increase in dust, which would be harmful to crops in the area. Opposition to the project was also raised because of neighboring property owners' belief that the applicant would continue undesirable property management practices with the commercial cannabis operations. Ten letters of support for the proposed project were received from local members of the community. The letters described their personal and professional relationship with the applicant, their experience in the agricultural community, and the project's importance to the local economy. A detailed discussion on each letter of opposition and support, along with the letters, is included in Attachment 1 of Attachment B – Board of Supervisors Agenda Report, December 15, 2020.

As part of staff's annual inspections of the previously approved UP and DA No. PLN2018-0114, the property appeared to staff to be in good standing, with no visible signs of disrepair. Additionally, during the two-week referral for this time extension, the request was circulated to responsible agencies, including those agencies that requested conditions of approval be placed on the approved project and neighboring landowners. No amended or additional conditions of approval have been requested to date; therefore, the approved Conditions of Approval are recommended to remain unchanged from what was approved by the Board of Supervisors. Additionally, there has been no correspondence received from neighboring landowners about the extension as of the time this memo was prepared.

Staff has no objection to granting the requested Time Extension.

### **ENVIRONMENTAL REVIEW**

Under California law, a request for time extension of a project that previously was subject to review under the California Environmental Quality Act (CEQA) may be exempt from CEQA, unless changes to the project trigger subsequent or supplemental CEQA review (under Public Resources Code Section 21166 and CEQA Guidelines Section 15162). In order to trigger additional review when the project was previously found to be consistent with the County's General Plan EIR, as well as exempt from CEQA, a new significant environmental effect, not previously evaluated, must be identified. No new significant environmental effects have been identified by responding agencies and parties, and there is no evidence in the record that any of the findings of CEQA Guidelines Section 15162(a), identifying new impacts, can be made. The proposed time extension request only extends allowable time for project development with no changes in the development already considered. Consequently, this request is considered to be CEQA exempt.

**RECOMMENDATION**

Staff recommends that the Planning Commission approve the request for a one-year time extension to June 15, 2023, for Use Permit & Development Agreement No. PLN2019-0095 – Central Valley Growers, LLC – Howard Road III, with all existing conditions of approval remaining in effect.

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Contact Person:       Jeremy Ballard, Associate Planner, (209) 525-6330

Attachments:

Attachment A -       Applicant's Time Extension Request  
Attachment B -       Board of Supervisors Agenda Report, December 15, 2020  
                              *\*Attachment 1, EX E – Development Agreement has been redacted;  
                              Attachment 3 reflects the recorded Development Agreement for the  
                              project.*

March 24, 2022

Stanislaus County  
Planning & Community Development Department  
1010 10<sup>th</sup> Street Suite 3400  
Modesto, CA 95354

Attn: Jeremy Ballard, Associate Planner  
Angela Freitas, Director  
Cc: Tera Chumlee, Sr. Management Consultant  
Chief Executive Office

Re: Request for Extension of CUP Activation Deadline  
Central Valley Growers 'Howard III', PLN2019-0095

Mr. Ballard,

I write on behalf of Central Valley Growers, LLC ('CVG') to request an extension of the Conditional Use Permit (CUP) activation deadline (currently set to expire April 23<sup>rd</sup>) for the Howard III project. As you may know, the California cannabis market has experienced a severe decline in product value over the course the last year. Specifically, the wholesale price of 'mixed light' (greenhouse) cannabis has plummeted from approximately \$1,000-\$1,200/pound to a current price of less than \$500-\$600/pound. Notably, local governments across the region have been responding to these market conditions through their efforts to alleviate the financial burden on cannabis operators in their jurisdiction by way of tax and impact fee reductions.

On March 1, 2022, our General Counsel, Zach Drivon presented during public comment before the Stanislaus County Board of Directors asking for similar relief on behalf of the County's cannabis operators.

We expect a solid groundwork to be established for Phase 1 operations at our 'Howard I' facility (PLN2018-0114) with successful harvests and distribution of product moving forward. However, even with a successful launch of 'Howard I', we are not immune from the industry wide financial hardships being encountered by operators throughout the State.

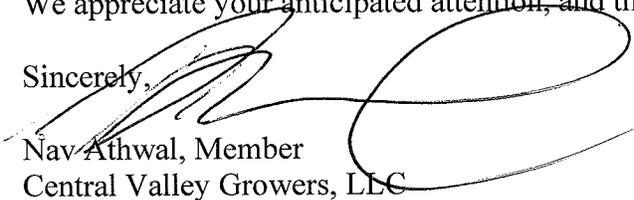
Under these circumstances, we believe the most prudent course of action in the best interests of both the County and CVG would be to focus on scaling the Howard I facility to full buildout and establishing stable and consistent distribution of product along with revenues therefrom over the next eighteen months. In doing so, we would build a solid foundation for the Company, allowing us a sure-footed return to the Howard III development to increase production capacity and revenues with proven demand for our product.

In lieu of incurring the additional expense of producing engineered construction drawings to obtain Howard III building permits and thereby activating the CUP for a facility which may sit unoccupied for an indeterminate time-period, **we propose to extend its CUP activation deadline by twelve (12) months** pending completion of the full Howard I development with proven throughput of product pending market recovery.

**ATTACHMENT A**

We appreciate your anticipated attention, and thoughtful consideration of our request.

Sincerely,

  
Nav Athwal, Member  
Central Valley Growers, LLC

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Planning and Community Development

BOARD AGENDA: 8.2  
AGENDA DATE: December 15, 2020

**SUBJECT:**

Conduct a Public Hearing to Consider the Planning Commission's Recommendation of Denial for Use Permit and Development Agreement Application No. PLN2019-0095, Central Valley Growers, LLC, Howard Road III, a Request to Establish a Mixed-Light Commercial Cannabis Cultivation, Nursery, Processing, and Distribution Operation in Phases on a 49-acre Parcel in the A-2 (General Agriculture) Zoning District, Located at 3735 Howard Road, Between the California Aqueduct and the Delta Mendota Canal, East of Interstate Highway 5, in the Westley Area

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2020-0691**

On motion of Supervisor Chiesa ----- Seconded by Supervisor Grewal -----  
and approved by the following vote,  
Ayes: Supervisors: Chiesa, Grewal, and Chairwoman Olsen -----  
Noes: Supervisors: Withrow, DeMartini -----  
Excused or Absent: Supervisors: None -----  
Abstaining: Supervisor: None -----

- 1)  Approved as recommended
- 2)  Denied
- 3)  Approved as amended
- 4)  Other:

**MOTION:** Approved Staff Recommendations Nos. 1-9.

INTRODUCED, WAIVED THE READING, AND ADOPTED ORDINANCE C.S.1287

ATTEST:   
ELIZABETH A. KING, Clerk of the Board of Supervisors

**ATTACHMENT B**  
File No. ORD-57-B-1

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Planning and Community Development

BOARD AGENDA:8.2

AGENDA DATE: December 15, 2020

CONSENT

CEO CONCURRENCE: YES

4/5 Vote Required: No

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**SUBJECT:**

Conduct a Public Hearing to Consider the Planning Commission's Recommendation of Denial for Use Permit and Development Agreement Application No. PLN2019-0095, Central Valley Growers, LLC, Howard Road III, a Request to Establish a Mixed-Light Commercial Cannabis Cultivation, Nursery, Processing, and Distribution Operation in Phases on a 49-acre Parcel in the A-2 (General Agriculture) Zoning District, Located at 3735 Howard Road, Between the California Aqueduct and the Delta Mendota Canal, East of Interstate Highway 5, in the Westley Area

**STAFF RECOMMENDATION:**

After conducting a public hearing at its regular meeting on September 17, 2020, the Planning Commission, on a 5-2 vote, recommended the Board of Supervisors deny this project. Planning staff recommends the Board of Supervisors:

1. Conduct a public hearing to consider the Planning Commission's recommendation for denial of Use Permit and Development Agreement Application No. PLN2019-0095, Central Valley Growers LLC, Howard Road III, a request to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district, located at 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area.

If the Board of Supervisors decides to approve the project, the Board of Supervisors should also take the following actions:

2. Find that:
  - (a) No further analysis under California Environmental Quality Act (CEQA) is required pursuant to CEQA Guidelines Section 15183 (Consistency with a General Plan, Community Plan or Zoning Ordinance for which an Environmental Impact Report (EIR) was prepared), on the basis of the whole record, including any comments received in response to the Environmental Review Referral.

- (b) The project is consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified.
  - (c) There are no project specific effects which are peculiar to the project or its site, and which the 2016 Stanislaus County General Plan Update (GPU) EIR failed to analyze as significant effects.
  - (d) There are no potentially significant off-site and/or cumulative impacts which the GPU EIR failed to evaluate.
  - (e) There is no substantial new information which results in more severe impacts than anticipated by the GPU EIR.
  - (f) The project will undertake feasible mitigation measures specified in the GPU EIR.
  - (g) The project is exempt as per CEQA Guidelines Section 15061, Common Sense Exemption, from CEQA.
3. Order the filing of a Notice of Determination with the Stanislaus County Clerk Recorder's Office pursuant to Public Resources Code Section 21152 and CEQA Guidelines Section 15075.
  4. Order the filing of a Notice of Exemption with the Stanislaus County Clerk Recorder's Office pursuant to CEQA Guidelines Section 15061.
  5. Find that:
    - (a) The establishment, maintenance, and operation of the proposed use or building applied for is consistent with the General Plan and will not, under the circumstances of the particular case, be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the use and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.
    - (b) 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 the A-2 zoning district.
    - (c) The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural product on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting,

processing, or shipping.

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

6. Find that the Development Agreement:

- (a) Is consistent with the General Plan and any applicable specific plan.
- (b) Is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is or will be located.
- (c) Is in conformity with and will promote public convenience, general welfare and good land use practice.
- (d) Will not be detrimental to health, safety, and general welfare.
- (e) Will not adversely affect the orderly development of property or the preservation of property values.
- (f) Will promote and encourage the orderly development of the proposed project by providing a greater degree of requisite certainty.

7. Approve Use Permit and Development Agreement Application No. PLN2019-0095 – Central Valley Growers, LLC – Howard Road III., subject to the attached Conditions of Approval.

8. Authorize the Chairwoman of the Stanislaus County Board of Supervisors to execute the attached Development Agreement.

9. Introduce, waive the reading, and adopt an ordinance for the approved Development Agreement.

**DISCUSSION:**

This is a request to obtain a Use Permit (UP) and Development Agreement (DA) to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district. Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square-foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. Phases 2 and 3 will each construct an additional 13,940 square-foot greenhouse building and Phase 4 will construct one 3,000 square-foot greenhouse and one 7,000 square-foot greenhouse. In total, the project will consist of 67,500 square-feet of building space and 32,000 square-feet of flowering canopy space.

A detailed project description including project phasing can be found in Attachment 1 – *September 17, 2020 Planning Commission Staff Report*.

The 49-acre project site is located at 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area. Adjacent land uses include orchards in all directions; the Delta Mendota Canal and poultry ranch to the east, the California Aqueduct and highway commercial development to the west; and vineyards to the south. The project site is planted in an almond orchard and improved with an agricultural storage building.

The facility will be operated by Central Valley Growers, which has already been approved to operate a commercial cannabis cultivation facility, UP & DA PLN2018-0114 – Central Valley Growers, LLC – Howard Road, to the east of this site on Assessor's Parcel No. 016-019-036. Additionally, the applicant has applied for another cultivation operation, UP & DA Application No. PLN2019-0094 – Central Valley Growers, LLC – Howard Road II, located to the east of the project site on Assessor Parcel No. 016-019-032. The location for all three operations is reflected in the Attachment 5 – *APN Map dated October 6, 2020*. Attachment 5 is an updated map to Exhibit G of Attachment 1 and also provides the location of properties owned by persons in opposition to the project. The map has been updated to reflect a letter of opposition received after the September 17, 2020 Planning Commission Staff Report was published.

If approved, fees to be collected from the project include a Community Benefit, which is divided into two categories: A Community Benefit Contribution and a Community Benefit Rate. Community Benefits are negotiated on a project-by-project basis. The Community Benefit Contribution is to be paid quarterly, by the operator, and is intended to be distributed to local community charities and to be utilized for public improvement projects.

The Community Benefit Contribution included in the Development Agreement for this project is an annual fee which will range from \$3,438 to \$87,300 over the first five years. The Community Benefit Rate is based on the activities to be permitted and their proposed scope. The Community Benefit Rate for this project's cultivation activities is an annual rate of \$13,750 in 2021, \$93,500 in 2022, \$173,500 in 2023, and \$187,000 in 2024; for nursery activities the annual rate will be \$7,000 starting in 2024. All fees are required to be paid to the Treasurer Tax Collector on a quarterly basis. All fees collected are intended to be used for enforcement activities of illegal cannabis activities throughout the County.

The proposed Development Agreement has a term of five years and the fees will be reassessed under a subsequent Development Agreement or any amendments to the proposed Development Agreement (see Attachment 3 – *Proposed Ordinance and Development Agreement*).

Five letters of opposition were received from adjacent property owners. Of the five letters, three letters were received from John Jerome, Sharleen Jerome, and Susan Jerome who own property to the north of the project site and east of the Delta Mendota

Canal. Each letter describes opposition to the project for reasons such as: commercial cannabis being better suited in industrial zones, slower Sheriff response times in rural areas, concern for farm worker safety, and concern with private access roads deteriorating due to the increased use. The fourth letter of opposition was received from Griselda Villareal, who states that although the project may meet the requirements of the County it should not be approved because: cannabis is not legal federally, it will bring a criminal element to the area, already slow Sheriff response time, existing excessive traffic, and would harm the safety of those that work in the area. The fifth letter of opposition was received from Susan Flora, who owns property with her family to the north of the site. She states their opposition is due to the vehicle traffic from the project will increase dust, which will be harmful to their crops. Adding that the property owner in the past has done a poor job of dust control. Additionally, Ms. Flora's letter stated that because of strict food safety laws, the apricots they grow on their property could be impacted if the commercial cannabis facility uses incompatible pesticides or contaminates groundwater. Lastly, the letter states that the rural areas already suffer from illegal dumping, vandals, and theft and a commercial cannabis facility would threaten the physical safety of those that work on their parcel.

The ten letters of support for the proposed project were received from local members of the community. The letters described their personal and professional relationship with the applicant, their experience in the agricultural community, and the projects importance to the local economy. A detailed discussion on each letter of opposition and support, along with the letters, is included in Attachment 1 – *September 17, 2020 Planning Commission Staff Report*.

Subsequent to the publishing of the Planning Commission Staff Report, a letter of opposition was received from the Bays Property Partnership and Bays Ranch Inc. (see Attachment 4 – *Planning Commission Correspondence*). The letter raises concerns with the applicants three operations proposed for the area and misidentifies the project site as north of their property. Attachment 5 clarifies the location of the Bays property (APN 016-019-037) to the location of the three proposed operations. The project site currently under consideration is located 0.6 miles to the west of the Bays property. The letter stated that the ownership group was opposed to the project based on their experience farming next to the applicant for over the past 15 years. Their letter states that although the applicant has not constructed the previously approved operation yet, they should prove to be responsible operators before expanding to additional locations. The letter also states that the ownership group had previously voiced concerns about increases in dust, which that the applicant still shows a lack of effort in addressing, even during harvest season. Additionally, the opposition letter cites concerns for their employees' security, as well as concerns of spray drift affecting their crops. Lastly, the letter raised concerns regarding potential blight if the commercial cannabis business ceased to stay in operation, including the negative impact it would have on the farming community.

A public hearing was held for this project at the September 17, 2020 Planning Commission meeting. After the conclusion of staff's presentation, Commissioner Durrer confirmed with staff that none of the letters of support were from surrounding property owners and that Roman Katuszonek, who was identified in the letters of support, was a

member of Central Valley Growers, LLC. Commissioner Mott inquired about the types of development west of the project site along Interstate 5. Staff stated that there is commercial and highway frontage development, centered around the Westley interchange.

During the public hearing, one person spoke in opposition of the proposed project Daniel Bays, a neighbor of the project. Mr. Bays stated he was also the person who wrote the letter of opposition that was received as correspondence to the Planning Commission. Mr. Bays stated that while the applicant has improved in taking care of their properties, there are still issues concerning dust control, grading and maintaining of access roads, as well as garbage not being discarded. He also stated that, although the current application would not use any shared access roads, he has concerns with up to three cannabis facilities in close proximity and the associated increase in traffic on roadways they would share, if all three are approved. Commissioner Willerup asked Mr. Bays if there had been any issues with spray drift from any other cannabis facilities in the past. Mr. Bays stated that they do not have any additional apricot orchards adjacent to cannabis facilities but have had spray drift issues with other crops.

Commissioner Blom asked for clarification on which of the three Central Valley Growers applications have been presented to the Planning Commission and Board of Supervisors. Staff answered that of the three applications submitted, only one has been heard and approved by the both the Planning Commission and Board of Supervisors, and that the item before them was the second to be considered by the Planning Commission. The third is still being reviewed by staff and is not yet scheduled for Planning Commission.

Six people spoke in favor of the project during the public hearing. Zach Drivon, representing the applicant as legal counsel, spoke in favor of the project, stating that this application would complement their previously approved cultivation site. Mr. Drivon explained the applicant's history of farming in the community as well as their relationship with Lyfted Farms, who will assist in managing the cultivation business. Addressing the letters of opposition, Mr. Drivon, described that the project: would be buffered on all sides by almond orchards that the applicant's own, the greenhouses would be fitted with industrial carbon air filtration eliminating any potential for odors, and that the access road to the site will be paved and installed with road base to decrease dust. Mr. Drivon explained that cannabis cultivation goes through strict testing requirements and are not allowed to use pesticides and chemicals that could affect neighboring crops. Lastly, Mr. Drivon described enhanced security protocols for the site that include: no climb fencing that will be installed with solid metal paneling, remote security surveillance, and all deliveries taking place within the building with no cash transactions. Commissioner Mott asked Mr. Drivon for clarification on the applicant's role in the operation if Lyfted Farms will be managing the cultivation operation. Mr. Drivon stated that the applicant will manage the administrative side of the business operations with Lyfted Farms managing the cultivation. Mr. Drivon also confirmed for Commissioner Willerup that all three sites would include the same security enhancements, that cannabis cultivators cannot use chemical fertilizers or pesticides, and all amendments to the plants will be applied indoors, thus limiting the potential for drift. Commission Buehner stated that with air ventilation, there would be some

exhausting of the greenhouse. Mr. Drivon agreed, but restated that the site was buffered on all sides with property the applicant owns. Staff clarified that a condition of approval had been placed on the project requiring ventilation for greenhouses to be installed facing the interior of the property.

One of the applicants, Nav Athwal, provided the Planning Commission with an overview of his personal and professional background, including his family's farming background in the County. Mr. Athwal stated that in the past they have accommodated the Bays by relocating the area of development for the approved cultivation operation to the northern end of their parcel. He also stated, that with their farming of 800 acres in the County, they share the same concerns with dust and safety of employees as those that are in opposition to the project. Lastly, Mr. Athwal stated that with no shared access roads and owning parcels abutting it, they chose this project site to avoid issues with neighbors. Mr. Athwal confirmed for Commissioner Mott, that they do not have plans to develop additional cannabis businesses, beyond the current three, on any other parcel they own in the vicinity.

Bob Blink, CEO of Lyfted Farms, spoke in favor of the project, allaying concerns about chemical applications to the cannabis plants by stating that drip systems are used to feed the plants. He also stated that any runoff is collected, stored, and disposed of as appropriate. Mr. Blink also described that state regulations only allow use of organic pesticides and that the greenhouses will be comprised of negative pressure system, which would limit escape of pesticides.

Roman Katuszonek, a member of Central Valley Growers, described his background in the United States Marines and insurance industry. Commissioner Mott asked what it meant to be a member of Central Valley Growers. Mr. Katuszonek stated that LLC members are similar to shareholders or owners. Two additional people spoke in favor, Shikha Jain and Don DeGraff. Ms. Jain, a chiropractor and County resident, was in favor of the project because of the positive aspects cannabis has on the body and that it would be beneficial for the community. Mr. DeGraff, general contractor for the applicant, was in favor of the project also because of the positive benefits of cannabis, as well as the project being beneficial for the local economy.

After the close of the public hearing, the Commissioners deliberated on the item. Commissioner Willerup stated that he thought the application met state requirements and was in line with the intent of the County's A-2 zoning district. Commissioner Durrer stated she appreciated the applicant's effort, but that she believes that commercial cannabis in the rural areas is problematic because of safety concerns and slow Sheriff response times. Commissioner Mott agreed with Commissioner Durrer's assessment and he stated that a concentration of three facilities within a small area would be an issue because of security concerns. Commissioner Maring stated that other agriculturally related commercial businesses have a need to be located in the rural areas because they have an economic relationship with agricultural, whereas cannabis cultivation businesses do not and could operate just as well in industrial areas. Commissioner Buehner agreed with the previous Commissioners as to their reasons for opposition and stated that he was previously against allowing the County's ordinance to permit cannabis in agriculturally zoned areas and is opposed to this project as well.

On a vote of 5-2, the Planning Commission recommended denial of the project to the Board of Supervisors.

The project was originally scheduled for the October 13, 2020 Board of Supervisors meeting; however, the applicant requested a continuance to allow time to make modifications to their security plan in response to the letters of opposition received. The modified plan includes additional security countermeasures and policies for the operation. Additionally, the applicant has begun nightly security patrols of the previously approved project area, which will be expanded to include this project site, if approved. The Board of Supervisors approved a continuance to a future unspecified date, for up to a minimum of six weeks.

**POLICY ISSUE:**

As required by Chapter 6.78.060 of the Stanislaus County Code, prior to operating in the County, the permittee of each commercial cannabis activity shall enter into a development agreement, as specified in Title 22 of the Stanislaus County Code and shall obtain all necessary entitlements, as required by Title 21 of the Stanislaus County Code. Title 21 requires that a use permit be obtained prior to operating a commercial cannabis business. Typically, the decision-making body for a use permit is the Stanislaus County Planning Commission. However, since both a development agreement and a use permit are required in order to operate a commercial cannabis business, and because a development agreement must be considered by the Board of Supervisors at a public hearing, the Stanislaus County Board of Supervisors is the decision-making body.

**FISCAL IMPACT:**

Costs associated with processing this request, including setting the public hearing, publishing of required notices, and conducting the hearing, have been covered by the application fee deposit plus revenue from additional invoicing at project end.

**BOARD OF SUPERVISORS' PRIORITY:**

Approval of this action supports the Board of Supervisors' priority of *Developing a Healthy Economy and Delivering Efficient Public Services & Community Infrastructure* by providing a land use determination consistent with the overall goals and policies of the Stanislaus County General Plan.

**STAFFING IMPACT:**

Planning and Community Development Department staff is responsible for reviewing all applications, preparing all reports, and attending meetings associated with the proposed request.

**CONTACT PERSON:**

Angela Freitas, Planning and Community Development Director  
Telephone: (209) 525-6330

**ATTACHMENT(S):**

1. September 17, 2020 Planning Commission Staff Report
2. September 17, 2020 Planning Commission Minutes Excerpt
3. Proposed Ordinance and Development Agreement
4. Planning Commission Correspondence
5. APN Map dated October 6, 2020

**STANISLAUS COUNTY PLANNING COMMISSION**

September 17, 2020

**STAFF REPORT**

**USE PERMIT AND DEVELOPMENT AGREEMENT APPLICATION NO. PLN2019-0095  
CENTRAL VALLEY GROWERS, LLC. – HOWARD ROAD III**

**REQUEST: TO OBTAIN A USE PERMIT AND DEVELOPMENT AGREEMENT TO ESTABLISH A MIXED-LIGHT COMMERCIAL CANNABIS CULTIVATION, NURSERY, PROCESSING, AND DISTRIBUTION OPERATION IN PHASES ON A 49 ACRE PARCEL IN THE A-2 (GENERAL AGRICULTURE) ZONING DISTRICT.**

**APPLICATION INFORMATION**

Applicant:	Sarbjit Athwal DBA Central Valley Growers, LLC.
Property Owner:	Athwal Investments, LP (Navjot, Karenjit, and Pradeep Athwal)
Agent:	Zach Drivon, Drivon Consulting
Location:	3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area.
Section, Township, Range:	36-4-6
Supervisorial District:	District 5 (Supervisor DeMartini)
Assessor’s Parcel:	016-037-039
Referrals:	See Exhibit J – Environmental Review Referral
Area of Parcel(s):	49.15 acres
Water Supply:	Private well
Sewage Disposal:	Private septic system
General Plan Designation:	Agriculture
Community Plan Designation:	N/A
Existing Zoning:	A-2-40 (General Agriculture)
Sphere of Influence:	N/A
Williamson Act Contract No.:	1971-1020
Environmental Review:	CEQA Guidelines Section 15183 (Consistency with a General Plan or zoning for which an EIR was certified) and CEQA Guidelines Section 15061 (Common Sense Exemption)
Present Land Use:	Almond orchard and agricultural shop.
Surrounding Land Use:	Orchards, in all directions; Delta Mendota Canal and a poultry ranch to the east; the California Aqueduct, highway commercial development, and Interstate Highway 5 to the west; and vineyards to the south.

## **RECOMMENDATION**

Staff recommends the Planning Commission recommend that the Board of Supervisors approve this request based on the discussion below and on the whole of the record provided to the County. If the Planning Commission decides to recommend approval of this project, Exhibit A provides an overview of all the findings required for project approval.

## **PROJECT DESCRIPTION**

This project is a request to obtain a Use Permit and Development Agreement to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district. The project is proposed to be developed in the following phases:

### **Phase 1**

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650-square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. The greenhouse will include up to 10,000 square feet of flowering canopy and 2,000 square feet of vegetative area. Phase 1 will develop 22 parking spaces within an enclosed parking area.

### **Phase 2**

Phase 2 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area.

### **Phase 3**

Phase 3 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area.

### **Phase 4**

Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. The greenhouse with flowering cultivation, will be made up of 2,000 square feet of flowering canopy and 1,000 square feet of vegetative stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. Nursery stock is proposed to be sold wholesale as well as to feed the cultivation operation.

Additionally, the project proposes to develop 7-foot-tall security fencing with screening, to be installed around the perimeter of the developed area for each phase. The fencing will also enclose the parking lot. The security fencing will be constructed of cross-hatched metal wiring with metal privacy screening installed congruently along the fence and razor wire along the top. The privacy screening consists of 3mm holes limiting visibility from outside the facility (see Exhibit B-7 – *Maps*). Hours of operation are proposed to be Monday through Sunday, 6 a.m. to 9 p.m. Domestic and

irrigation water will be provided from an existing on-site private well. The project will include a total of 18 employees on a maximum shift. The applicant anticipates up to two vehicle trips a day associated with deliveries and product distribution, which will only occur between the hours of 8:30 a.m. to 5:00 p.m. (see Exhibit B – *Maps*).

A Development Agreement (see Exhibit E - *Development Agreement*) is included in the project request, as required by Chapter 6.78.060 of the Stanislaus County Code.

### **SITE DESCRIPTION**

The 49.15 acre project site is located at 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area (see Exhibit B – *Maps*). Adjacent land uses include orchards in all directions; the Delta Mendota Canal and poultry ranch to the east, the California Aqueduct and highway commercial development to the west; and vineyards to the south. The facility will be operated by Central Valley Growers, which has approval to operate a commercial cannabis cultivation facility, UP & DA PLN2018-0114 – Central Valley Growers, LLC – Howard Road to the east of this site on Assessor's Parcel No. 016-019-036. Additionally, the applicant has applied for another cultivation operation, Use Permit & Development Agreement Application No. PLN2019-0094 – Central Valley Growers, LLC – Howard Road II, located to the east of the project site on Assessor Parcel No. 016-019-032. All three of the applicant's project sites are identified in Exhibit G – *APN Map*.

The project site is planted in an almond orchard and improved with an agricultural storage building. A portion of the orchard located just southwest of the agricultural storage building will be cleared for the proposed development. The project site fronts onto Howard Road, a County-maintained road, and maintains a 30-foot-wide access easement along the eastern property line for the benefit of the property to the north which is also owned by the property owner.

### **BACKGROUND**

On June 27, 2017, the Governor approved Senate Bill 94, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which created one regulatory system for commercial cannabis activity. This legislation allowed each jurisdiction to either permit or prohibit commercial cannabis activity within their jurisdictions.

On December 5, 2017, the Stanislaus County Board of Supervisors approved a Commercial Cannabis Program for Stanislaus County which allows for up to 61 cannabis activities permits, prohibits outdoor cannabis cultivation, and limits retail to no more than seven establishments in the unincorporated area (to view the December 5, 2017, Board of Supervisor item visit the Board of Supervisors Agenda, Minutes, Audio & Video web page at [www.stancounty.com/bos](http://www.stancounty.com/bos) ). The County adopted two separate ordinance amendments addressing commercial cannabis activities: Title 21, the Stanislaus County Zoning Ordinance, which was adopted on December 5, 2017, specifies the zoning districts where each commercial cannabis activity may be permitted, subject to the discretionary review process; and Chapter 6.78, of the County Code, which was adopted on January 9, 2018, lays out the general regulations for commercial cannabis activities in the County, including operating standards such as required setbacks from specific uses, odor control, and security measures.

In January 2018, the County received 61 complete applications requesting a total of 84 commercial cannabis permits. The County contracted with a third-party reviewer, HDL Consulting, to review and score each application to determine a ranking and to ensure compatibility with state regulations. A background screening was also conducted by the Sheriff's Department for all business and property

owners. The process for retail activities included additional scoring steps consisting of site inspections and interviews with County staff. Total scores were calculated to determine a final ranking and waiting list of all retail applicants. The top seven ranked retail applications have proceeded forwarded to the land use entitlement phase. In total 33 applications, including 45 permits, have moved forward into the land use entitlement and development agreement phase of the permitting process, which requires a Planning Commission hearing and Board of Supervisors approval. The process involves environmental review, public notification, and public hearings.

A second application process was opened in August of 2019 for existing applicants that scored 70% or above and had passed a criminal background check. Background checks were required on any new property owners. Additionally, the process was open to all persons who wanted to submit an application for a cannabis testing facility. All applicants and property owners also completed a criminal background check. A total of six applications requesting a total of nine permits were received. Five applications are requests for indoor and mixed-light cultivation, distribution and manufacturing activities and one is for a testing facility.

## **ISSUES**

In response to the land owner referrals for this project, letters of opposition and support have been received for this project. Provided below is an overview of the letters received.

### *Letters of Opposition*

Five letters of opposition from adjacent property owners have been received for this project (see Exhibit F – *Letters of Opposition*).

Three of the opposition letters were received from John Jerome, Sharleen Jerome, and Susan Jerome who own property to the north of the project site and east of the Delta Mendota Canal. The properties are identified as Assessor's Parcel Number's (APN's): 016-019-001, 016-019-054, 016-019-055 (see Exhibit G – *APN Map*). Each letter describes opposition to the project for reasons such as: commercial cannabis being better suited in industrial zones, slower sheriff response times in rural areas, concern for farm worker safety, and concern with private access roads deteriorating due to the increased use. Lastly, the three letters question the property owner's commitment to maintaining the property and question who will monitor the site.

Two additional letters of opposition were received from Griselda Villareal and Susan Flora. Mrs. Villareal states that although the project may meet the requirements of the County it should not be approved because: cannabis is not legal federally, it will bring a criminal element to the area, already slow sheriff response time, existing excessive traffic, and would harm the safety of those that work in the area.

Ms. Flora's, who owns property with her family to the north of the site (APN: 016-037-012), states opposition is due to the vehicle traffic from the project will increase dust, which will be harmful to their crops. She states that the property owner in the past has done a poor job of dust control. Additionally, Ms. Flora states that because of strict food safety laws, the apricots they grow could be impacted if the commercial cannabis facility uses incompatible pesticides or contaminates groundwater. She states that the rural areas already suffer from illegal dumping, vandals, and theft and a commercial cannabis facility would threaten the physical safety of those that work on their parcel. Ms. Flora states concerns with the applicant's ability to comply with the project requirements and that the applicant has a history of property neglect should not be approved to construct any more facilities.

As with all commercial cannabis cultivation projects, pesticide use is closely regulated by the State of California's Department of Food and Agriculture's Cal Cannabis Division and the Stanislaus County Agricultural Commissioners office. Additionally, all commercial cannabis cultivation operations are required to be grown completely indoors and will be required to maintain any cannabis odors indoors. As stipulated by Chapter 6.78 of the County Code, commercial cannabis applications are required to receive an annual inspection prior to renewal of a license to ensure continued compliance with the regulations and requirements of the specific project. To address the concerns related to dust created by the existing dirt access road, a condition of approval has been placed on the project requiring:

"All access roads utilized to access the operation shall be properly graded and maintained., including but not limited to, regularly oiled to control dust, and in addition, shall be graded and maintained to an all-weather standard that is appropriate to be used by emergency vehicles. "Regularly maintained" shall be semi-annually at a minimum, unless additional maintenance is necessary"

### Letters of Support

Ten letters of support were received for this project (see Exhibit H – *Letters of Support*). The letters received were from Marie Joiner, Broker for Bella Casa Realty; Brigido Mota, independent farming contractor; Miguel Gonzales, Pastor of Iglesia Apostolica de la fe en Cristo Jesus; Don Degraff, Celadon Development and Construction Services; Harbir Singh, Field Representative for Dave Wilson's Nursery; James Blink, CEO of Lyfted Farms, Inc.; Nelson Beare, Beare Farms, Inc.; Geoffrey Fleissner, G. Fleissner Engineering; Jeff Barron, District Manager for Pacific Coast Producers; and Narinder Dhaliwal, Crop Advisor for Stanislaus Farm Supply. Each letter describes their personal and professional relationship with the applicant, their experience in the agricultural community, and the projects importance to the local economy.

### **GENERAL PLAN CONSISTENCY**

Consistency with the goals, objectives, and policies of the various elements of the General Plan must be evaluated when processing all discretionary project requests. The project site has a General Plan designation of Agriculture. This designation establishes agriculture as the primary use on land so designated, but allows dwelling units, limited agriculturally-related commercial services, agriculturally-related light industrial uses, and other uses which by their unique nature are not compatible with urban uses, provided they do not conflict with the primary use. The Agriculture designation is appropriate in areas where the agricultural land is productive or potentially productive.

Goal Three, Policy 19 of the Land Use Element encourages accommodating the siting of industries with unique requirements and Policy 21 encourages the retention and expansion of existing businesses. Approval of this request would uphold both of these General Plan goals and policies, by recognizing the siting of a new industry type.

The Agricultural Element of the Stanislaus County General Plan establishes policies to protect the economy of Stanislaus County by minimizing conflicts between agriculture, the environment, and urban development. The element: (1) strengthens the agricultural sector of the economy; (2) conserves agricultural lands for agricultural uses; and (3) protects the natural resources that sustain agriculture in Stanislaus County. Goal One of the Agricultural Element discusses the importance of strengthening the agricultural sector of the local economy. Specifically, Objective Number 1.2 supports the development of agriculture-related uses. The proposed cannabis cultivation activities are similar to other activities that are permitted in the A-2 zoning district such as the cultivation of agricultural crops.

The Stanislaus County Agricultural Element includes guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 zoning district. The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts such as spray drift and trespassing resulting from the interaction of agricultural and non-agricultural uses. Non-people intensive uses require a 150 foot buffer between the proposed use and surrounding agriculture. Alternatives may be approved provided the Planning Commission finds that the alternative provides equal or greater protection than the existing buffer standards.

The project site is adjacent to A-2 (General Agriculture) zoned property on all sides. With a maximum of 18 employees anticipated at full build-out, the project will be conducted mostly indoors and is considered to be a low people intensive use. However, the project will meet or exceed the 150 foot agricultural buffer on all sides. The distance from the proposed greenhouses to the nearest property line is 166 feet to the north.

Staff believes that the proposed project is consistent with the General Plan policies discussed above. The proposed cannabis cultivation activities are similar to other activities permitted in the A-2 zoning district and, with conditions of approval applied, are not anticipated to negatively impact surrounding agricultural uses or the community.

#### **CONSISTENCY WITH THE ZONING & DEVELOPMENT AGREEMENT ORDINANCES**

The site is zoned A-2 (General Agriculture). The A-2 zoning district is intended to support and enhance agriculture as the predominant land use in the unincorporated areas of the County. Commercial cannabis cultivation, nursery, and distribution activities limited to product produced on-site may be allowed in the A-2 zoning district upon approval of a use permit when conducted within a greenhouse or an accessory agricultural storage building.

In order to approve a use permit, the decision-making body shall make a finding that the establishment, maintenance, and operation of the proposed use or building applied for is consistent with the General Plan and will not, under the circumstances of the particular case, be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the use, and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County. If after receiving and considering the evidence and any proposed conditions, the decision-making body is unable to make the findings, the use permit shall be denied. In this case, the Planning Commission is providing a recommendation to the Board of Supervisors which will serve as the decision-making body for both the Use Permit and the Development Agreement.

The project site is enrolled in Williamson Act Contract No. 1971-1020. Section 21.20.045(A) of the A-2 zoning district requires that all uses requiring use permits that are approved on Williamson Act contracted lands shall be consistent with the following three principles of compatibility:

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 the A-2 zoning district.
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 the A-2 zoning district. 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.

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

As previously discussed, the proposed cannabis cultivation activities are considered to be similar to other permitted activities such as the cultivation of agricultural crops which are considered to be consistent with the Williamson Act principals of compatibility. Approval of this project will not significantly compromise the long-term productive agricultural capability of the subject property or of surrounding agricultural operations. Nor will the proposed project result in new facilities limiting the return of the property to agricultural production in the future, or in the removal of any adjacent contracted land from agricultural or open-space use. The project was referred to the State Department of Conservation during the Early Consultation review periods and no comment was received.

Chapter 21.08.020(D), General Provisions, of the Stanislaus County Zoning Ordinance requires that commercial cannabis activities be located and operated in compliance with all the requirements of Chapter 6.78 of the Stanislaus County Code. A discussion of the project's compatibility with Chapter 6.78 is provided below in the Section titled "Commercial Cannabis Activities Ordinance Consistency." General Provisions also require that property owner notification for the consideration of any discretionary action authorizing commercial cannabis activities be required at a distance of 600 feet, increased from the State required 300 feet, measured from the boundaries of the project site, unless a greater distance is required by adopted County policy or State requirement. Per County policy, in a rural area, all owners of property within a 1/4 mile, or 1,320 feet, shall be notified. All projects are required to notice a minimum of two parcels out in each direction. The landowner notification completed for this project met these standards.

At full build-out, the project proposes 18 employees on a maximum shift, which would require a total of 21 parking spaces. The applicant has proposed 22 parking spaces, which meets the required parking standard.

As required by Chapter 6.78.060 of the Stanislaus County Code, prior to operating in the County, the permittee of each commercial cannabis activity shall enter into a development agreement, as specified in Title 22 of the Stanislaus County Code. Title 22 specifies that the Planning Commission shall consider the proposed development agreement and provide a recommendation to the Board of Supervisors. The recommendation shall include the Planning Commission's determination on whether or not the Development Agreement:

- a. Is consistent with the General Plan and any applicable specific plan.
- b. Is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is or will be located.
- c. Is in conformity with and will promote public convenience, general welfare, and good land use practice.
- d. Will be detrimental to health, safety, and general welfare.
- e. Will adversely affect the orderly development of property or the preservation of property values.
- f. Will promote and encourage the orderly development of the proposed project by providing a greater degree of requisite certainty.

A Development Agreement has been prepared for this project (see Exhibit E – *Development Agreement*). Attachments to the Development Agreement include: Attachment A - *Project Description*, Attachment B - *Legal Description/Property Description*, Attachment C - *Operating Conditions*, Attachment D - *Community Benefits*, Attachment E – *Grant Deed*, and Attachment F – *Development Schedule*. Fees to be collected from the project include a Community Benefit, which is divided into two categories: A Community Benefit Contribution and a Community Benefit Rate. Community Benefits are negotiated on a project-by-project basis and are required to be paid quarterly, by the operator. The Community Benefit Contribution is intended to be distributed to local community charities and to be utilized for public improvement projects. The Community Benefit Rate fees collected are intended to be used for enforcement activities of illegal cannabis activities throughout the County. The proposed Development Agreement has a term of five years and the fees will be reassessed under a subsequent Development Agreement or any amendments to the proposed Development Agreement.

The Community Benefit Contribution included in the Development Agreement for this project is an annual fee which will range from \$3,438 to \$87,300 over the first five years. The Community Benefit Rate is based on the activities to be permitted and their proposed scope. The Community Benefit Rate for cultivation activities is an annual rate of \$13,750 in 2021, \$93,500 in 2022, \$173,500 in 2023, and \$187,000 in 2024; for nursery activities the annual rate will be \$7,000 starting in 2024.

Staff believes that the proposed project is consistent with the requirements of both the Zoning and Development Agreements Ordinances of the Stanislaus County Code. The proposed use is considered to be similar in nature to agricultural uses permitted in the A-2 zoning district. The applicant has provided information on the operation which indicates that the project conforms to the requirements included in Chapter 6.78 of the County Code, as discussed below. With conditions of approval in place, the proposed business is not anticipated to have a negative impact to the surrounding neighborhood or County as a whole.

### **COMMERCIAL CANNABIS ACTIVITIES ORDINANCE CONSISTENCY**

The intent of Chapter 6.78, Commercial Cannabis Activities, of the Stanislaus County Code, is to regulate the cultivation, possession, manufacturing, processing, storing, laboratory testing, labeling, transportation, destruction, delivery, or sale of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of Stanislaus County and to enforce rules and regulations consistent with State law. Further, the purpose and intent of Chapter 6.78 is to require all commercial cannabis activities to obtain and renew annually a Commercial Cannabis Activity (CCA) Permit to operate in Stanislaus County.

**Cultivation:** The cultivation section of the Commercial Cannabis Activities Ordinance, states that in no case shall cannabis plants be visible from off-site, including the transfer of product. Further, no visual markers indicating that cannabis is cultivated on the site shall be visible from off-site and all cultivation activities shall be fully enclosed by an opaque fence, made of uniform material, at least seven feet in height. The fence must be adequately secured by a locked gate to prevent unauthorized entry. The fence design and construction material shall be approved by the County. All commercial cannabis cultivation operations shall occur within a greenhouse or fully enclosed building. As discussed previously, the project proposes to construct a seven-foot-tall security fence with privacy screening around the area of cannabis activity in order to provide the required visual screening. Additionally, all cultivation is proposed to take place in greenhouses and all processing activities are proposed to take place inside of a fully enclosed warehouse building.

Additionally, all commercial cannabis activities are required to meet the general operational standards laid out in Section 6.78.120. Those standards include, but are not limited to, the following:

**Buildings:** If commercial cannabis activities are to take place in an existing structure, that said structure shall obtain building permits for any improvements required to meet the building standards identified in Chapter 6.78, which include walls, doors, and the roof, shall be of solid construction, and shall include material strong enough to prevent entry except through an open door, and walls with a minimum thickness of six inches unless located in an A-2 zoning district, which allows for cultivation in greenhouse buildings. This project will be required to obtain building permits for all new structures as reflected in conditions of approval applied to the project.

**Security:** All commercial cannabis activities are required to provide a security plan to the Sheriff's Department for review and approval. The security plan shall be reviewed annually or as often as deemed necessary by the Sheriff's Department. The security plan shall include security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis projects, and to deter and prevent the theft of cannabis or cannabis projects at the site of commercial cannabis activity. The building is required to include a professionally installed and maintained alarm system, monitored by an alarm company or private security company, which monitors the interior, all perimeter entry points and windows, and the parking lot, 24 hours a day. Alarm system panic buttons and perimeter lighting are also required. The applicant provided a security plan which includes employee screening, a secure method for the transfer of products, a fenced and gated premise, an alarm, on-site security and surveillance system. The Sheriff's Department has reviewed and approved the security plan provided for the project. However, the applicant will be required to submit a formal security plan to the Sheriff's Department for review and approval, as reflected in conditions of approval applied to the project.

**Setbacks:** Section 6.78.120(A)(6) and (7) identifies several setback requirements for commercial cannabis uses including the local setback requirement of 200 feet from residences located on a separate parcel under different ownership or a library, and the State required setback of 600 feet from a day care center, youth center (including parks), or school. An additional setback is required in the A-2 zoning district of 50 feet from the use to all property lines.

The proposed project is in conformance with the 600 foot setback from childcare centers, youth centers, or schools. The nearest school is Grayson Elementary, located approximately 3.05 miles east from the site. There are no libraries or dwellings located within 200 feet of the area of commercial cannabis activity and the proposed project exceeds the 50 foot setback to all property lines.

**Odor Control:** Odor control devices and techniques are required to be incorporated into all commercial cannabis activities to ensure that odors from cannabis are not detectable off-site. Commercial cannabis activities shall provide a sufficient odor absorbing ventilation and exhaust system so that cannabis odors are not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as a commercial cannabis activity. Per the Air Quality and Odor Control Plan prepared for the project, each building will feature a HEPA filter on the HVAC systems and Carbon filtration on exhaust areas to prevent the odor of cannabis from being detectable from off-site.

**Signage and Notices:** The operator's CCA Permit is required to be posted inside the premises of the commercial cannabis business in a location readily visible to the public. Each entrance to a

commercial cannabis activity premises shall be visibly posted with a clear and legible notice indicating that no person under 21 years of age is permitted to enter upon the premises of the commercial cannabis activity, and that smoking, ingesting, or otherwise consuming cannabis in the parking areas, on the premises, or in the areas adjacent to the premises is prohibited. Limits on the methods of advertising commercial cannabis activities is also included in Section 6.78.120. The project does not propose any signage advertising the business, but will include all required signage, including “no loitering” signage.

**Track and Trace:** All permittees shall comply with the State of California and Stanislaus County Agricultural Commissioner’s requirements for unique identifiers and Track and Trace programs and shall pay all associated fees. The permittees shall obtain and use the unique identifiers from the State and County identified source, maintain them in a readable form, and comply with all data entry requirements and pay all required fees. Non-compliance with any Track and Trace requirements shall be grounds for revocation, suspension, or nonrenewal of the permittee’s CCA permit.

Additionally, Section 6.78.120 restricts loitering, on-site consumption of cannabis products, and outdoor storage of cannabis or cannabis products, and sets up standards for records and record keeping.

## **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (Section 21000, et seq. of the California Public Resources Code, hereafter CEQA) requires analysis of agency approvals of discretionary “projects.” A project, under CEQA, is defined as “the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.” The proposed project is a project under CEQA.

Staff has reviewed the proposed action and has identified that no further analysis is required pursuant to CEQA Guidelines Section 15183 (Consistency with a General Plan, Community Plan, or Zoning for which an EIR was certified). State CEQA Guidelines Section 15183 (Public Resources Code Section 21083.3) provides that projects that are consistent with the development density and intensity established by existing zoning, community plan, or General Plan policies for which an Environmental Impact Report (EIR) has been certified “shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.”

A project-specific CEQA Guidelines Section 15183 Consistency Checklist has been prepared for this Use Permit and Development Agreement request to determine if the project, and any resulting development, is consistent with Stanislaus County’s 2016 General Plan Update (GPU) EIR (see Exhibit D – *CEQA Guidelines Section 15183 Consistency Checklist*). The GPU incorporated all feasible mitigation measures identified in the EIR in the form of goals, objectives, policies, action items and programs. All applicable policies and implementation measures identified in the GPU EIR have been applied to this request as conditions of approval or will be applied to any resulting development as part of standard development processes. As reflected in the Consistency Checklist, development associated with the proposed commercial cannabis cultivation operation will be consistent with the density and intensity established by the A-2 (General Agriculture) zoning district, which has been determined to be consistent with the site’s Agriculture General Plan land use designation. Therefore, because any development resulting from the proposed project is similar to the uses allowed in the A-2 (General Agriculture) zoning district, there are no effects peculiar to the project or project site or substantial new information that would result in new or more severe adverse

impacts than discussed in the EIR certified on August 23, 2016 for the GPU. Therefore, no further analysis is required. Fish and Wildlife Fees for the EIR were paid on August 29, 2016 and no further fees are required.

A Notice of Exemption (see Exhibit I – *Notice of Exemption*) has also been prepared for the project, which declares that the project is exempt from CEQA on the basis of CEQA Guideline Section 15061 (Common Sense Exemption.)

As part of the review process, the proposed project was circulated to interested parties and responsible agencies for review and comment and no significant issues were raised. (see Exhibit J - *Environmental Review Referrals*.) Conditions of Approval reflecting referral responses have been placed on the project (see Exhibit C - *Conditions of Approval*).

\*\*\*\*\*

Contact Person:                      Jeremy Ballard, Associate Planner, (209) 525-6330

Attachments:

- Exhibit A – Findings and Actions Required for Project Approval
- Exhibit B – Maps
- Exhibit C - Conditions of Approval
- Exhibit D - CEQA Guidelines Section 15183 Consistency Checklist
- Exhibit E – Development Agreement
- Exhibit F – Letters of Opposition
- Exhibit G - APN Map
- Exhibit H - Letters of Support
- Exhibit I – Notice of Exemption
- Exhibit J – Environmental Review Referral

## Findings and Actions Required for Project Approval

1. Find that:
  - (a) No further analysis under California Environmental Quality Act (CEQA) is required pursuant to CEQA Guidelines Section 15183 (Consistency with a General Plan, Community Plan or Zoning Ordinance for which an Environmental Impact Report (EIR) was prepared), on the basis of the whole record, including any comments received in response to the Environmental Review Referral.
  - (b) The Project is consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified.
  - (c) There are no Project specific effects which are peculiar to the Project or its site, and which the 2016 Stanislaus County General Plan Update (GPU) EIR Failed to analyze as significant effects.
  - (d) There are no potentially significant off-site and/or cumulative impacts which the GPU EIR failed to evaluate.
  - (e) There is no substantial new information which results in more severe impacts than anticipated by the GPU EIR.
  - (f) The Project will undertake feasible mitigation measures specified in the GPU EIR.
  - (g) The Project is exempt as per CEQA Guidelines Section 15061, Common Sense Exemption, from CEQA.
2. Order the filing of a Notice of Determination with the Stanislaus County Clerk Recorder's Office pursuant to Public Resources Code Section 21152 and CEQA Guidelines Section 15075.
3. Order the filing of a Notice of Exemption with the Stanislaus County Clerk Recorder's Office pursuant to CEQA Guidelines Section 15061.
4. Find that:
  - a. The establishment, maintenance, and operation of the proposed use or building applied for is consistent with the General Plan and will not, under the circumstances of the particular case, be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the use and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.
  - b. 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 the A-2 zoning district.
  - c. The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural product on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping.
  - d. The use will not result in the significant removal of adjacent contracted land from agricultural or open-space use.
5. Find that the Development Agreement:
  - a. Is consistent with the General Plan and any applicable specific plan.

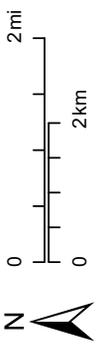
- b. Is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is or will be located.
  - c. Is in conformity with and will promote public convenience, general welfare and good land use practice.
  - d. Will not be detrimental to health, safety, and general welfare.
  - e. Will not adversely affect the orderly development of property or the preservation of property values.
  - f. Will promote and encourage the orderly development of the proposed project by providing a greater degree of requisite certainty.
6. Approve Use Permit and Development Agreement Application No. PLN2019-0095 – Central Valley Growers, LLC – Howard Road III., subject to the attached conditions of approval.
  7. Authorize the Chairman of the Stanislaus County Board of Supervisors to execute the attached Development Agreement.
  8. Introduce, waive the reading, and adopt an ordinance for the approved Development Agreement.

**CENTRAL VALLEY  
GROWERS LLC  
UP & DA  
PLN2019-0095**

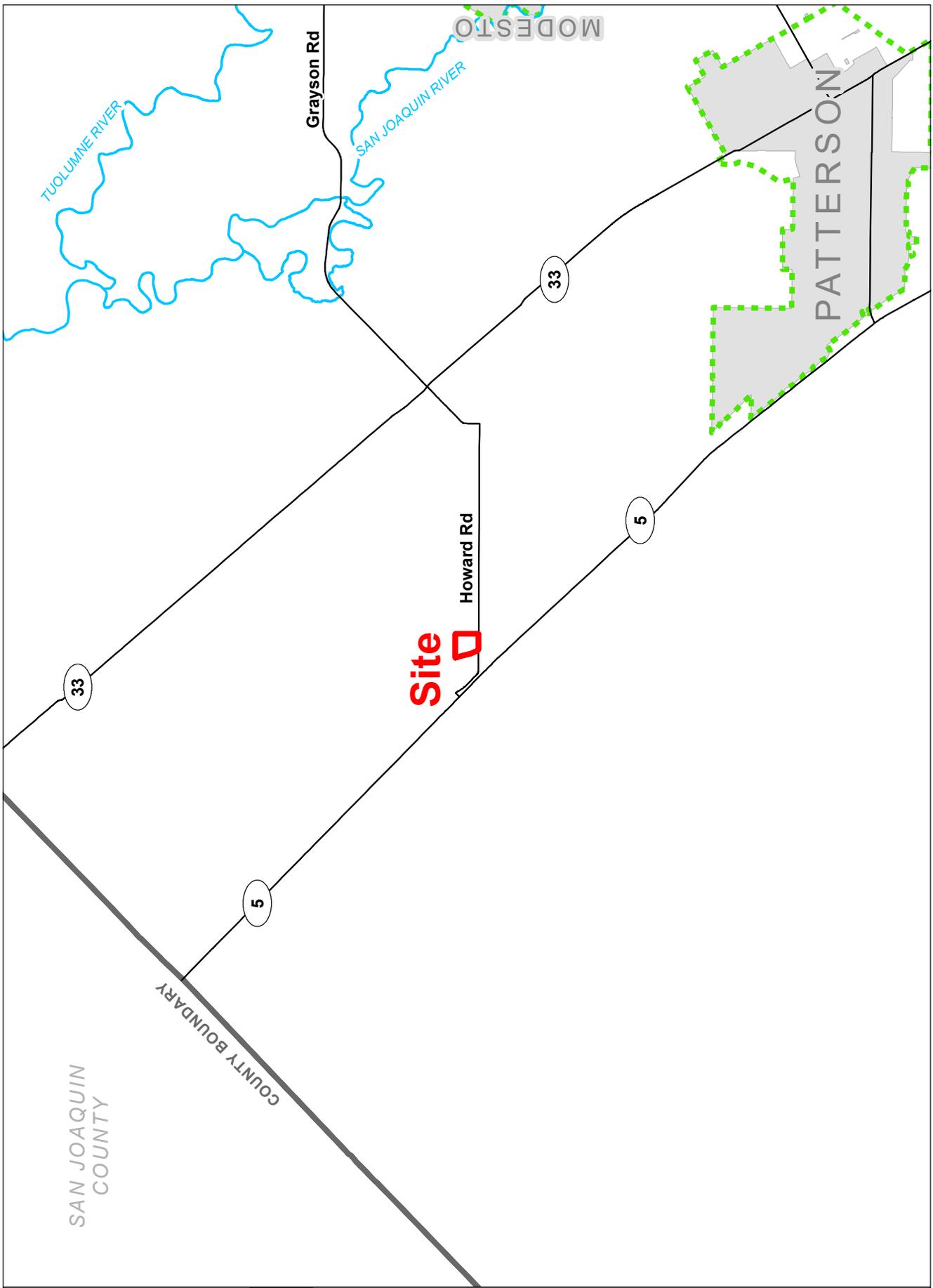
**AREA MAP**

**LEGEND**

-  Project Site
-  Sphere of Influence
-  City
-  Road
-  River



Source: Planning Department GIS Date: 11/7/2019



# CENTRAL VALLEY GROWERS LLC

## UP & DA PLN2019-0095

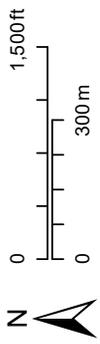
### GENERAL PLAN MAP

#### LEGEND

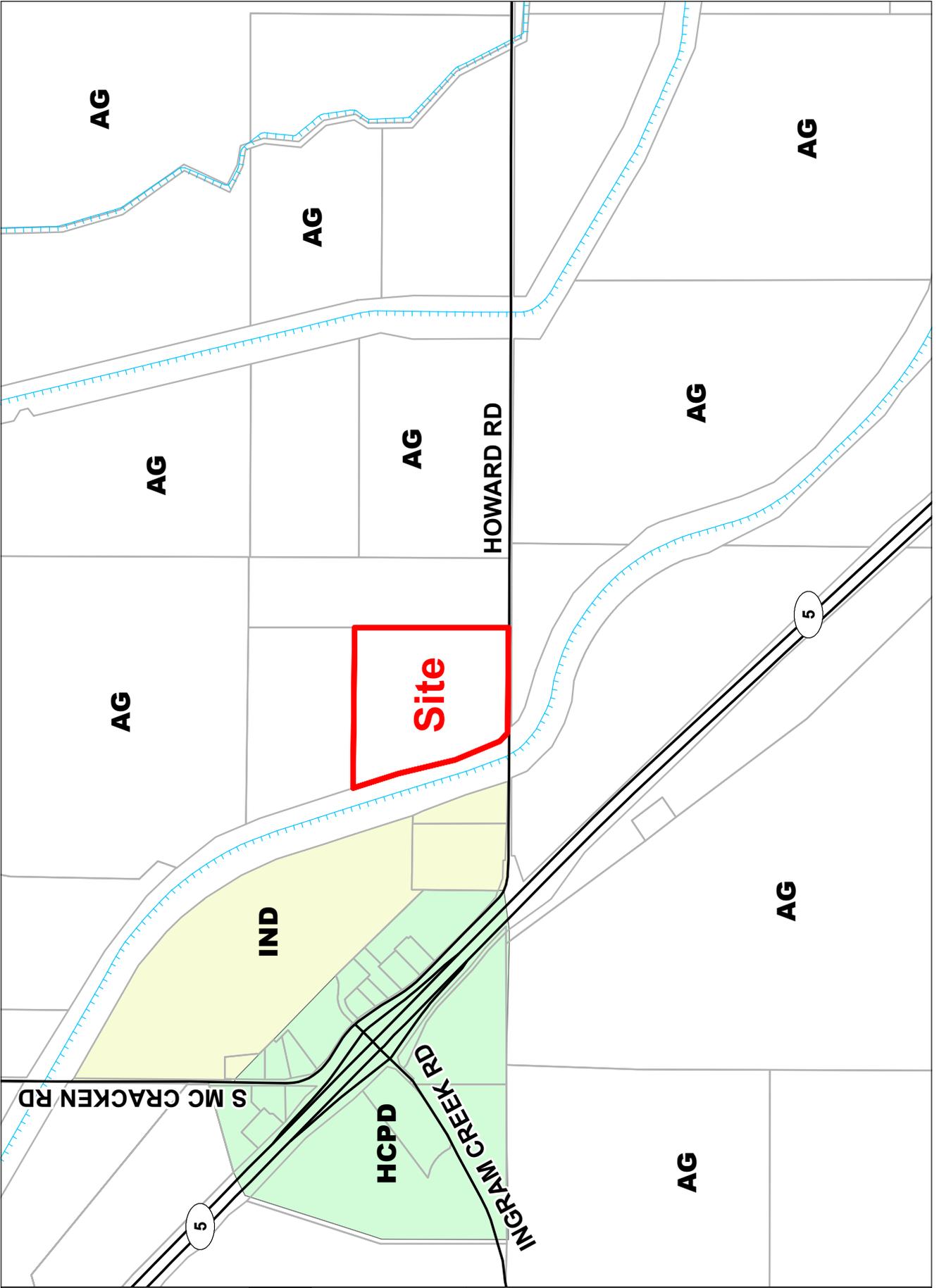
-  Project Site
-  Parcel
-  Road

#### General Plan

-  Agriculture
-  Industrial
-  Highway Commercial /  
Planned Development



Source: Planning Department GIS  
Date: 11/7/2019



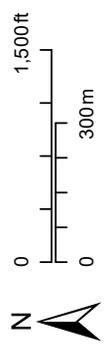
# CENTRAL VALLEY GROWERS LLC

UP & DA  
 PLN2019-0095

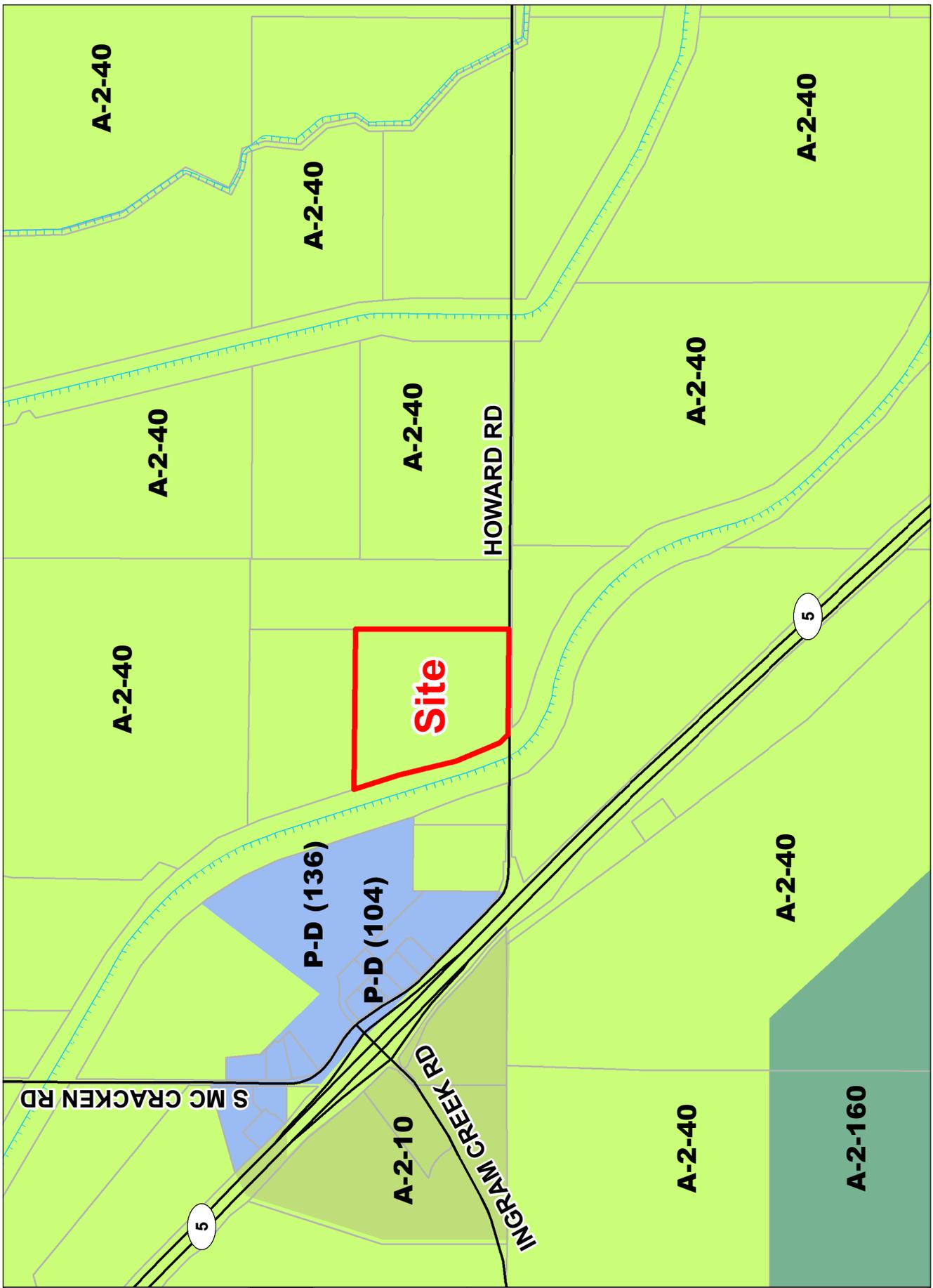
## ZONING MAP

### LEGEND

-  Project Site
  -  Sphere of Influence
  -  City of
  -  Parcel
  -  Road
  -  River
  -  Canal
- Zoning Designation**
-  Planned Development
  -  General Agriculture 10 Acre
  -  General Agriculture 40 Acre
  -  General Agriculture 160 Acre



Source: Planning Department GIS Date: 11/7/2019



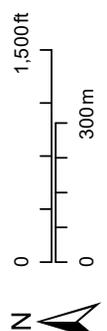
# CENTRAL VALLEY GROWERS LLC

UP & DA  
PLN2019-0095

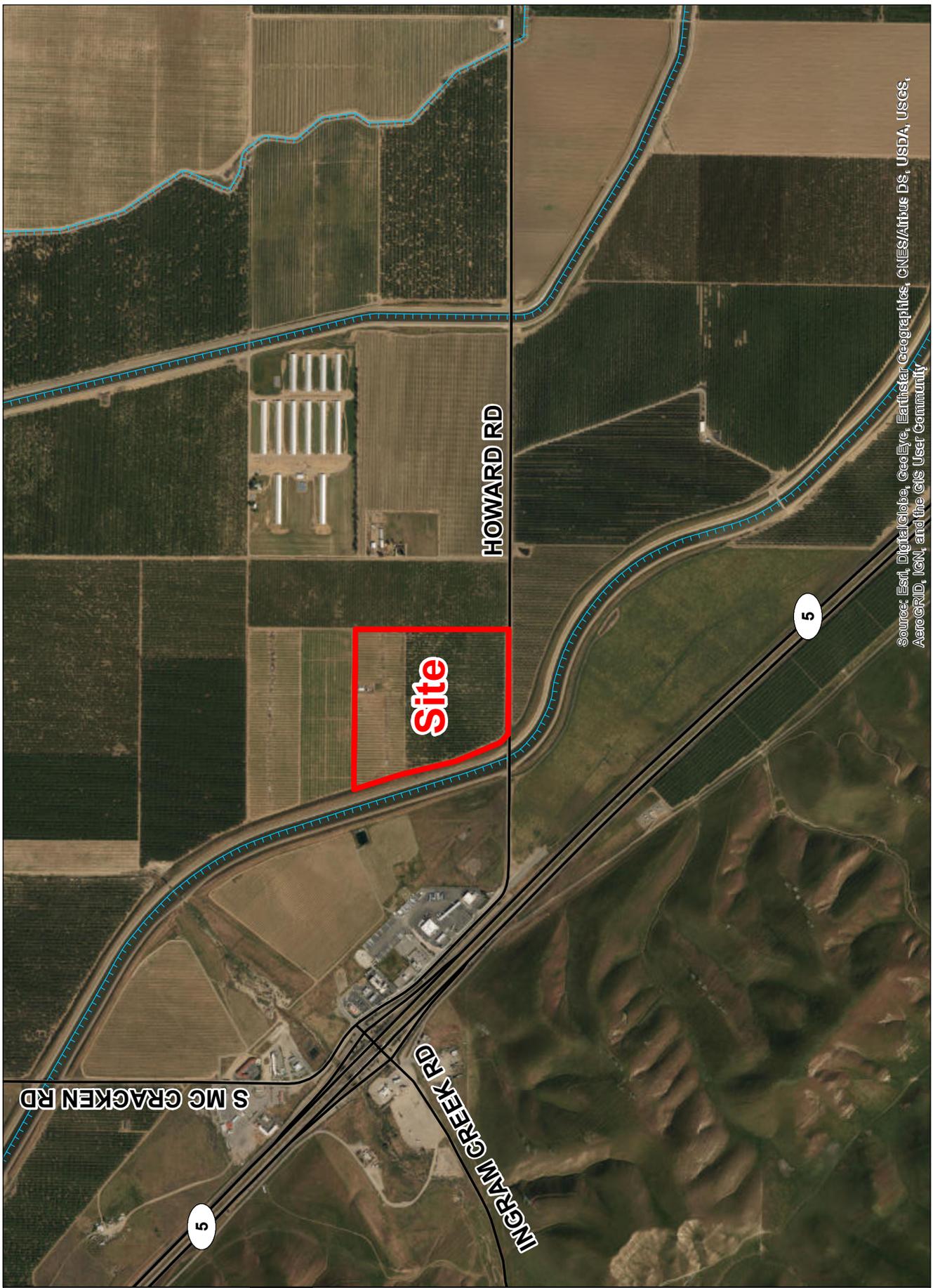
## 2017 AERIAL AREA MAP

### LEGEND

-  Project Site
-  Road
-  Canal



Source: Planning Department GIS Date: 11/7/2019



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

# CENTRAL VALLEY GROWERS LLC

UP & DA  
PLN2019-0095

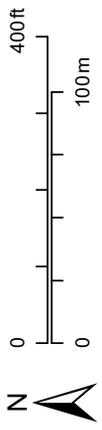
## 2017 AERIAL SITE MAP

### LEGEND

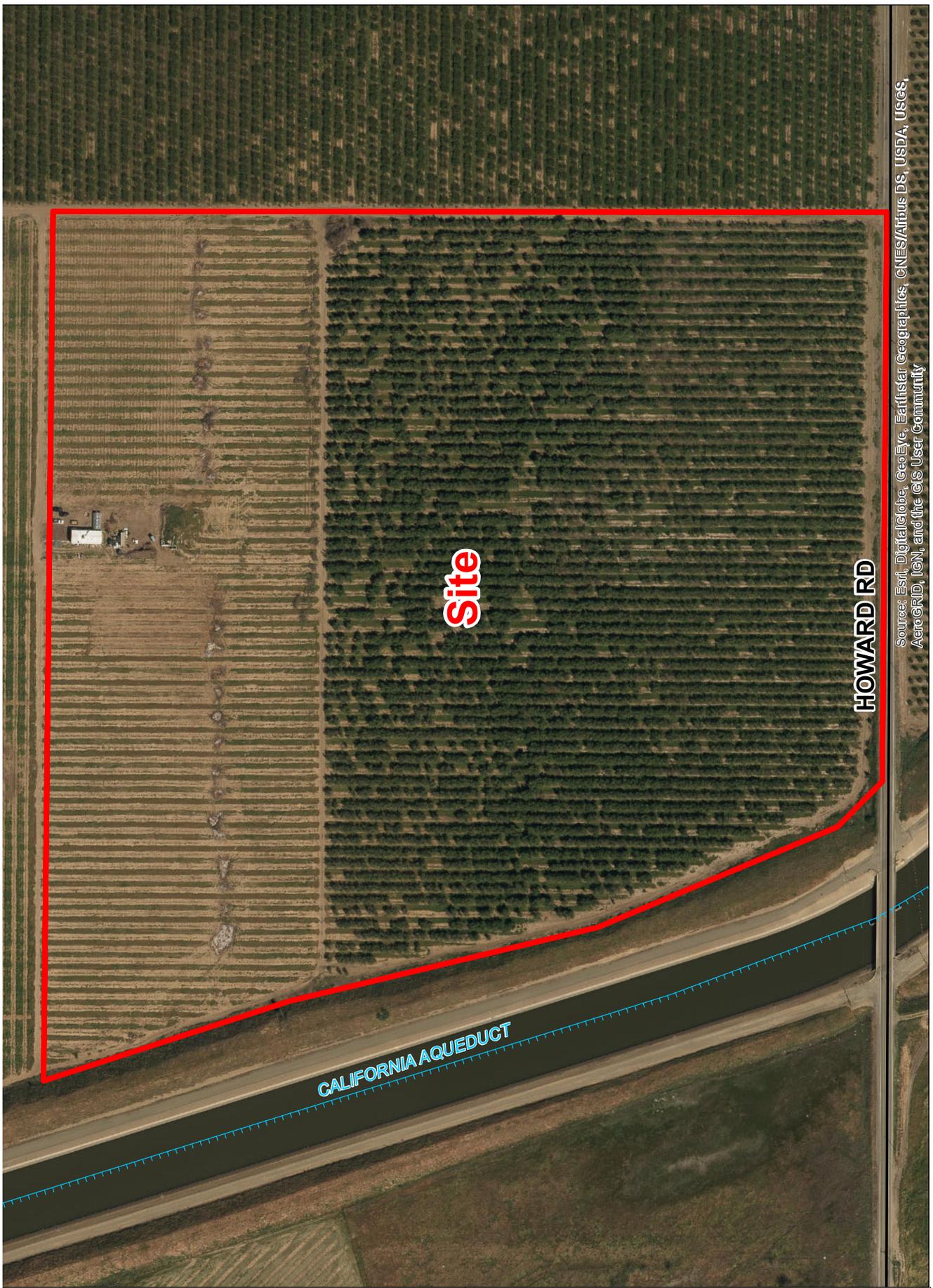
 Project Site

 Road

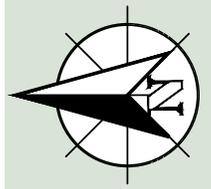
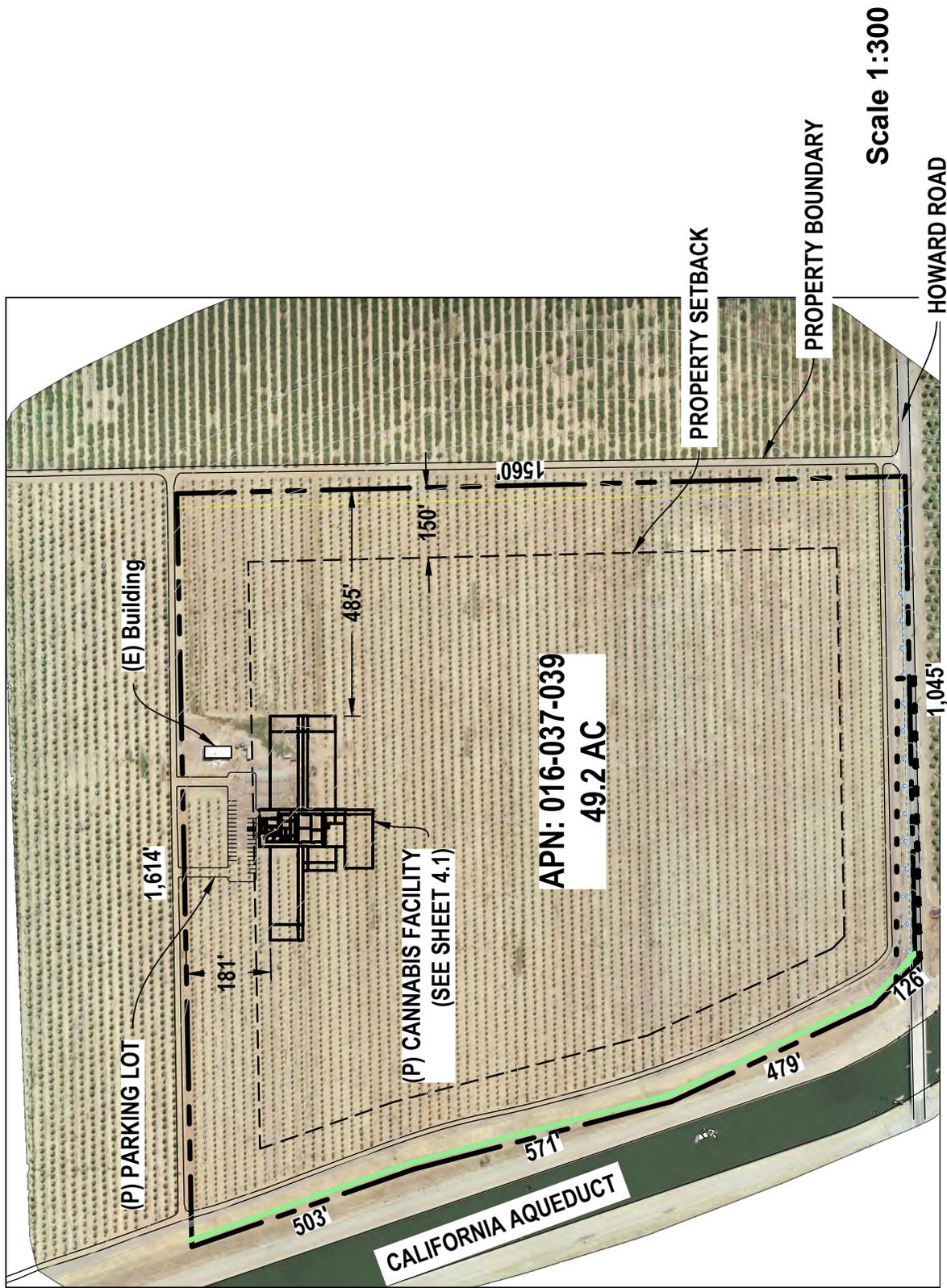
 Canal



Source: Planning Department GIS Date: 11/7/2019



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



**begreenlegal**

Date: October 4, 2019

# Proposed Site Plan

Central Valley Growers • APN: 016-037-039  
 3735 Howard Road, Westley, CA 95387

**4.0**

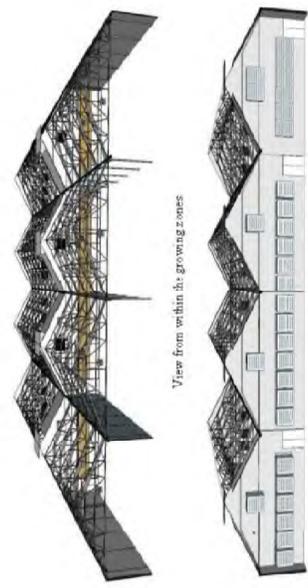
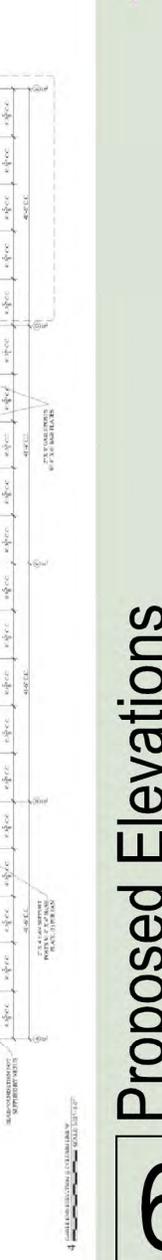
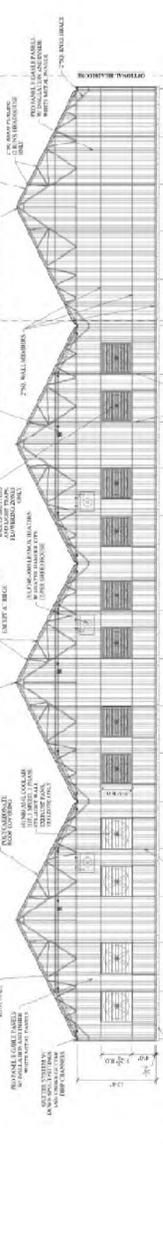
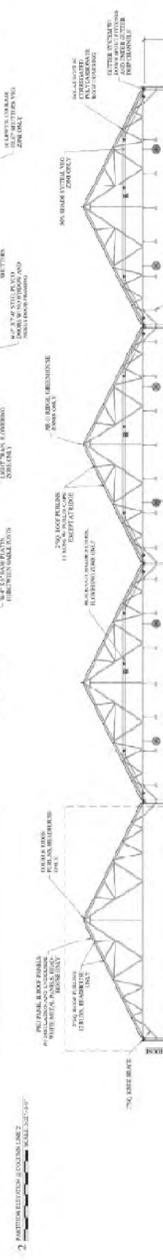
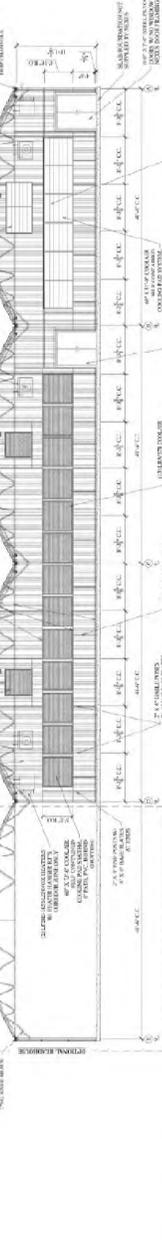
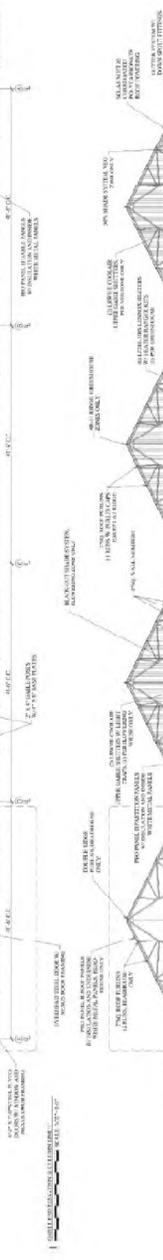
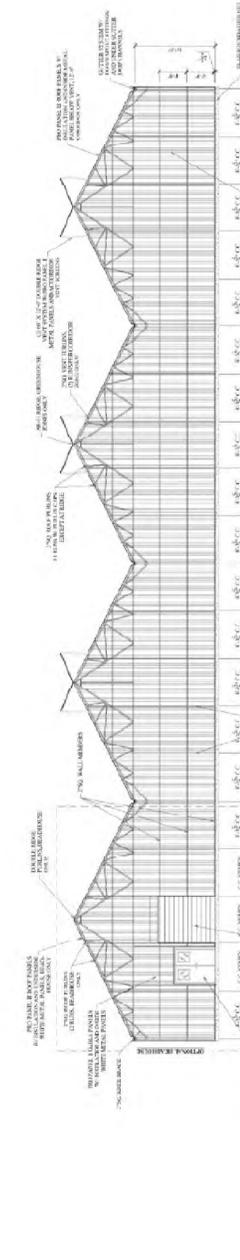
**GENERAL NOTES:**

1. REVIEW RESPONSIBILITY FOR THE DESIGN OF THE ARCHITECTURE, STRUCTURE, MECHANICAL, ELECTRICAL, PLUMBING, AND FIRE PROTECTION SHALL REMAIN WITH THE ARCHITECT. THE ARCHITECT SHALL BE RESPONSIBLE FOR THE COORDINATION OF ALL DISCIPLINES AND FOR THE INTEGRATION OF ALL DISCIPLINES INTO THE ARCHITECTURAL DESIGN.
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**WIND DESIGN:**

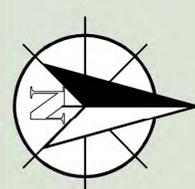
WIND DESIGN SHALL BE IN ACCORDANCE WITH THE FOLLOWING:

- 1. ASCE 7-10 (10) MINIMUM WIND SPEEDS
- 2. ASCE 7-10 (11) EXPOSURE CATEGORY
- 3. ASCE 7-10 (12) WIND DIRECTIONALITY FACTOR
- 4. ASCE 7-10 (13) WIND EFFECT FACTOR
- 5. ASCE 7-10 (14) WIND PRESSURE COEFFICIENTS
- 6. ASCE 7-10 (15) WIND FORCE EFFECTS
- 7. ASCE 7-10 (16) WIND FORCE EFFECTS
- 8. ASCE 7-10 (17) WIND FORCE EFFECTS
- 9. ASCE 7-10 (18) WIND FORCE EFFECTS
- 10. ASCE 7-10 (19) WIND FORCE EFFECTS
- 11. ASCE 7-10 (20) WIND FORCE EFFECTS
- 12. ASCE 7-10 (21) WIND FORCE EFFECTS
- 13. ASCE 7-10 (22) WIND FORCE EFFECTS
- 14. ASCE 7-10 (23) WIND FORCE EFFECTS
- 15. ASCE 7-10 (24) WIND FORCE EFFECTS
- 16. ASCE 7-10 (25) WIND FORCE EFFECTS
- 17. ASCE 7-10 (26) WIND FORCE EFFECTS
- 18. ASCE 7-10 (27) WIND FORCE EFFECTS
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- 88. ASCE 7-10 (97) WIND FORCE EFFECTS
- 89. ASCE 7-10 (98) WIND FORCE EFFECTS
- 90. ASCE 7-10 (99) WIND FORCE EFFECTS
- 91. ASCE 7-10 (100) WIND FORCE EFFECTS



View from within the growing zones

View from within the transport corridor



**begreenlegal**

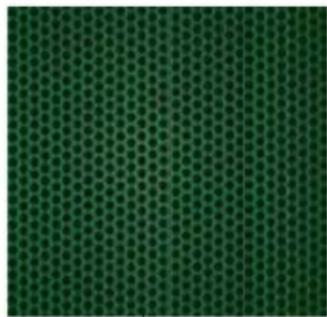
Date: October 3, 2019

**Proposed Elevations**

Central Valley Growers • APN: 016-037-039

3735 Howard Road

**6.0**



METAL PRIVACY SCREEN (3m  
Holes) ATTACHED TO WWM  
FENCE PANEL

FENCE: MINIMUM HEIGHT  
7'-0" (2.134m)

POST: MINIMUM EMBED IN CONCRETE

**As Approved by the Board of Supervisors**  
**December 15, 2020**  
**As Denied by the Planning Commission**  
**September 17, 2020**

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NOTE: Approval of this application is valid only if the following conditions are met. This permit shall expire unless activated within 18 months of the date of approval. In order to activate the permit, it must be signed by the applicant and one of the following actions must occur: (a) a valid building permit must be obtained to construct the necessary structures and appurtenances; or (b) the property must be used for the purpose for which the permit is granted. (Stanislaus County Ordinance 21.104.03)

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## **CONDITIONS OF APPROVAL**

### **USE PERMIT AND DEVELOPMENT AGREEMENT APPLICATION NO. PLN2019-0095 CENTRAL VALLEY GROWERS, LLC. – HOWARD ROAD III**

#### **Department of Planning and Community Development**

1. Use(s) shall be conducted as described in the application and supporting information (including the plot plan) as approved by the Planning Commission and/or Board of Supervisors and in accordance with other laws and ordinances. All development standards and mitigation measures adopted for the A-2 zoning district shall remain in effect.
2. Commercial cannabis activities as authorized by Title 21 and Chapter 6.78 of the Stanislaus County Code shall be located and operated in compliance with all the requirements of Chapter 6.78 of the Stanislaus County Code and any other local requirements, and state laws and regulations, applicable to commercial cannabis activities.
3. Within 60 days of project approval, a complete Commercial Cannabis Activity Permit (CCA permit) shall be submitted to the Treasurer/Tax Collector.
4. If the Development Agreement, CCA permit, or state licenses associated with this land use entitlement are revoked, expired, or otherwise deemed ineffective, all commercial cannabis activities on the project site shall cease, until all applicable permits and agreements have been reinstated.
5. Commercial cannabis activities which have obtained their CCA permit shall have six months from the effective date of issuance of the permit to obtain the required licenses from the State. If all state licenses and approvals required to operate the commercial cannabis activity are not obtained within the six-month period, the CCA permit shall not be renewed.
6. Developer shall pay all Public Facilities Impact Fees and Fire Facilities Fees as adopted by Resolution of the Board of Supervisors. The fees shall be payable at the time of issuance of a building permit for any construction in the development project and shall be based on the rates in effect at the time of building permit issuance.
7. The applicant/owner is required to defend, indemnify, or hold harmless the County, its officers, and employees from any claim, action, or proceedings against the County to set aside the approval of the project which is brought within the applicable statute of limitations. The County shall promptly notify the applicant of any claim, action, or proceeding to set aside the approval and shall cooperate fully in the defense.

8. The permittee shall provide a security plan, in accordance with Section 6.78.120(C) of the County Code, to the Sheriff's Department for review and approval. The security plan shall be reviewed annually or as often as deemed necessary by the Sheriff's Department.
9. Prior to issuance of a CCA permit, operator shall designate two individuals who shall be available at all times to communicate with the County Sheriff's Department and Code Enforcement.
10. Prior to issuance of a CCA permit, operator shall designate two persons who shall be available at all times to respond to community inquiries and complaints.
11. The Clerk of the Board shall record the executed Development Agreement and the Department of Planning and Community Development shall record a Notice of Administrative Conditions and Restrictions (NOACR) with the County Clerk-Recorder's Office within 30 days of project approval. The NOACR includes Conditions of Approval/Development Standards and Schedule, any adopted mitigation measures, and a project area map.
12. All intake ventilation systems into the cannabis housing should be placed at the furthest point away from adjacent agricultural operations to reduce the chances of unwanted chemicals being drawn into the cannabis housing.
13. Prior to issuance of any building permit, a photometric lighting plan shall be submitted for review and approval by the Planning Department. All exterior lighting shall be designed (aimed down and toward the site) to provide adequate illumination without a glare effect. This shall include, but not be limited to, the use of shielded light fixtures to prevent skyglow (light spilling into the night sky) and the installation of shielded fixtures to prevent light trespass (glare and spill light that shines onto neighboring properties). The height of the lighting fixtures should not exceed 15 feet above grade.
14. Prior to issuance of a building permit for each phase, adequate parking in accordance with Section 21.76 of the County Code, shall be provided on-site.
15. Any construction resulting from this project shall comply with standardized dust controls adopted by the San Joaquin Valley Air Pollution Control District (SJVAPCD) and may be subject to additional regulations/permits, as determined by the SJVAPCD.
16. A sign plan for all proposed on-site signs indicating the location, height, area of the sign(s), and message must be approved by the Planning Director or appointed designee(s) prior to installation.
17. Prior to issuance of a CCA permit, the area of commercial cannabis activity shall be fully enclosed by an opaque fence, made of uniform material, at least seven feet in height. The location, design, and construction of the fencing shall be reviewed and approved by the Director of Planning and Community Development prior to installation for conformance with County Code Section 6.78.080 (D). Any modification to any fencing located on the project site, shall be subject to review and approval by the Planning Director or appointed designee(s) for aesthetics and security purposes.
18. All landscaped areas, fences, and walls shall be maintained, and the premises shall be kept free of weeds, trash, and other debris.
19. Should any archeological or human remains be discovered during development, work shall be immediately halted within 150 feet of the find until it can be evaluated by a qualified archaeologist. If the find is determined to be historically or culturally significant, appropriate

mitigation measures to protect and preserve the resource shall be formulated and implemented. Construction activities shall not resume in the area until an on-site archeological mitigation program has been approved by a qualified archeologist. The Central California Information Center shall be notified if the find is deemed historically or culturally significant.

20. All access roads utilized to access the operation shall be properly graded and maintained., including but not limited to, regularly oiled to control dust, and in addition, shall be graded and maintained to an all-weather standard that is appropriate to be used by emergency vehicles. "Regularly maintained" shall be semi-annually at a minimum, unless additional maintenance is necessary.

### **Department of Public Works**

21. Prior to the issuance of a building permit, an encroachment permit shall be taken out for an asphalt driveway onto Howard Road. The paved driveway shall be installed per current Stanislaus County Public Works Standards and Specifications.
22. No parking, loading or unloading of vehicles will be permitted within the County Road right-of-way. The developer will be required to install or pay for the installation of any signs and/or markings, if necessary.
23. Prior to the issuance of a grading permit or a building permit, whichever comes first, the Howard Road frontage shall be offered to Stanislaus County as an Irrevocable Offer of Dedication. Howard Road is classified as a 110 foot Minor Arterial roadway. The required ½ width is 55 foot north of the centerline. Currently there is 20 feet of existing right-of-way north of the centerline. This means that the requirement for the IOD to be 35 feet east of the existing right-of-way.
23. Applicant shall comply with State Water Resources Control Board Order #WQ2017-0023-DWQ General WDRs and Waiver of WDRs for Discharges of Waste Associated with Cannabis Cultivation Activities.
24. Applicant shall comply with Stanislaus County Code Chapter 14.14, Stormwater Management and Discharge Control.
25. All creation, collection, and disposal of process wastewater shall be done in accordance with the latest requirements from the State Water Resources Control Board Guidelines and County's Department of Public Works requirements in effect at the time of wastewater disposal. Prior to issuance of a CCA Permit, the applicant shall demonstrate compliance with these requirements to the Department of Public Works.
26. A grading, drainage, and erosion/sediment control plan for the project site shall be submitted with any building permit that will create a larger building footprint for the site. The grading and drainage plan shall include the following information:
  - a. The plan shall contain drainage calculations and enough information to verify that all run-off will be kept from going onto adjacent properties and Stanislaus County road right-of-way. Public Works will review and approve the drainage calculations.
  - b. The grading drainage and erosion/sediment control plan shall comply with the current State of California National Pollutant Discharge Elimination System (NPDES) General Construction Permit. A Waste Discharge Identification Number (WDID) and a copy of the Notice of Intent (NOI) and the project's Storm Water Pollution

Prevention Plan (SWPPP) shall be provided prior to the approval of any grading, if applicable.

- c. The applicant of the grading permit shall pay the current Stanislaus County Public Works weighted labor rate for the plan review of the grading plan.
- d. The applicant of the grading permit shall pay the current Stanislaus County Public Works weighted labor rate for all on-site inspections. The Public Works inspector shall be contacted 48 hours prior to the commencement of any grading or drainage work on-site.

**Department of Environmental Resources (DER)**

- 27. Any new buildings with an OWTS connection shall be subject to Measure X. The OWTS is to be of an engineered design, plans and calculations shall be submitted to DER for review. All Local Agency Management Program (LAMP) standards shall be met.
- 28. Based on the information provided in this use permit, the existing well/water system does not meet the definition of a public water system as defined in California Health and Safety Code Section 116275 (h). It is the property owner's responsibility to notify the DER if the water system ever meets the definition of a public water system.

**Department of Environmental Resources – Hazardous Materials Division**

- 29. The applicant shall contact the Department of Environmental Resources regarding appropriate permitting requirements for hazardous materials, and/or wastes. The applicant and/or occupants handling hazardous materials or generating wastes must notify the Department prior to operation.

**Building Permits Division**

- 30. Building permits are required, and the project must conform with the California Code of Regulations, Title 24. All unpermitted portions of existing buildings, including unpermitted interior improvements on compartmentalized portions of the existing structure, shall obtain building permits and shall comply with the provisions of the code set forth in the most current adopted California Code of Regulations Title 24 or be demolished. It shall be unlawful for any person, firm, or corporation to erect, construct, alter, or occupy any building or portions of any buildings where unpermitted work exists.
- 31. All indoor cultivation, distribution, and storage areas shall be considered S-1 occupancies in accordance to the most current adopted California Building Code, California Code of Regulations Title 24.
- 32. All non-volatile manufacturing, processing, and packaging shall be considered F-1 occupancies in accordance to the most current adopted California Building Code, California Code of Regulations Title 24.
- 33. A Change of Occupancy will be required for use of existing structures associated with the project per the current and adopted version of the California Building Code, California Code of Regulations Title 24, Part 10.

34. No change shall be made in the use or occupancy of any building unless such building is made to comply with the requirements of the most current adopted California Building Code, California Code of Regulations Title 24, Volumes 1 and 2 of Part 2.
35. Accessibility for existing buildings shall comply with Section 410 of the California Building Code, California Code of Regulations Title 24, Part 10.
36. Separate toilet facilities shall be provided for each sex prior to issuance of a CCA permit. Required toilet facilities for employees and customers shall have a maximum travel distance not to exceed 500 feet.
37. All plans submitted shall be reviewed and/or designed by a California licensed architect or engineer.

**San Joaquin Valley Air Pollution Control District**

38. All odor control devices shall receive an Authority to Construct (ATC) permit prior to installation and operation.
39. Prior to the start of construction, the property owner/operator shall contact the District's Small Business Assistance Office to determine if any Air District permits or if any other District rules or permits are required, including but not limited to an Authority to Construct (ATC) for construction or demolition of structures.

**Central Valley Regional Water Quality Control Board**

40. Prior to ground disturbance or issuance of a building permit, the Central Valley Regional Water Quality Control Board shall be consulted to obtain any necessary permits and to implement any necessary measures, including but not limited to: Cannabis General Order, Construction Storm Water General Permit, Phase I and II Municipal Separate Storm Sewer System (MS4) Permits, Industrial Storm Water General Permit, Clean Water Act Section 404 Permit, Clean Water Act Section 401 Permit (Water Quality Certification), Waste Discharge Requirements, Dewatering Permit, Low or Limited Threat General NPDES Permit, NPDES Permit, or any other applicable Regional Water Quality Control Board permit.

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*Please note: If Conditions of Approval/Development Standards are amended by the Planning Commission or Board of Supervisors, such amendments will be noted in the upper right-hand corner of the Conditions of Approval/Development Standards; new wording is in **bold**, and deleted wording will have a ~~line through it~~.*



## CEQA Guidelines §15183 Consistency Checklist

Adapted from CEQA Guidelines APPENDIX G Environmental Checklist Form, Final Text, December 30, 2009

- 1. **Project title:** Use Permit & Development Agreement Application No. PLN2019-0095 – Central Valley Growers, LLC – Howard Road III
- 2. **Lead agency name and address:** Stanislaus County  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354
- 3. **Contact person and phone number:** Jeremy Ballard, Associate Planner
- 4. **Project location:** 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area. (APN: 016-037-039).
- 5. **Project sponsor’s name and address:** Sarbji Athwal dba Central Valley Growers, LLC.
- 6. **General Plan designation:** Agriculture
- 7. **Community Plan** N/A
- 8. **Zoning:** A-2-40 (General Agriculture)
- 9. **Description of project:**

This project is a request to obtain a Use Permit and Development Agreement to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district. Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square-foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. The greenhouse will include up to 10,000 square feet of flowering canopy and 2,000 square feet of vegetative area. Phase 1 will develop 22 parking spaces within an enclosed parking area. Phase 2 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 3 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. The greenhouse with flowering cultivation, will be made up of 2,000 square feet of flowering canopy and 1,000 square feet of vegetative stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. Nursery stock is proposed to be sold wholesale as well as to feed the cultivation operation. Additionally, the project proposes to develop 7-foot-tall security fencing with screening. Hours of operation are proposed to be Monday through Sunday, 6 a.m. to 9 p.m. Domestic and irrigation water will be provided from an existing on-site private well. The project will include a total of 18 employees on a maximum shift. The applicant anticipates up to two vehicle trips a day associated with deliveries and product distribution, which will only occur between the hours of 8:30 a.m. to 5:00 p.m.

9. **Surrounding land uses and setting:** Orchards, in all directions; Delta Mendota Canal and a poultry ranch to the east; the California Aqueduct, highway commercial development, and Interstate Highway 5 to the west; and vineyards to the south.
10. **Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.):** Stanislaus County Department of Public Works and Department of Environmental Resources; California Department of Food and Agriculture, CalCannabis Division; Central Valley Regional Water Quality Control Board; San Joaquin Valley Air Pollution Control District
11. **Attachments:** Appendix A - 2016 General Plan Update EIR Summary of Impacts and Mitigation Measures

## CEQA Guidelines §15183 Consistency Checklist

### Findings

In accordance with CEQA Guidelines §15183, no additional CEQA review is required for the Project as the project has been determined to be consistent with the Environmental Impact Report (EIR) certified on August 23, 2016 for the Stanislaus County 2016 General Plan Update (GPU) as the following findings can be made:

1. The Project is consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified.
2. There are no Project specific effects which are peculiar to the Project or its site, and which the GPU EIR Failed to analyze as significant effects.
3. There are no potentially significant off-site and/or cumulative impacts which the GPU EIR failed to evaluate.
4. There is no substantial new information which results in more severe impacts than anticipated by the GPU EIR.
5. The Project will undertake feasible mitigation measures specified in the GPU EIR.

### Overview

This checklist provides an analysis of potential environmental impacts resulting from the Project. Following the format of CEQA Guidelines Appendix G, environmental effects are evaluated to determine if the Project would result in a potentially significant impact triggering additional review under Guidelines section 15183.

- Items checked “Significant Project Impact” indicates that the Project could result in a significant effect which either requires mitigation to be reduced to a less than significant level or which has a significant, unmitigated impact.
- Items checked “Impact not identified by the GPU EIR” indicates the Project would result in a Project specific significant impact (peculiar off-site or cumulative that was not identified in the GPU EIR).
- Items checked “Substantial New Information” indicates that there is new information which leads to a determination that a Project impact is more severe than what had been anticipated by the GPU EIR.
- Items checked “Consistent with GPU EIR” indicates that the Project meets findings 1-5 listed above, as included in CEQA Guidelines §15183.

In approving a project meeting the requirements under CEQA Guidelines §15183, a public agency shall limit its examination of environmental effects to those which the agency determines, in an initial study or other analysis: (1) Are peculiar to the project or the parcel on which the project would be located; (2) Were not analyzed as significant effects in a prior EIR on the zoning action, general plan, or community plan, with which the project is consistent; (3) Are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan, community plan or zoning action; or (4) Are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR.

If an impact is not peculiar to the parcel or to the project, has 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, as contemplated by, then an additional environmental review need not be prepared for the project solely on the basis of that impact.

A summary of Staff’s analysis of each potential environmental effect is provided below the checklist for each subject area. The GPU EIR, including a list of applicable General Plan policies, references, significance guidelines, and technical studies used to support the analysis can be found at <http://www.stancounty.com/planning/pl/general-plan.shtm>. All feasible mitigation measures have been incorporated into the Updated Stanislaus County General Plan in the form of goals, objectives, policies, action items and programs to reduce the anticipated environmental impacts.

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a “Potentially Significant Impact” as indicated by the checklist on the following pages.

- Aesthetics
- Agriculture & Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology / Soils
- Greenhouse Gas Emissions
- Hazards & Hazardous Materials
- Hydrology / Water Quality
- Land Use / Planning
- Mineral Resources
- Noise
- Population/Housing
- Public Services
- Recreation
- Transportation
- Utilities/Service Systems
- Wildfire
- Mandatory Findings of Significance

**DETERMINATION: (To be completed by the Lead Agency)**

On the basis of this initial evaluation:

- I find that the proposed project would result in a project specific significant impact (peculiar off-site or cumulative) that was not identified in the GPU EIR.
- I find that the proposed project could result in a significant effect which either requires mitigation to be reduced to a less than significant level or which has a significant unmitigated impact.
- I find that the proposed project includes new information which leads to a determination that a project impact is more severe than what had been anticipated by the GPU EIR.
- I find that all potentially significant effects have been analyzed adequately in the GPU EIR and that with the application of uniformly applied development policies and/or standards, no further environmental review is required.

Jeremy Ballard  
Prepared by

8/21/2020  
Date

**ISSUES**

I. AESTHETICS – Except as provided in Public Resources Code Section 21099, could the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X

**Discussion:** The GPU EIR determined that overall, development that would result from implementation of the General Plan would change the existing visual character of the County, but the impact would not be significant. The sole scenic designation in the County is along Interstate-5, which is in the vicinity of the project site but not adjacent. Community standards generally do not dictate the need or desire for architectural review of agricultural or residential subdivisions.

The GPU EIR found potential impacts associated with light and glare to be significant and unavoidable. However, the inclusion of Land Use Element Goal 2, Policy 16, Implementation Measures 1 and 2 requires that outdoor lighting be efficient and designed to provide minimum impact to the surrounding environment through the use of shielded fixtures which direct light only towards the objects requiring illumination reduces this impact. Any construction that may occur in the future would be required to meet this General Plan policy. A condition of approval will be added to the project requiring a photometric lighting plan, to ensure no light pollution occurs on-site for all phases of development.

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. Phase 1 will develop 22 parking spaces within an enclosed parking area. Phase 2 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 3 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. Additionally, the project proposes to develop 7-foot-tall security fencing with screening.

No additional impacts to aesthetics are expected for Phases 2 through 4 as the additional greenhouses will be of similar material and visual make up, which are similar in nature to non-cannabis greenhouses. The California Department of Food and Agriculture, Cal Cannabis Division (CDFA), who is charged with regulation of cannabis cultivation activities per state regulations. In relation to aesthetics Section 8304(c) and (g) of the California Code of Regulations, require cultivation operations to aim all outdoor security lighting downward and that mixed light cultivators ensure that lighting used is shielded to avoid nighttime glare

As stated previously, a condition of approval will be applied to the project which requires that all existing exterior lighting shall be designed (aimed down and toward the site) to provide adequate illumination without a glare effect. This shall include, but not be limited to, the use of shielded light fixtures to prevent skyglow and to prevent light trespass onto neighboring properties. The proposed project is not anticipated to have a substantial negative effect on a scenic vista,

damage scenic resources, or substantially degrade the existing visual character of the site or its surroundings. Any further development resulting from this project will be consistent with existing area development. Accordingly, the potential impacts to Aesthetics are considered to be consistent with those considered in the GPU EIR.

**Mitigation:** None.

**References:** PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Application Materials; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>.

<b>II. AGRICULTURE AND FOREST RESOURCES:</b> In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state’s inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. -- Would the project:	<b>Significant Project Impact</b>	<b>Impact Not Identified by GPU EIR</b>	<b>Substantial New Information</b>	<b>Consistent with GPU EIR</b>
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

**Discussion:** The GPU EIR determined that impacts to Agriculture and Forest Resources resulting from implementation of the General Plan are less than significant. The project site is comprised of a 49.15 ± acre parcel in the A-2-40 (General Agriculture) zoning district. The applicant is proposing a mixed-light commercial cannabis cultivation operation by Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. Phase 1 will develop 22 parking spaces within an enclosed parking area. Phase 2 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation

space and 2,000 square feet of vegetative area. Phase 3 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. Additionally, the project proposes to develop 7-foot-tall security fencing with screening.

In all four phases, construction of each greenhouses will be adjacent to each other limiting use of agriculturally productive land. The property is currently improved with an almond orchard and agricultural storage building. The project site is in a rural area surrounded by agriculturally zoned parcels. Adjacent land uses include orchards in all directions, a poultry ranch to the east and vineyards to the south.

The site is enrolled in the Williamson Act under Contract No. 1971-1020. The proposed cannabis cultivation activities are considered to be similar to other permitted activities such as the cultivation of agricultural crops which are considered to be consistent with the Williamson Act principals of compatibility. Approval of this project will not significantly compromise the long-term productive agricultural capability of the subject property or of surrounding agricultural operations. Nor will the proposed project result in new facilities limiting the return of the property to agricultural production in the future, or in the removal of any adjacent contracted land from agricultural or open-space use. The project was referred to the State Department of Conservation during the Early Consultation review periods and no comment was received.

The Stanislaus County Agricultural Element includes guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 zoning district. The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts such as spray drift and trespassing resulting from the interaction of agricultural and non-agricultural uses. Non-people intensive uses require a 150 foot-buffer between the proposed use and surrounding agriculture. Alternatives may be approved provided the Planning Commission finds that the alternative provides equal or greater protection than the existing buffer standards. The project site is adjacent to agriculturally zoned property, zoned A-2, on all sides. With a maximum of 18 employees at full build-out, the project will be conducted mostly indoors and would be considered to be a low people intensive use. The area where the project will take place meets or exceeds the 150-foot agricultural buffer to the north, west, east, and south.

The site is also between the California Aqueducts and the Delta Mendota Canal. The project was referred to the California Department of Water Resources. No response has been received to date. However, the proposed project will be served by an existing private well and anticipates only to utilize approximately 2.6 acre-feet a year for the proposed cultivation operation.

The site is classified as Prime Farmland by the California Department of Conservation's Farmland Mapping and Monitoring Program. The United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS) Web Soil Survey indicates that property is comprised of Capay clay, 0 to 1 percent slopes, MLRA 17, Grade 4 and Zacharias gravelly clay loam, wet, 0 to 2 percent slopes Grade 1.

The California Department of Food and Agriculture, Cal Cannabis Division (CDFA), developed a Programmatic Environmental Impact Report (PEIR) for the adoption of regulations for cultivation of commercial cannabis. The PEIR stated that for the purposes of the Williamson Act, cannabis is considered under state law as an Agricultural product, therefore it is an acceptable use of agriculture zoned property and would not result in the conversion of farmland. Additionally, the PEIR believed that conversion or loss of non-cannabis crops to cannabis would be limited due to overall size restrictions on cultivation permit types allowed under the CDFA.

All commercial cannabis uses are required under Stanislaus County Code 6.78.080(a) to participate in State of California's and Stanislaus County's Agricultural Commissioners Track and Trace Program for all cannabis grown within the facility. Additionally, the use of any fertilizers or pesticides must be in accordance with CDFA regulations, and the County's Agricultural Commissioners rules and regulations.

The project site does not contain forest land or timberland. The proposed project will take place indoors within proposed greenhouses which will not require removal of any of the existing almond orchard. No impacts to important farmland, agriculturally zoned land, land subject to a Williamson Act contract, or timberlands are anticipated. Both phases of the project will consist of greenhouse structures, which the area of development be reasonably returned to agriculture in the

future. Accordingly, the potential impacts associated with this project to Agriculture and Forest Resources are considered to be consistent with those considered in the GPU EIR.

**Mitigation:** None.

**References:** PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Natural Resources Conservation Service Soil Survey; Stanislaus Soil Survey (1957); California State Department of Conservation Farmland Mapping and Monitoring Program - Stanislaus County Farmland 2018; Application Materials; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

III. AIR QUALITY: Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?				X
c) Expose sensitive receptors to substantial pollutant concentrations?				X
d) Result in other emissions (such as those odors adversely affecting a substantial number of people?				X

**Discussion:** The proposed project is located within the San Joaquin Valley Air Basin (SJVAB) and, therefore, falls under the jurisdiction of the San Joaquin Valley Air Pollution Control District (SJVAPCD). In conjunction with the Stanislaus Council of Governments (StanCOG), the SJVAPCD is responsible for formulating and implementing air pollution control strategies. The SJVAPCD’s most recent air quality plans are the 2007 PM10 (respirable particulate matter) Maintenance Plan, the 2008 PM2.5 (fine particulate matter) Plan, and the 2007 Ozone Plan. These plans establish a comprehensive air pollution control program leading to the attainment of state and federal air quality standards in the SJVAB, which has been classified as “extreme non-attainment” for ozone, “attainment” for respirable particulate matter (PM-10), and “non-attainment” for PM 2.5, as defined by the Federal Clean Air Act.

The GPU EIR determined that most impacts to Air Quality resulting from implementation of the General Plan are less than significant. However, it also determined that construction-related emissions in excess of the SJVAB’s thresholds of significance were unquantifiable and thus considered to be significant and unavoidable. Construction-related emissions would vary substantially depending on the level of activity, length of the construction period, specific construction operations, types of equipment, number of personnel, wind and precipitation conditions, and soil moisture content. Should construction activities exceed the SJVAPCD’s thresholds for ROG and NOX of 10 tons per year or PM10 or PM2.5 of 15 tons per year, a significant construction-related impact would occur.

Construction-related emissions would consist of the construction of six greenhouse buildings for a total of 19,440 square feet. The primary source of operational air pollutants generated by this project would be classified as being generated from "mobile" sources created from increased vehicle trips generated by employees and shipping/receiving vehicles. Additionally, the San Joaquin Valley Air Pollution Control District’s Small Project Analysis Level (SPAL) analyses indicates that the minimum threshold of significance for criteria pollutant emissions for commercial projects is 1,673 trips/day and 1,506 trips/day for industrial projects. The applicant anticipates 18 employees on a maximum shift and a total of two vehicle trips per day, which would be below the District’s threshold for significance. Mobile sources are generally regulated by the California Air Resources Board of the California Environmental Protection Agency which sets emissions for vehicles and acts on issues regarding cleaner-burning fuels and alternative fuel technologies. As such, the District has addressed most criteria air pollutants through basin-wide programs and policies to prevent cumulative deterioration of air quality within the Air Basin.

Under CDFA’s PEIR Air Quality Section, the PEIR discussed potential impacts to air quality due outdoor cultivation’s use of equipment that includes combustibles or creation of fugitive dust emissions through land preparation. Outdoor cultivation is not permitted in Stanislaus County, which would limit creation of the emissions discussed in the PEIR. The PEIR did not anticipate a conflict or obstruct implementation of air quality plans in the individual basins. Consequently, the PEIR anticipates the commercial cannabis cultivation program to lead to a decrease in emissions, as previously unregulated cultivation sites came into compliance. Lastly, the PEIR discussed additional air quality measures that are required protection of employees. Each individual project will be subject to building code and OSHA requirements for. Regulations to reduce air quality impacts from cultivation operations that are enforced by CDFA include Sections 8102(s), 8304(e), 8305, and 8306.

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. Phase 2 and 3 will each construct a 13,940 square foot greenhouse building. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. The construction of each phase will have temporary construction-related emissions but will not exceed any basin wide thresholds.

The project was referred to the Air District, they responded that the proposed project would have a less than significant impact on air quality. The District also requested that the applicant received an Authority to Construct permit prior to any construction for the project to ensure that District rules and regulations be identified prior to work being done. A condition of approval will be added to the project requiring an Authority to Construct permit prior to commencement of work.

Cannabis has the potential to generate odor that can be considered objectionable. However, as required by County Code Section 6.78.120(9)(D), the project applicant has developed an odor control plan that includes several elements to ensure odors will not affect adjacent properties, including carbon filters attached to exhaust fans. Implementation of the odor control measures would ensure a substantial number of people would not be affected by project-generated odors.

Potential impacts on local and regional air quality are anticipated to be less than significant, falling below SJVAPCD thresholds. Accordingly, the potential impacts to Air Quality are considered to be consistent with those considered in the GPU EIR.

**Mitigation:** None.

**References:** Application material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; San Joaquin Valley Air Pollution Control District - Regulation VIII Fugitive Dust/PM-10 Synopsis, Small Project Level Analysis Level; [www.valleyair.org](http://www.valleyair.org); SJVAPCD Project Referral Response, dated March 12, 2020; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

IV. BIOLOGICAL RESOURCES -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X

c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

**Discussion:** The GPU EIR determined that most impacts to Biological Resources resulting from implementation of the General Plan has no impact or a less than significant impact. However, it also determined that there was a significant and unavoidable impact to the movement of any native resident or migratory fish or wildlife species or established native resident or migratory wildlife corridors, or the use of native wildlife nursery sites, due to potential impacts to riparian habitat.

The project is located within the Solyo Quad of the California Natural Diversity Database. There are two plants and animals that are state or federally listed, threatened, or identified as species of special concern in this quad, the tricolored blackbird and the San Joaquin Kit Fox. Because the planned construction is in an area that has already been disturbed, the likelihood for these species to be present on the project site is very low. Furthermore, there is no sensitive habitat present on the site including wetlands or other waters of the State or of the United States.

The PEIR prepared by CDFA for commercial cannabis cultivation activities, stated that regulatory requirements for state licensing require applicants to consult with the California Department of Fish and Wildlife. The consultation and enforcement of regulatory requirements would limit the impacts to any potential biological species onsite. The PEIR also discussed measures regarding security lighting to be limited and aimed downward to reduce impacts to nocturnal species. As stated in the Section I – Aesthetics, conditions of approval will be added to the project to ensure outdoor lighting is shielded and aimed downward. Lastly, the PEIR stated that indoor or mixed-light cultivations operations are not anticipated to have impacts on nesting birds, as the enclosed buildings would restrict nesting species from entering. Regulations to reduce impacts to Biological Resources from cultivation operations that are enforced by CDFA include Sections 8102(w), 8102(dd), 8216, 8304 (a-c), and 8304(g).

An Early Consultation was referred to the California Department of Fish and Wildlife (formerly the Department of Fish and Game) and no response was received.

The project will not conflict with a Habitat Conservation Plan, a Natural Community Conservation Plan, or other locally approved conservation plans. Impacts to endangered species or habitats, locally designated species, or wildlife dispersal or mitigation corridors are considered to be less than significant. It does not appear that this project will result in significant impacts to biological resources. Accordingly, the potential impacts to Biological Resources are less significant than those considered in the GPU EIR. Less than significant impacts are considered to be consistent with the GPU EIR.

**Mitigation:** None.

**References:** California Department of Fish and Wildlife’s Natural Diversity Database Quad Species List; U.S. Geographical Survey Topographic Quadrangle Map Series; Application Materials; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

V. CULTURAL RESOURCES -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Cause a substantial adverse change in the significance of a historical resource pursuant to in § 15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?				X
c) Disturb any human remains, including those interred outside of formal cemeteries?				X

**Discussion:** The GPU EIR determined that impacts to Cultural Resources resulting from implementation of the General Plan were significant and unavoidable. The GPU EIR states that development that occurs pursuant to the General Plan, as amended by the project will result in changes to existing cultural resources. At the individual project level, there may be future projects that are consistent with the General Plan, comply with all state and local laws that are protective of significant historical resources, and still result in a significant adverse impact on a historical resource. Typically, this would be a project that demolishes or otherwise destroys a significant historical resource. Demolition or destruction cannot be mitigated under CEQA. The GPU EIR assumed that there would be development projects with this impact in the future. Therefore, when examined in conjunction with development under the General Plan, the GPU EIR determined that there would be a significant and unavoidable impact to Cultural Resources.

While CDFA did not anticipate significant impacts to cultural resources from cultivation activities, the PEIR adopted a mitigation measure to require to suspension of activities if any cultural resources were uncovered during construction. This mitigation measure would be consistent with standard conditions of approval the County places on all commercial cannabis discretionary projects.

The site is already developed/disturbed, and the proposed construction is within an area which has already been disturbed. Conditions of approval will be placed on the project requiring that construction activities be halted if any cultural or paleontological resources are encountered until appropriate agencies are contacted and an archaeological survey is completed. The proposed project is in conformance with AB52 as it is not required to consult known tribes in region. Regulations to reduce impacts to Cultural Resources from cultivation operations that are enforced by CDFA fall under Section 8304(d), which require a halt to activities if human remains are found on-site. This regulation would be consistent with the County’s standard conditions of approval.

It does not appear that this project will result in significant impacts to any archaeological or cultural resources. Accordingly, the potential impacts to Cultural Resources are less significant than those considered in the GPU EIR. Less than significant impacts are considered to be consistent with the GPU EIR.

**Mitigation:** None.

**References:** Application Materials; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

VI. ENERGY. -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?				X

<b>b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?</b>				<b>X</b>
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**Discussion:** The GPU EIR determined that impacts to Energy resulting from implementation of the General Plan are less than significant. The CEQA Guidelines Appendix F states that energy consuming equipment and processes, which will be used during construction or operation, shall be taken into consideration when evaluating energy impacts, such as: energy requirements of the project by fuel type and end use; energy conservation equipment and design features; energy supplies that would serve the project; and total estimated daily vehicle trips to be generated by the project and the additional energy consumed per trip by mode. Additionally, the project’s compliance with applicable state or local energy legislation, policies, and standards must be considered.

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. Phase 2 and 3 will each construct a 13,940 square foot greenhouse building. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. All greenhouses developed for the project will be of mixed-light construction, utilizing natural sun light and will also be required to meet energy renewal portfolios for commercial cannabis. Per the applicant’s utility plan, they anticipate the use of 4,000 amps for full build-out of the project. However, the majority of lighting be used would be LED, including grow lighting.

The project includes mixed-light cultivation which will involve artificial lighting which utilizes wattage at a rate above 25 watts per square-foot, temperature/humidity/air flow control, carbon filters, and irrigation and water treatment equipment. A condition of approval will be added to this project to address compliance with Title 24, Green Building Code, which includes energy efficiency requirements. Each greenhouse constructed, as well as the warehouse building used for processing, distribution and administrative activities will have to meet this standard.

The operation is also required to meet state standards regarding energy use and cannabis cultivation. The PEIR prepared for the State’s Cultivation Permitting Program identified that the program’s offset of illegal operator energy use would improve energy use overall. Additionally, the State’s regulations require mixed-light and indoor cannabis cultivation and nursery licensees, beginning January 1, 2023, to ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program, Division 1, Part 1, Chapter 2.3, Article 16 (commencing with Section 399.11) of the California Public Utilities Code. As evidence of meeting the standard, licensees shall provide information on the average weighted greenhouse gas emission intensity of their operation and of their utility provider. The licensee is required to cover the excess of their emissions in carbon offsets. Beginning January 1, 2022, an application for renewal of a license shall include details on the total electricity supplied by local utility provider, name of local utility provider, and greenhouse gas emission intensity per kilowatt hour reported by the utility provider under section 398.4(c) of the Public Utilities Code for the most recent calendar year available at time of submission. The permittees must also identify what percentage of their energy provider’s energy comes from a zero-net energy renewable sources and what percentage comes from other unspecified sources.

With existing requirements in place that the project is required to meet and with the proposed additional measures providing energy efficient improvements, it does not appear this project will result in significant impacts to the wasteful, inefficient, or unnecessary consumption of energy resources.

**Mitigation:** None.

**References:** Application material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Referral Response from the Stanislaus County Department of Planning and Community Development, Building Division, dated March 9, 2020; California Stanislaus County General Plan EIR.

VII. GEOLOGY AND SOILS -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				X
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X

**Discussion:** The site 49.15-acre site is classified as Prime Farmland by the California Department of Conservation's Farmland Mapping and Monitoring Program. The United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS) Web Soil Survey indicates that property is comprised of Capay clay, 0 to 1 percent slopes, MLRA 17, Grade 4 and Zacharias gravelly clay loam, wet, 0 to 2 percent slopes Grade 1.

As contained in Chapter 5 of the General Plan Support Documentation, the areas of the County subject to significant geologic hazard are located in the Diablo Range west of Interstate 5. The General Plan EIR identifies the portion of the County most susceptible to liquefaction as the western margin of the valley because of the combination of young geologic units (Quaternary fan deposits and Dos Palos Alluvium) and potential for strong ground shaking. The project site is located considerably east of this area, and therefore would not be subject to significant risk of fault rupture or liquefaction. The project site is flat, so there would be no risk of landslide. The California Building Code identifies all of Stanislaus County as located within a geologic hazard zone (Seismic Design Category D, E, or F), and a soils test may be required at building permit application to determine if unstable or expansive soils are present. If such soils are present, special engineering of the structure will be required to compensate for the soil deficiency. Any new structures must be designed and built according to building standards appropriate to withstand shaking for the area in which they are constructed. An Early Consultation referral response from the County's Building Division stating that a building permit is required for all structures and each type of structure must comply with the building codes classification for cultivation and processing. The Department of Public Works provided a comment letter stating that a grading and drainage plan will be required for any new construction on-site, subject to Public Works Standards and Specifications, that consider the potential for erosion and runoff prior to permit

approval. Conditions of approval will be added to this project to address comments from both the Building Division and the Department of Public Works.

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. Phase 2 and 3 will each construct a 13,940 square foot greenhouse building. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space.

The project site is served by a private well and private septic system. The applicant will also develop permanent employee restrooms for the site, the warehouse structure. A referral response was received from the Department of Environmental Resources (DER) stating that the applicant must notify the department if the on-site wastewater treatment system (OWTS) meets the definitions of Measure X. Conditions of approval will be added to the project for these requirements.

**Mitigation:** None.

**References:** Referral Response from the Department of Environmental Resources (DER), dated September 3, 2020; Referral Response from the Stanislaus County Department of Public Works, dated March 4, 2020; Referral Response from the Stanislaus County Department of Planning and Community Development, Building Permits Division, dated March 9, 2020; Stanislaus County General Plan and Support Documentation.<sup>1</sup>

VIII. GREENHOUSE GAS EMISSIONS -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				X
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				X

**Discussion:** The principal greenhouse gases (GHGs) are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and tropospheric ozone (O<sub>3</sub>). CO<sub>2</sub> is the reference gas for climate change, because it is the predominant greenhouse gas emitted. To account for the varying warming potential of different greenhouse gases, GHG emissions are often quantified and reported as CO<sub>2</sub> equivalents (CO<sub>2</sub>e). In 2006, California passed the California Global Warming Solutions Act of 2006 (Assembly Bill [AB] 32), which requires the California Air Resources Board (CARB) to design and implement emission limits, regulations, and other measures such that feasible and cost-effective statewide GHG emissions are reduced to 1990 levels by 2020. Additionally, SB 375 mandated a reduction target of 5% by 2020 and 10% by 2035 for emissions from land use, automobiles, and light trucks. The PEIR prepared for the Cannabis Cultivation Licensing Program indicates that cannabis cultivation generates energy demand and GHG emissions from use of high-intensity lighting, ventilation, and temperature control necessary to grow cannabis indoors and in mixed-light operations. The high energy demand of indoor cultivation represents the largest contributor of GHG emissions. However, both state and local jurisdictions have required renewal energy portfolios for all commercial cannabis activities, which will lower the energy demand of the activity types, which will reduce overall GHG emissions. Construction emissions, which are temporary in nature, distribution, and employee vehicle use and truck-trips are also GHG emission generators associated with indoor cultivation and distribution activities. The PEIR concludes that GHG emissions would remain essentially unchanged, with implementation of the State’s Cultivation Licensing Program, due to a corresponding decrease in illegal cultivation as permitted cultivation increases.

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure

transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. Phase 2 and 3 will each construct a 13,940 square foot greenhouse building. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. Total number of employees at full build-out and the anticipated trips per day would be consistent with GPU EIR for Green House Gases. Green House Gas regulations to reduce impacts from cultivation operations that are enforced by CDFA include Sections 8102(s), 8304(e), 8305, and 8306.

The proposed operation is required to obtain building permits, which would be subject to the mandatory planning and design, energy efficiency, water efficiency and conservation, material conservation and resources efficiency, and environmental quality measures of the California Green Building Standards (CALGreen) Code (California Code of Regulations, Title 24, Part 11). Minimal greenhouse gas emissions will occur during construction. Construction activities are considered to be less than significant as they are temporary in nature and are subject to meeting SJVAPCD standards for air quality control.

The applicant anticipates 18 employees on a maximum shift. Additionally, there will be approximately two truck-trips per day. The project was referred to the Air District, they responded that the proposed project would have a less than significant impact on air quality. The District also requested that the applicant received an Authority to Construct permit prior to any construction for the project to ensure that District rules and regulations be identified prior to work being done. A condition of approval will be added to the project requiring an Authority to Construct permit prior to commencement of work. It is not anticipated that the project will create any significant greenhouse gas emissions.

The GPU EIR determined that impacts to Greenhouse Gas (GHG) Emissions resulting from implementation of the General Plan are less than significant.

**Mitigation:** None.

**References:** Application material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Referral Response from the San Joaquin Valley Air Pollution Control District (SJVAPCD), dated March 12, 2020; Stanislaus County General Plan and Support Documentation<sup>1</sup>

IX. HAZARDS AND HAZARDOUS MATERIALS -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?				X

f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?				X

**Discussion:** The PEIR completed by CalCannabis for their Cannabis Cultivation Program indicates that cannabis cultivation operations may involve the use of hazardous materials, such as fuel for power equipment and backup generators, and pesticides. Additionally, indoor and mixed-light cultivation operations may use high-powered lights, which could contain hazardous components that could enter the environment during disposal. Routine transport, handling, use, and disposal of these types of materials could expose people to hazards if adequate precautions are not taken. However, evidence suggests that improper storage, use, and disposal of hazardous materials is a major problem at unpermitted cannabis cultivation sites. Permitted cannabis cultivation, such as the proposed project, must comply with local and state hazardous materials handling, use procedures and regulations, and are regularly inspected for compliance by both local and state departments. Regulations to reduce impacts to Hazards and Hazardous Materials from cultivation operations that are enforced by CDFA include Sections 8102(q), 8106(a)(3), 8304(f), and 8307.

The County's Department of Environmental Resources (DER) is responsible for overseeing hazardous materials in the project area. During project construction, various hazardous materials may be used like, gasoline, oil, and paints. The applicant would also be required to use, store, and dispose of any hazardous materials in accordance with all applicable federal, state, and local regulations. The proposed project would include the storage and use of fertilizers and pesticides. All fertilizers and pesticides will be stored in isolated fireproof cabinets. However, state regulations limit the types of chemicals that could be allowed to be applied onto cannabis products. In addition, all cultivation activities would occur indoors with direct application of water, pesticides, and fertilizers to eliminate drift of chemicals to areas outside the project area. A referral response was received from DER HazMat, stating that the project is not anticipated to have a significant impact on the environment regarding hazardous materials; however, the operation will require permitting through the Department for the storage and use of any hazardous materials. A condition of approval will be added to the project to address this requirement.

A referral response from the Department of Public works stated that the proposed cultivation operation will be required to meet all State Water Resources Control Board measures for collection and disposal of process wastewater including a manifest of disposal activities to be monitored by the Central Valley Regional Water Quality Control Board. A condition of approval will be added to reflect this requirement.

The project site is not located within an airport land use plan or a wildlands area. The project site is not located in a very high or high fire severity zone and is located in the West Stanislaus Fire Protection District. The project was referred to the West Stanislaus Fire Protection District, no response has been received to date. During the building permit phase, each permit request will be reviewed by the Stanislaus County's Fire Prevention Bureau to ensure all activities meet the appropriate federal, state, or local fire code requirements.

Pesticide exposure is a risk in agricultural areas. Sources of exposure include contaminated groundwater, which is consumed, and drift from spray applications. Application of sprays is strictly controlled by the Agricultural Commissioner and can only be accomplished after first obtaining the applicable permits.

No significant impacts associated with hazards or hazardous materials are anticipated to occur as a result of the proposed project for either phase. Accordingly, the potential Hazards and Hazardous Materials impacts are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Referral Response from the Department of Environmental Resources Hazardous Materials Division, dated March 9, 2020; Referral Response from the Department of Public Works, dated February 20, 2020; Stanislaus County General Plan and Support Documentation<sup>1</sup>

X. HYDROLOGY AND WATER QUALITY -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?				X
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				X
(i) result in substantial erosion or siltation on – or off-site;				X
(ii) substantially increase the rate of amount of surface runoff in a manner which would result in flooding on- or off-site;				X
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or				X
(iv) impede or redirect flood flows?				X
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?				X
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?				X

**Discussion:** GPU EIR determined that most potential impacts to Hydrology and Water Quality resulting from implementation of the General Plan are less than significant. The General Plan Update integrated multiple goals, policies, and implementation measures into the General Plan which address management efforts that aim to protect natural vegetation, riparian habitat, and water quantity and quality; minimizing the potential for the release of pollutants and violation of water quality standards, or the altering of drainage patterns or the course of a stream or river. Furthermore, additional regional, state, and federal regulations would also reduce the potential for violation of water quality standards. Water quality protection measures are enforced by the Central Valley Regional Water Quality Control Board (RWQCB) under various National Pollutant Discharge Elimination System (NPDES) programs for municipal separate storm sewer systems, construction sites greater than one acre, and industrial operations. Stanislaus County has implemented their Storm Water Management Program under the NPDES Phase II MS4 General Permit that includes programs to eliminate illicit discharges, control construction site stormwater runoff, and meet postconstruction stormwater runoff goals to improve water quality protection. Adherence with the stormwater management plan and the various municipal, industrial, and construction NPDES program requirements would ensure that pollutants are not released to nearby surface water bodies or groundwater during short-term construction efforts, or long-term operation of industrial or agricultural facilities.

Areas subject to flooding have been identified in accordance with the Federal Emergency Management Act (FEMA). Under the Goal One, Policy Two of the Safety Element of the General Plan, development is not allowed in areas that are within the designated floodway. For projects located within a flood zone, requirements are addressed by the Building Permits Division during the building permit process. No construction is permitted within the floodway. The project site is located in FEMA Flood Zone X, which includes areas determined to be outside the 0.2% annual chance floodplains and is not located within a floodway.

The GPU EIR determined that future development under the General Plan Update could result in an increase in the number of persons and property potentially at risk from flooding due to a catastrophic levee or dam failure. However, compliance with the requirements of existing emergency management plans and the Central Valley Flood Protection Board, coupled with implementation of the General Plan Update Safety Element policies associated with Goal One (“Prevent loss of life and reduce property damage as a result of natural disasters”), would reduce this potential effect to less than significant. The GPU EIR stated that the County is not at risk due to inundation from a tsunami because of its distance from the ocean. However, there is a risk of seiche from major bodies of water such as the Woodward, Turlock, and Modesto reservoirs. However, given the relatively small size of these reservoirs, potential impacts would remain localized to recreational users on these reservoirs. The County also possesses a geologic and climate setting not particularly prone to mud flows.

The project site is currently served by a private well for water and a private septic system and will not result in the formation of a new public water system as defined in California Health and Safety Code (CHSC), Section 116275 (h). Additionally, Goal Two, Policy Seven, of the Stanislaus County General Plan’s Conservation/Open Space Element requires that new development that does not derive domestic water from pre-existing domestic and public water supply systems be required to have a documented water supply that does not adversely impact Stanislaus County water resources. This Policy is implemented by requiring proposals for development that will be served by new water supply systems be referred to appropriate water districts, irrigation districts, community services districts, the State Water Resources Control Board and any other appropriate agencies for review and comment. Additionally, all development requests shall be reviewed to ensure that sufficient evidence has been provided to document the existence of a water supply sufficient to meet the short and long-term water needs of the project without adversely impacting the quality and quantity of existing local water resources. If required, the property owner must obtain concurrence from the State of California Water Resources Control Board (SWRCB), Drinking Water Division, in accordance to CHSC, Section 116527 (SB1263) and submit an application for a water supply permit with the associated technical report to Stanislaus County DER.

Furthermore, the Sustainable Groundwater Management Act (SGMA) was passed in 2014 with the goal of ensuring the long-term sustainable management of California’s groundwater resources. SGMA requires agencies throughout California to meet certain requirements including forming Groundwater Sustainability Agencies (GSA), developing Groundwater Sustainability Plans (GSP), and achieving balanced groundwater levels within 20 years. The site is located in the San Joaquin Valley Delta-Mendota sub-basin under the jurisdiction of the Delta Mendota – II GSA.

Stanislaus County adopted a Groundwater Ordinance in November 2014 (Chapter 9.37 of the County Code, hereinafter, the “Ordinance”) that codifies requirements, prohibitions, and exemptions intended to help promote sustainable groundwater extraction in unincorporated areas of the County. The Ordinance prohibits the unsustainable extraction of groundwater and makes issuing permits for new wells, which are not exempt from this prohibition, discretionary. For unincorporated areas covered in an adopted GSP pursuant to SGMA, the County can require holders of permits for wells it reasonably concludes are withdrawing groundwater unsustainably to provide substantial evidence that continued operation of such wells does not constitute unsustainable extraction and has the authority to regulate future groundwater extraction. The construction and operation of wells could potentially cause degradation of water quality due to cross connection of aquifers of varying quality or induced migration of groundwater with impaired water quality. The Ordinance is intended to address these eventualities.

For all four phases, the applicant anticipates 2.6 acre-feet per year for the entire operation, which will be minimal compared to the amount utilized for the onsite orchard. The applicant will utilize a drip system irrigation method to reduce the amount of evapotranspiration and waste within the greenhouse. Additionally, the area of development will remove producing almond trees, lessening the amount of water used for the orchard. Additionally, the applicant will be required to apply for a waste discharge waiver through the Central Valley Regional Water Quality Control Board (RWQCB) and will be subject to any requirements of that waiver. As required by regulations administered by the CDFA, the applicant will be required to show proof of enrollment or exemption in the applicable water quality programs of the RWQCB.

The PEIR adopted by the CDFA stated that diversion of surface water to irrigate cannabis has potential for impacts to several impacts on water quality and quantity. As stated previously, the applicant proposes to utilize an existing groundwater well to supply water for the mixed light cultivation activities. The well would be accounted for under the Del Puerto – II GSP. The PEIR also discussed the unlikelihood of cultivation activities creating areas overdraft of groundwater aquifers due to the smaller water demand of cannabis crops. In addition, the PEIR states that State licensing for cultivation activities would limit large scale growers, limiting overall water use. The PEIR touches on discharge of waste that could have an impact on water quality. However, cultivators are required to be comply with all Regional Water Quality Control Board standards for any discharge including the adopted General Order for cannabis cultivation. Furthermore, the PEIR identified best management practices such as; comply with all pesticide label directions; Store chemicals in a secure building or shed to

prevent access by wildlife; contain any chemical leaks and immediately clean up any spills; apply the minimum amount of product necessary to control the target pest; prevent off-site drift; do not apply pesticides when pollinators are present; do not allow drift to flowering plants attractive to pollinators; do not spray directly to surface water or allow pesticide product to drift to surface water; spray only when wind is blowing away from surface water bodies; do not apply pesticides when they may reach surface water or groundwater; and only use properly labeled pesticides, which would result in a less than significant impact to water quality. The PEIR also found that indoor cultivation would be less likely to create significant impacts to water quality as direct discharge into bodies of water would have a low potential for occurrence. Regulations to reduce impacts to Hydrology and Water Quality from cultivation operations that are enforced by CDFA include Sections 8102(p), 8102(v), 8102 (w), 8102 (dd), 8107(b), 8216, 8304 (a-b), and 8307.

There are no rivers or streams in the project vicinity, therefore the project would not alter the course of a stream or river in a manner which would result in substantial erosion or siltation on or off-site. The applicant will be required by CDFA regulations to provide proof of exemption from any streambed alterations required by the California Department of Fish and Wildlife. Prior to any ground disturbance, grading and drainage plans are required to be submitted to the County Department of Public Works for review and approval to demonstrate that all storm water generated from the proposed project will be maintained on-site. This requirement will be reflected as conditions of approval for the project.

A referral response from the Department of Public works stated that the proposed cultivation operation will be required to meet all State Water Resources Control Board measures for collection and disposal of process wastewater including a manifest of disposal activities to be monitored by the Central Valley Regional Water Quality Control Board. A condition of approval will be added to reflect this requirement.

No identified impacts associated with hydrology and water quality are anticipated to occur as a result of the proposed project. Accordingly, the potential Hydrology and Water Quality impacts are considered to be less than significant than those evaluated in the GPU EIR. Less than significant impacts are considered to be consistent with the GPU EIR.

**Mitigation:** None.

**References:** Application material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Correspondence received from Department of Environmental Resources, dated September 3, 2020; Referral Response from the Department of Public Works, dated February 20, 2020; Stanislaus County General Plan Conservation/Open Space Element and Support Documentation<sup>1</sup>

XI. LAND USE AND PLANNING -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Physically divide an established community?				X
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?				X

**Discussion:** The GPU EIR determined that the potential for Land Use and Planning impacts resulting from implementation of the General Plan were less than significant. The GPU did not propose any changes to the County’s land use map or the existing boundaries of the land use designations but did incorporate changes to legislation, regulatory codes, and local standards as well as some minor revisions to General Plan language and some policy improvements. This project is being processed under the same land use regulations and designations that were in place at the time of adoption of the GPU EIR.

All commercial cannabis activities within the State of California are subject to Section 26000-26250 of California Business and Professions Code, as well as California Code of Regulations, Title's 3, 16, and 17. Specifically, CDFA is responsible for regulation of cannabis cultivation and enforcement per the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

The project, a request to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district. Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. The greenhouse will include up to 10,000 square feet of flowering canopy and 2,000 square feet of vegetative area. Phase 1 will develop 22 parking spaces within an enclosed parking area. Phase 2 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 3 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. The greenhouse with flowering cultivation, will be made up of 2,000 square feet of flowering canopy and 1,000 square feet of vegetative stock. In total of all four phases, the project will consist of 67,500 square feet of building space and 32,000 square feet of flowering canopy space. Nursery stock is proposed to be sold wholesale as well as to feed the cultivation operation. Additionally, the project proposes to develop 7-foot-tall security fencing with screening. Hours of operation are proposed to be Monday through Sunday, 6 a.m. to 9 p.m. Domestic and irrigation water will be provided from an existing on-site private well. The project will include a total of 18 employees on a maximum shift. The applicant anticipates up to two vehicle trips a day associated with deliveries and product distribution, which will only occur between the hours of 8:30 a.m. to 5:00 p.m.

The project has a General Plan designation of Agriculture and is in the A-2-40 (General Agriculture) zoning district. The A-2 zoning district is intended to support and enhance agriculture as the predominant land use in the unincorporated areas of the County. Commercial cannabis cultivation, nursery, and distribution activities may be allowed in the A-2 zoning district upon approval of a use permit when conducted within a greenhouse or accessory agricultural storage building. In order to approve a use permit, the decision making authority shall make a finding that the establishment, maintenance, and operation of the proposed use or building applied for is consistent with the General Plan and will not, under the circumstances of the particular case, be detrimental to the health, safety and general welfare of persons residing or working in the neighborhood of the use and that it will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County. If after receiving and considering the evidence, and any proposed conditions, the decision-making body is unable to make the findings, the use permit shall be denied. Section 6.78.060 requires that all commercial cannabis applicants be subject to a Commercial Cannabis Activity Permit, Development Agreement, Land Use Permit, and State Licensure for Commercial Cannabis Activities. In this instance, a commercial cannabis cultivation operation requires a conditional use permit and development agreement.

The site is enrolled in the Williamson Act under Contract No. 1971-1020. The proposed cannabis cultivation activities are considered to be similar to other permitted activities such as the cultivation of agricultural crops which are considered to be consistent with the Williamson Act principals of compatibility. Approval of this project will not significantly compromise the long-term productive agricultural capability of the subject property or of surrounding agricultural operations. Nor will the proposed project result in new facilities limiting the return of the property to agricultural production in the future, or in the removal of any adjacent contracted land from agricultural or open-space use. The project was referred to the State Department of Conservation during the Early Consultation review periods and no comment was received.

Furthermore, per Section 6.78, each commercial cannabis activity must meet and maintain operating standards for odor control, security, minimum building standards, track and trace, as well as meeting specialized setbacks. To reduce land use conflicts, Section 6.78.120 requires that all commercial cannabis activities are setback a minimum of 200 feet from adjacent residents and libraries. Additionally, commercial cannabis activities must be setback a minimum of 600 feet from day cares, schools, and youth centers, in existence at the initial time of permitting. The facility is 50 feet from the nearest property line, the nearest known dwelling is more than 200 feet away, and there are no sensitive uses within 600 feet of the project parcel. The nearest school is Grayson Elementary, located 3.05 miles from the site.

The proposed use will not physically divide an established community and/or conflict with any habitat conservation plan or natural community conservation plan. This project is not known to conflict with any adopted land use plan, policy, or regulation of any agency with jurisdiction over the project. No significant impacts associated with land use and planning are anticipated to occur as a result of the proposed project. Accordingly, the potential land use and planning impacts are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application Materials; Stanislaus County Code Chapter 6.78 and Title 21; Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

<b>XII. MINERAL RESOURCES -- Would the project:</b>	<b>Significant Project Impact</b>	<b>Impact Not Identified by GPU EIR</b>	<b>Substantial New Information</b>	<b>Consistent with GPU EIR</b>
<b>a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?</b>				X
<b>b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?</b>				X

**Discussion:** The GPU EIR determined that the potential impacts to Mineral Resources resulting from implementation of the General Plan were beneficial, and accordingly considered to be less than significant. The GPU incorporated an amendment to the Conservation and Open Space Element’s Goal Nine, Policy 26, Implementation measures 2 and 3 which address the management of mineral resources. Additionally, the location of all commercially viable mineral resources in Stanislaus County has been mapped by the State Division of Mines and Geology in Special Report 173 and is incorporated into the General Plan’s Conservation and Open Space Element.

There are no known significant resources on the site, nor is the project site located in a geological area known to produce resources. Accordingly, the potential impacts to mineral resources are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application Materials; Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

<b>XIII. NOISE -- Would the project result in:</b>	<b>Significant Project Impact</b>	<b>Impact Not Identified by GPU EIR</b>	<b>Substantial New Information</b>	<b>Consistent with GPU EIR</b>
<b>a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?</b>				X
<b>b) Generation of excessive groundborne vibration or groundborne noise levels?</b>				X
<b>c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?</b>				X

**Discussion:** The GPU EIR determined that most potential noise impacts resulting from implementation of the General Plan are less than significant. However, the GPU EIR did identify potential temporary or permanent ambient noise levels which exceed existing standards as significant and unavoidable due projected traffic noise levels in year 2035 which would result in noise levels of 60 Ldn or greater on several roadway segments within the County.

The PEIR prepared by CDFA did not anticipate any significant impacts with noise from cultivation operations, as the most likely noise generator would come from temperature control devices that would be not produce any more noise than any other equipment used for non-cannabis land uses. Additionally, the PEIR didn't find that any other equipment utilized for the cultivation of cannabis would generate temporary or ambient noise that would create any significant impacts and review of sensitive receptors would be done on a site-specific basis. Regulations to reduce impacts to Noise from cultivation operations that are enforced by CDFA include Sections 8304(e) and 8306, which include requirements for generator use.

A temporary increase in noise and vibration, associated with construction of the proposed greenhouses, is anticipated. However, there are no sensitive receptors in the vicinity of the project site. Cultivation activities would not generate substantial noise. Proposed hours of operation for the business are seven days a week, 6 a.m. to 9 p.m. The project will include a total of 18 employees on a maximum shift. The applicant anticipates up to two vehicle trips a day associated with deliveries and product distribution, which will only occur between the hours of 8:30 a.m. to 5:00 p.m. The proposed use is not anticipated to exceed ambient noise levels in the vicinity. Section 6.78.120(8)(N) require that any commercial cannabis activities comply with County's previously adopted Noise Control Ordinance. According to the County's Noise Element of the General Plan, acceptable noise levels in industrial land use categories is 75 decibels, which the proposed project is not anticipated to exceed. Additionally, agricultural activity is exempt from the Stanislaus County Noise Control Ordinance (Ord. CS 1070 §2, 2010). All equipment proposed for this project will be reviewed upon submission of a building permit and must be consistent with the County's noise ordinance. Per the County's Noise Ordinance construction activities are not permitted to operate any construction equipment so as to cause at or beyond the property line of any property upon which a dwelling unit is located an average sound level greater than seventy-five decibels between the hours of 7 p.m. and 7 a.m. The closest residence to the proposed project site is over 200 feet from the site. It is not anticipated that the cultivation of cannabis will create significant impacts to sensitive receptors as the growing of plants is not anticipated to be heard from outside the existing building nor will the use of passenger vehicles create noise levels that exceed levels of noise exhibited by existing traffic in the area.

The proposed project is not within two miles of a public airstrip. The site is not located within an airport land use plan. Accordingly, the potential noise impacts are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Chapter 6.78, Chapter 10.46, and Title 21 of the Stanislaus County Code; Stanislaus County General Plan Noise Element and Support Documentation<sup>1</sup>

XIV. POPULATION AND HOUSING -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

**Discussion:** The GPU EIR determined that the potential for Population and Housing impacts resulting from implementation of the General Plan were less than significant. Although the Housing Element was updated through a separate process, the GPU EIR integrated population projections adopted by StanCOG that extend the planning horizon to 2035 to ensure consistency between the GPU and the RTP/SCS. StanCOG's regional growth forecast predicts a population for the unincorporated County jurisdiction of 133,753 in 2035, which represents an increase of approximately 23,517 people, or approximately 21%, from its 2010 population (Stanislaus Council of Governments 2013). This is a yearly increase of approximately 0.8%. The majority of this growth is anticipated to occur within existing community plan areas and in unincorporated pockets of existing cities which are designated in the Land Use Element as Residential. Agricultural areas, not designated as Residential in the Land Use Element of the General Plan, would be required to be rezoned and approved by a majority vote of the County through the Measure E process in order to be residentially developed. Unincorporated

Disadvantaged Communities were inventoried and needed upgrades to public services were also identified with the GPU. The ALUCP update was identified in the GPU EIR as less than significant because it does not displace any existing housing. However, it does affect the potential for future development. Although no direct impacts occurring as a result of implementation of the General Plan were identified in the GPU EIR, the EIR did identify indirect impacts that could occur through individual developments that are consistent with the General Plan and the extension of roads and other infrastructure as the County becomes more built-out as 2035 approaches. The Stanislaus County General Plan Update revised certain General Plan policies but did not substantially change where future development would occur.

The Housing Element was updated after adoption of the GPU EIR, in 2016, to address the 5<sup>th</sup> cycle Regional Housing Needs Allocation (RHNA) for the County. The project site is not included in the vacant sites inventory for the 2016 Stanislaus County Housing Element and will therefore not impact the County's ability to meet their RHNA. No population growth will be induced nor will any existing housing be displaced as a result of this project. The potential population and housing impacts are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application Materials; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

XV. PUBLIC SERVICES --	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
<b>a) Would the project result in the substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:</b>				
<b>Fire protection?</b>				<b>X</b>
<b>Police protection?</b>				<b>X</b>
<b>Schools?</b>				<b>X</b>
<b>Parks?</b>				<b>X</b>
<b>Other public facilities?</b>				<b>X</b>

**Discussion:** The GPU EIR determined that the potential for impacts to public services resulting from implementation of the General Plan were less than significant. The County has adopted Public Facilities Fees (Title 23 of the County Code), as well as Fire Facility Fees on behalf of the appropriate fire district, to address impacts to public services. School Districts also have their own adopted fees, which are required to be paid at the time of Building Permit issuance.

Upon project approval, the applicant will be required to obtain building permits for the proposed construction in accordance with the adopted building and fire codes. The project site is located within the West Stanislaus Fire Protection District and would be subject to the District's fire fees for any building permits for the proposed project.

This project was circulated to all applicable school, fire, police, irrigation, and public works departments and districts during the early consultation referral period and no concerns were identified with regard to public services. The project was referred to the Del Puerto Irrigation District, no comment has been received today. However, the operation intends to utilize the existing well and does not require supplemental irrigation water from the District.

CDFA's PEIR stated that cannabis activities could increase the need for police services but would reviewed on an individual project level by the local jurisdiction. Additionally, the PEIR did not anticipate any significant impacts related to fire protection, school or park services and relied on the local jurisdiction's regulatory requirements to account for any increases needed.

Section 6.78.060 requires that all commercial cannabis applicants be subject to a Commercial Cannabis Activity Permit, Development Agreement, Land Use Permit, and a State Licensure for Commercial Cannabis Activities. Per Section 6.78, each commercial cannabis activity must meet and maintain operating standards for odor control, security control, minimum building standards, and track and trace. State and local regulations must also be met in order to maintain an active commercial cannabis permit. The Development Agreement establishes two fees to be collected from each project applicant; the Community Benefit Contribution and the Community Benefit Rate. The Contribution fee will be paid quarterly and utilized for local community charities or public improvement projects. The Rate fee will also be paid quarterly but will be utilized for County enforcement activities of illegal cannabis. The funds received from the Community Benefit fees are anticipated to address any increase in service impacts induced by commercial cannabis activities.

Conditions of approval will be added to this project to ensure that the proposed development complies with all applicable federal, state, and local requirements. The project has submitted a safety and security plan with fire evacuation plans, fire suppression, employee training, 24-hour video surveillance, and on-site security personnel. The safety and security plan are required to be reviewed and approved by the County Sheriff’s Department, as well as the appropriate fire district for each project. Upon project approval, the applicant shall be required to obtain building permits in accordance with the adopted building and fire codes.

The potential impacts to public services are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application material; Chapter 6.78 and Title 21 of the Stanislaus County Code; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Stanislaus County General Plan Safety Element and Support Documentation<sup>1</sup>

XVI. RECREATION --	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

**Discussion:** The GPU EIR determined that the potential for impacts to recreational facilities or development which would require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment resulting from implementation of the General Plan to be less than significant. However, impacts to neighborhood and regional parks or other recreational facilities were considered to be significant and unavoidable due to the population and housing increase projected under the GPU which would increase the demands on Stanislaus County parks and recreational facilities. However, this project is not anticipated to increase demands for recreational facilities, as there are no increases to population as result of it. Accordingly, the potential impacts to recreation are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application Materials; Stanislaus County Zoning Ordinance (Title 21); Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

XVII. TRANSPORTATION-- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?				X
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?				X
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
d) Result in inadequate emergency access?				X

**Discussion:** As required by CEQA Guidelines section 15064.3, potential impacts to the transportation system should evaluate Vehicle Miles Traveled (VMT). The GPU EIR identified that there were no significant impacts to existing program plans, ordinances, or policies addressing circulation to Vehicle Miles Traveled (VMT) or to increased hazards of the transportation system, or to emergency access. Although the calculation of VMT is simply the number of cars multiplied by the distance traveled by each car, VMT performance measures can be reported differently. For this project, VMT was reported based on the sum of all vehicle trips originating and terminating within unincorporated Stanislaus County boundaries and half of the VMT associated with trips with an origin or destination outside of unincorporated Stanislaus County. Trips that have neither an origin nor destination within the County are not included in the VMT total, as County General Plan policies cannot appreciably affect the amount of through traffic in the area within its jurisdiction. The total VMT is then divided by the unincorporated County’s total service population, defined as the residential population plus the number of jobs. The General Plan Update includes new population and employment growth that would generate additional VMT, which would result in increased air pollutant and GHG emissions as well as additional energy consumption from vehicle travel. However, the expected location of the employment and household growth results in a slight decline in VMT generated per household and service population. Additionally, policies were incorporated into the General Plan to mitigate potential hazards due to transportation design features and increase safety, and to ensure adequate emergency access.

The GPU EIR did find that due to the population projections and the planned road infrastructure incorporated into the General Plan, implementation of the GPU would have a significant and unavoidable impact resulting in traffic operations below the minimum acceptable thresholds on roadways outside Stanislaus County’s jurisdiction, in transportation network changes that would prevent the efficient movement of goods within the County (cumulative impact only identified), and additional vehicle, bicycle, or pedestrian travel on roadways or other facilities that do not meet current County design standards.

The PEIR performed by CDFA did not anticipate significant impacts to traffic from cannabis cultivation activities due to the limit on size of operations from state licenses, which would limit the number of employees and amount of vehicle trips from supply deliveries to a minimal amount. Furthermore, the PEIR stated that local regulatory measures for traffic control would limit any impacts to the local traffic network.

Phase 1 includes construction of a 13,940 square-foot greenhouse for cultivation of flowering cannabis and construction of a 14,650 square foot warehouse building to be used for processing, distribution, product and materials storage, clonal research for nursery activities, and administrative activities. The warehouse building will also include rooms for; secure transportation, cannabis waste storage, storage of harvested product, offices, conference room and security room, employee bathrooms, break room and changing room. The greenhouse will include up to 10,000 square feet of flowering canopy and 2,000 square feet of vegetative area. Phase 1 will develop 22 parking spaces within an enclosed parking area. Phase 2 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 3 will construct an additional 13,940 square foot greenhouse building for an additional 10,000 square feet of flowering cultivation space and 2,000 square feet of vegetative area. Phase 4 will construct one 3,000 square-foot greenhouse for flowering cultivation and one 7,000 square-foot greenhouse for cultivation of nursery stock. The greenhouse with flowering cultivation, will be made up of 2,000 square feet of flowering canopy and 1,000 square feet of vegetative stock. In total of all four phases, the project will consist of 67,500

square feet of building space and 32,000 square feet of flowering canopy space. Hours of operation are proposed to be Monday through Sunday, 6 a.m. to 9 p.m. The project will include a total of 18 employees on a maximum shift. The applicant anticipates up to two vehicle trips a day associated with deliveries and product distribution, which will only occur between the hours of 8:30 a.m. to 5:00 p.m.

The project was referred to the State of California Department of Transportation (CalTrans), who did not respond. No impacts to local or state transportation facilities are anticipated. However, if approved, the proposed project would be required to obtain a building permit for the greenhouses and any tenant improvements or change in occupancy of the building. Those building permits would require Public Facility Fees to be paid to the County prior to issuance. Those fees would contribute to any improvements to the local road infrastructure impacted by the proposed project.

The project was also referred to the County's Public Works Department and Environmental Review Committee, both reviewed the project and did not provide any comments or concerns with traffic impacts that would be generated as a result of this project.

The project will not alter any existing streets, pedestrian/bicycle paths, or create a substantial demand for transit. The project would not affect air traffic patterns or create substantial hazards on any roadways. The potential impacts to transportation for all four phases are considered to be consistent with those evaluated in the GPU EIR as the ultimate build-out will not alter the anticipated employee or vehicle trips.

**Mitigation:** None.

**References:** Application Material; PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; CEQA Guidelines Section 15064.3; Referral Response from Stanislaus County Department of Public Works, dated February 20, 2020; Circulation Element of the Stanislaus County General Plan and Support Documentation<sup>1</sup>

XIX. UTILITIES AND SERVICE SYSTEMS -- Would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?				X
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?				X
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?				X
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?				X

**Discussion:** The GPU EIR determined that most of the potential for impacts to utilities and service systems resulting from implementation of the General Plan were less than significant. However, the GPU EIR analysis of the population projections covering the 2035 planning horizon of the General Plan did identify significant and unavoidable impacts in terms of wastewater and water treatment facility capacity to serve this projected future development. Further, some existing water and wastewater systems, specifically those identified in the Disadvantaged Communities Report, were determined to be at capacity or in need of improvements. The Central Valley Regional Water Quality Control Board (CVRWQCB) will set the specific waste discharge requirements for any new or expanded wastewater treatment facility as part of its permit for that facility. Future water and wastewater treatment facilities will be required by law to operate in compliance with any and all requirements of the CVRWQCB permits. Additionally, any expansion of these facilities would require additional CEQA review.

The PEIR published by CDFA touches on discharge of waste that could have an impact on capacity of waste water treatment facilities and water quality. However, cultivators are required to be comply with all Regional Water Quality Control Board standards for any discharge including the adopted General Order for cannabis cultivation. Furthermore, the PEIR identified best management practices such as; comply with all pesticide label directions; Store chemicals in a secure building or shed to prevent access by wildlife; contain any chemical leaks and immediately clean up any spills; apply the minimum amount of product necessary to control the target pest; prevent off-site drift; do not apply pesticides when pollinators are present; do not allow drift to flowering plants attractive to pollinators; do not spray directly to surface water or allow pesticide product to drift to surface water; spray only when wind is blowing away from surface water bodies; do not apply pesticides when they may reach surface water or groundwater; and only use properly labeled pesticides, which would result in a less than significant impact to water quality. The PEIR also found that indoor cultivation would be less likely to create significant impacts to water quality as direct discharge into bodies of water would have a low potential for occurrence. As for capacity of waste water treatment facilities, cultivation operations will be limited in size due to state licensure possibilities, which is not foreseen to create significant impacts to existing facilities if connected to. Additionally, storm water collection systems would be unlikely to be specifically impacted significantly by cultivation activities and would be reviewed on a site-specific basis by the local jurisdiction. Regulations to reduce impacts to Utilities and Service Systems from cultivation operations that are enforced by CDFA include Sections 8102(s), 8108, and 8308.

The proposed project site is served by a private well and private septic system, and the Pacific Gas and Electric (PG&E) for electricity. The project was referred to PG&E, and no response was received. There are no rivers or streams in the project vicinity, therefore the project would not alter the course of a stream or river in a manner which would result in substantial erosion or siltation on or off-site. The site is located in the San Joaquin Valley Delta-Mendota sub-basin any new well facilities will be required to be consistent with any Groundwater Service Agency (GSA) plan for the basin. As stated previously, this project will not result in the formation of a new public water system as defined in California Health and Safety Code (CHSC), Section 116275 (h) and will utilize the existing well.

It is not anticipated that the proposed project would have a significant impact on existing wastewater facilities or require expanded entitlements for water supplies. A referral response from the Department of Public works stated that the proposed cultivation operation will be required to meet all Water Resources Control Board measures for collection and disposal of process wastewater including a manifest of disposal activities to be monitored by the Central Valley Regional Water Quality Control Board. A condition of approval will be added to reflect this requirement.

The project would be required to comply with all regulations related to solid waste. The solid waste generated by the project would be primarily organic waste from the cannabis plants, which would be collected and removed by State licensed operators. The project would not generate an amount of solid waste, such that the landfill’s capacity would become impacted and expansion required.

Accordingly, the potential impacts to utilities and service systems are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application Material; Correspondence from Department of Environmental Resources, dated September 3, 2020, PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; 2018; Referral Response from the Department of Public Works, dated February 20, 2020; Stanislaus County General Plan and Support Documentation<sup>1</sup>

XX. WILDFIRE – If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?				X
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?				X
c) Require the installation of maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?				X
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?				X

**Discussion:** The GPU EIR determined that the potential for exposing people to risk involving wildland fires, as discussed in the Hazards and Hazardous Materials Section of GPU EIR, was less than significant. The Safety Element of the General Plan includes maps which show the County’s Fire Hazard Severity Zones and State Responsibility Areas, and also includes Goals, Policies, and Implementation Measures, including the incorporation of the County’s Local Hazard Mitigation Plan by reference, which address reducing the risk of wildland fires.

The site is located in a Local Responsibility Area (LRA) and is served by the West Stanislaus Fire Protection District. The site is not located in a State Responsibility Area. The site has access to a County-maintained road. The terrain is relatively flat and it is not located near any bodies of water. No significant impacts to the project site's or surrounding environment's wildfire risk is anticipated as a result of this project. Accordingly, the potential impacts to wildfire are considered to be consistent with those evaluated in the GPU EIR.

**Mitigation:** None.

**References:** Application Material; Stanislaus County General Plan and Support Documentation<sup>1</sup>

XXI. MANDATORY FINDINGS OF SIGNIFICANCE --	Significant Project Impact	Impact Not Identified by GPU EIR	Substantial New Information	Consistent with GPU EIR
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				X
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)				X
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?				X

**Discussion:** The GPU EIR identified the following impacts as cumulative significant and unavoidable impacts:

- Air Quality - Construction-related emissions in excess of the SJVAB's thresholds of significance
  - Biological Resources - Movement of any native resident or migratory fish or wildlife species or established native resident or migratory wildlife corridors, or the use of native wildlife nursery sites
  - Hydrology and Water Quality - Impacts to groundwater supplies and groundwater recharge
  - Noise - Potential temporary or permanent ambient noise levels which exceed existing standards
- Transportation - Result in transportation network changes that would prevent the efficient movement of goods within the county (less than significant individual; significant and unavoidable cumulative)

Specifically, cumulative impacts to noise are anticipated to consistent with GPU EIR due the restrictions and regulations of noise generation outlined within County's General Plan Noise Element and Noise Ordinance. Cumulative impacts to air quality will be captured under basin wide programs, and the County's ordinance for Commercial Cannabis provides requirements for odor to not be detectable offsite, which non-compliance can result in revocation of County licensure. Additionally, cumulative impacts to Hydrology and Water Quality are to be considered consistent with GPU EIR as the existing well used for the cultivation operation will be covered adopted GSP that are required under SIGMA. Use of the existing well for cannabis cultivation would be less than on-site the existing agricultural practices. Lastly, although the impacts to traffic are considered consistent with GPU EIR, the applicant will be required to pay into County Public Facility prior to be issuance of any building permit. The fees collected will go towards County-wide transportation maintenance and projects.

Review of this project has not indicated any features which might significantly impact the environmental quality of the site and/or the surrounding area. Less than significant impacts are addressed through regulatory requirements and conditions of approval limit any impacts the project could have on the environment. The County has limited the total number of permitted commercial cannabis activities to 61 permit types, including cultivation, nursery, manufacturing volatile and non-volatile, distribution, laboratory testing, and retail. As a result of a cumulative analysis performed by CDFA in their PEIR for commercial cannabis cultivation licensing program, no impacts that are identified as cumulatively considerable were identified. County staff finds that the proposed project does not exhibit impacts that could be identified as cumulatively considerable either.

**Mitigation:** None.

**References:** Application Materials; Stanislaus County Zoning Ordinance (Title 21); PEIR California Department of Food and Agriculture – CalCannabis Division - Cultivation Licensing Program dated November 2017; Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation<sup>1</sup>

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<sup>1</sup>Stanislaus County General Plan and Support Documentation adopted in August 23, 2016, as amended. **Housing Element** adopted on April 5, 2016.

**Table ES-2. Summary of Impacts and Mitigation Measures**

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
<b>3.1 Aesthetics</b>			
Impact AES-1: Substantially degrade the existing visual character or quality of the county and its surroundings, including scenic vista	Less than significant	-	-
Impact AES-2: Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings along a scenic highway	Less than significant	-	-
Impact AES-3: Create a new source of substantial light or glare that would adversely affect daytime or nighttime views in the area	Significant	No mitigation available	Significant and unavoidable
<b>3.2 Agricultural Resources</b>			
Impact AGR-1: Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the FMMP of the California Resources Agency, to non-agricultural use	Less than significant	-	-
Impact AGR-2: Conflict with existing zoning for agricultural use or a Williamson Act contract	Less than significant	-	-
Impact AGR-3: Conflict with existing zoning for, or cause rezoning of, forestland (as defined in Public Resources Code Section 12220[g]), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104[g])	Less than significant	-	-
Impact AGR-4: Result in the loss of forestland or conversion of forestland to non-forest use	Less than significant	-	-
Impact AGR-5: Involve other changes in the existing environment that, because of their location or nature, could result in the conversion of farmland to non-agricultural use or the conversion of forestland to non-forest use	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
<b>3.3 Air Quality</b>			
Impact AQ-1: Generate construction-related emissions in excess of SJVAPCD thresholds	Significant (individual and cumulative)	No mitigation available	Significant and unavoidable
Impact AQ-2: Generate on-road mobile source criteria pollutant emissions in excess of SJVAPCD thresholds	Less than significant	-	-
Impact AQ-3: Expose sensitive receptors to substantial concentrations of carbon monoxide	Less than significant	-	-
Impact AQ-4: Expose sensitive receptors to substantial pollutant concentrations	Less than significant	-	-
Impact AQ-5: Expose sensitive receptors to substantial odors	Less than significant	-	-

## 58

**3.4 Biological Resources**

Impact BIO-1: Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service

Impact BIO-2: Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service

Impact BIO-3: Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marshes, vernal pools, coastal wetlands, etc.) or waters of the State through direct removal, filling, hydrological interruption, or other means

Impact BIO-4: Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites

Significant (individual and cumulative)

No mitigation available

Significant and unavoidable

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
Impact BIO-5: Conflict with any local policies or ordinances protecting biological resources	No Impact	-	-
Impact BIO-6: Conflict with the provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan	No impact	-	-
Impact BIO-6: Introduce or spread invasive species	Less than significant	-	-
<b>3.5 Cultural Resources</b>			
Impact CUL-1: Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5	Significant	No mitigation available	Significant and unavoidable
Impact CUL-2: Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5	Significant	No mitigation available	Significant and unavoidable
Impact CUL-3: Disturb any human remains, including those interred outside of formal cemeteries	Less than significant	-	-
<b>3.6 Geology, Soils, and Paleontological Resources</b>			
Impact GEO-1: Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving fault rupture	Less than significant	-	-
Impact GEO-2: Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving strong seismic ground shaking; seismic-related ground failure, including liquefaction; or landslides	Less than significant	-	-
Impact GEO-3: Result in substantial soil erosion or the loss of topsoil	Less than significant	-	-
Impact GEO-4: Location on a geologic unit or soil that is unstable or that would become unstable as a result of the project and potentially result in an onsite or offsite landslide	Less than significant	-	-
Impact GEO-5: Location on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
Impact GEO-6: Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems in areas where sewers are not available for the disposal of wastewater	Less than significant	-	-
Impact GEO-7: Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature	Less than significant	-	-
<b>3.7 Greenhouse Gas Emissions and Energy</b>			
Impact EGY-1: Result in inefficient, wasteful, and unnecessary consumption of energy, including transportation energy use	Less than significant	-	-
Impact GHG-1: Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment	Less than significant	-	-
Impact GHG-2: conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases	Less than significant	-	-
<b>3.8 Hazards and Hazardous Materials</b>			
Impact HAZ-1: Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials	Less than significant	-	-
Impact HAZ-2: Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment	Less than significant	-	-
Impact HAZ-3: Emit hazardous emissions or involve handling hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school	Less than significant	-	-
Impact HAZ-4: Be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment	Less than significant	-	-
Impact HAZ-5: Be located within an airport land use plan area or, where such a plan has not been adopted, be within two miles of a public airport or public use airport, and result in a safety hazard for people residing or working in the project area	Less than significant	-	-
Impact HAZ-6: Be located within the vicinity of a private airstrip and result in a safety hazard for people residing or working in the project area	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
Impact HAZ-7: Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan	Less than significant	-	-
Impact HAZ-8: Expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands	Less than significant	-	-
<b>3.9 Hydrology and Water Quality</b>			
Impact HYD-1: Violate any water quality standards or waste discharge requirements	Less than significant	-	-
Impact HYD-2: Substantially deplete groundwater supplies or interfere substantially with groundwater recharge, resulting in a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level that would not support existing land uses or planned uses for which permits have been granted)	Significant (individual and cumulative)	No mitigation available	Significant and unavoidable
Impact HYD-3: Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation onsite or offsite	Less than significant	-	-
Impact HYD-4: Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding onsite or offsite	Less than significant	-	-
Impact HYD-5: Create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff	Less than significant	-	-
Impact HYD-6: Otherwise substantially degrade water quality	Less than significant	-	-
Impact HYD-7: Place housing within a 100-year flood hazard area, as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map	Less than significant	-	-
Impact HYD-8: Place within a 100-year flood hazard area structures that would impede or redirect flood flows	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
Impact HYD-9: Expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam	Less than significant	-	-
Impact HYD-10: Contribute to inundation by seiche, tsunami, or mudflow	Less than significant	-	-
<b>3.10 Land Use and Planning</b>			
Impact LAN-1: Physically divide an established community	Less than significant	-	-
Impact LAN-2: Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, a general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect	Less than significant	-	-
Impact LAN-3: Conflict with any applicable habitat conservation plan or natural community conservation plan	No impact	-	-
<b>3.11 Mineral Resources</b>			
Impact MIN-1: Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state	Beneficial impact	-	-
Impact MIN-2: Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan	Beneficial impact	-	-
<b>3.12 Noise</b>			
Impact NOI-1: Expose persons to or generate noise levels in excess of standards established in a local general plan or noise ordinance or applicable standards of other agencies	Significant (individual and cumulative)	No mitigation available	Significant and unavoidable
Impact NOI-2: Expose persons to or generate excessive groundborne vibration or groundborne noise levels	Less than significant	-	-
Impact NOI-3: Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project	Less than significant	-	-

Impact	Level of Significance before Mitigation Measure	Mitigation Measure	Level of Significance after Mitigation
Impact NOI-4: Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project	Less than significant	-	-
Impact NOI-5: Be located within an airport land use plan area, or, where such a plan has not been adopted, within two miles of a public airport or public use airport and expose people residing or working in the project area to excessive noise levels	Less than significant	-	-
Impact NOI-6: Be located in the vicinity of a private airstrip and expose people residing or working in the project area to excessive noise levels	Less than significant	-	-
<b>3.13 Population and Housing</b>			
Impact POP-1: Induce substantial population growth, either directly, by proposing new homes and businesses, or indirectly, through the extension of roads and other infrastructure	Less than significant	-	-
Impact POP-2: Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere	Less than significant	-	-
Impact POP-3: Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere	Less than significant	-	-
<b>3.14 Public Services</b>			
Impact SER-1: Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, to maintain acceptable service ratios, response times, or other performance objectives: Fire protection	Less than significant	-	-
Impact SER-2: Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, to maintain acceptable service ratios, response times, or other performance objectives: Police protection	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
Impact SER-3: Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, to maintain acceptable service ratios, response times, or other performance objectives: Schools	Less than significant	-	-
Impact SER-4: Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, to maintain acceptable service ratios, response times, or other performance objectives: Parks	No impact	-	-
Impact SER-5: Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities or a need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, to maintain acceptable service ratios, response times, or other performance objectives: Other public facilities	Less than significant	-	-
<b>3.15 Recreation</b>			
Impact REC-1: Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated	Significant	No mitigation available	Significant and unavoidable
Impact REC-2: Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment	Less than significant	-	-
<b>3.16 Transportation and Traffic</b>			
Impact TRA-1: Result in increased VMT on a per capita basis	Less than significant	-	-
Impact TRA-2: Result in traffic operations below LOS C for Stanislaus County roadways, which is the minimum acceptable threshold according to the General Plan	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
Impact TRA-3: Result in traffic operations below the minimum acceptable thresholds on roadways outside Stanislaus County's jurisdiction (i.e., Caltrans facilities)	Significant	No mitigation available	Significant and unavoidable
Impact TRA-4: Create demand for public transit unable to be met by planned services and facilities or disrupt existing, or interfere with planned, transit services or facilities	Less than significant	-	-
Impact TRA-5: Disrupt existing, or interfere with planned, bicycle or pedestrian facilities	Less than significant	-	-
Impact TRA-6: Result in transportation network changes that would prevent the efficient movement of goods within the county	Less than significant (individual)	-	-
Impact TRA-7: Result in a change in air traffic patterns, including an increase in traffic levels or a change in location that results in substantial safety risks	Significant (cumulative)	No mitigation available	Significant and unavoidable
Impact TRA-8: Create additional vehicle, bicycle, or pedestrian travel on roadways or other facilities that do not meet current county design standards	Less than significant	-	-
Impact TRA-9: Substantially conflict with applicable plans, policies, and regulations of other agencies and jurisdictions where such conflict would result in an adverse physical change in the environment	Significant	No mitigation available	Significant and unavoidable
	Less than significant	-	-

Impact	Level of Significance before Mitigation	Mitigation Measure	Level of Significance after Mitigation
<b>3.17 Utilities and Service Systems</b>			
Impact UTL-1: Exceed wastewater treatment requirements of the Central Valley Regional Water Quality Control Board	Less than significant	-	-
Impact UTL-2: Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects	Significant	No mitigation available	Significant and unavoidable
Impact UTL-3: Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects	Less than significant	-	-
Impact UTL-4: Have sufficient water supplies available to serve the project from existing entitlements and resources, or would new or expanded entitlements be needed?	Less than significant	-	-
Impact UTL -5: Result in a determination by the wastewater treatment provider that serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments	Significant	No feasible mitigation available	Significant and unavoidable
Impact UTL-6: Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs	Less than significant	-	-
Impact UTL-7: Comply with federal, state, and local statutes and regulations related to solid waste	Less than significant	-	-

PLN2019-0095  
MAR 09 2020  
STANISLAUS COUNTY PLANNING AND COMMUNITY DEVELOPMENT

March 4, 2020

Jeremy Ballard,  
Associate Planner, Planning and Community Development  
Stanislaus County  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto CA 95354

RE: PLN2019-0095

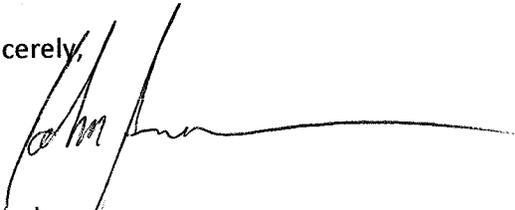
Dear Jeremy Ballard,:

I am writing to express my concerns and objections to the application for the Commercial Cannabis Cultivation Business. This is an application to put in a third Commercial Cannabis Cultivation Business for Sarbjit Athwal DBA Central Valley Growers LLC in the same local area.

This is a business more suited to an area zoned as industrial not rural. This business would also attract a criminal element to an area that is not prepared to handle it. Sheriff and Police response is a minimum of 30 minutes. The placement of these businesses in this area should be halted until quicker sheriff/police response and public safety have been properly addressed. Farm workers are very concerned for their safety so getting adequate workers will be an issue. The access roads cannot handle the additional traffic that this business will incur.

There is also a major concern regarding health, environmental and sanitary issues. Currently Mr. Athwal is not maintaining his property (Parcel #016-019-032). As owner of the property next to his I have a bird's eye view of how his property is maintained. Who is going to monitor his businesses to ensure that they are maintained properly? What effect is this going to have on local crops?

Sincerely,



John Jerome  
1330 Hamilton Road  
P.O. Box 614  
Westley CA 95387  
209-894-5763  
jeromeakjohn@aol.com

MAR 09 2020

March 4th, 2020

Jeremy Ballard,  
Associate Planner, Planning and Community Development  
Stanislaus County  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto CA 95354

RE: PLN2019-0095

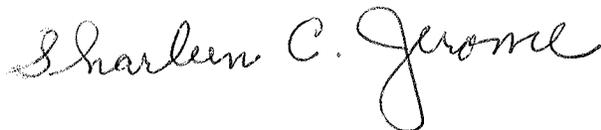
Dear Jeremy Ballard,:

I am writing to express my concerns and objections to the application for the Commercial Cannabis Cultivation Business. This is an application to put a third Commercial Cannabis Cultivation Business for Sarbjit Athwal DBA Central Valley growers LLC with in a mile or less of my family home and property.

This is a business more suited to an area zoned as industrial not rural. Sheriff and Police response is a minimum of 30 minutes. This business would also attract a criminal element to an area that is not prepared to handle it. The access roads cannot handle the additional traffic that this business will incur.

There is also a major concern regarding health, environmental and sanitary issues. Currently Mr. Athwal is not maintaining his property (Parcel #016-019-032) which is a blight to the area. Who is going to monitor his businesses to ensure that they are maintained properly? Carpinteria (Santa Barbara County) California is already experiencing problems after **two years** with the odor (see enclosed newspaper article). What effect is this going to have on local crops?

Sincerely,



Sharleen Jerome  
3215 Alameda de Las Pulgas  
San Mateo CA 94403  
650-345-1590  
s.s.h.jerome-sm@att.net

**cannabis growers over smell**

ARPINTERIA — The smell of marijuana has driven some residents of the Southern California city of Carpinteria to sue local growers.

The lawsuit filed Thursday contends the growers should seal their greenhouses and use “carbon-based filtration methods,” KEYT-TV reported.

The suit claims that so-called vapor-phase systems currently in use to mitigate odors cause eye irritation and worsen allergies and asthma.

“We’ve been breathing this brew of chemicals for the last two and a half years,” said plaintiff Greg Gandrud.

Greenhouses that grew flowers before California legalize recreational cannabis are less than 100 feet from the windows and backyards of some of the plaintiffs.

Gandrud said the marijuana smell scares away prospective buyers for his house, which has been on the market over the past two years.

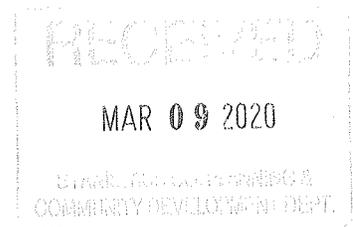
The lawsuit states that the residents would likely dismiss or settle the action if the greenhouses change filtration systems and the odor improves.

KEYT reported that a representative

served with the lawsuit last night and not have a response.

Carpinteria is a small seaside community in south Santa Barbara County.

March 4, 2020



Jeremy Ballard,  
Associate Planner, Planning and Community Development  
Stanislaus County  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto CA 95354

RE: PLN 20190-0095

Dear Jeremy Ballard,

I am writing to express my concerns and objections to the application for the Commercial Cannabis Cultivation Business. This is an application to put in a third Commercial Cannabis Cultivation Business for Sarbjit Athwal DBA Central Valley Growers LLC in the same local area.

This is a business more suited to an area zoned as industrial not rural. This is an area not equipped to handle this kind of business which attracts criminal activity. Safety is a big concern as Sheriff and Police response is a minimum of 30 minutes. The access roads cannot handle all the additional traffic that this business will cause.

There is also a major concern regarding health, environmental and sanitary issues. Currently Mr. Athwal is not maintaining his property (Parcel #016-019-032). As owner of the property next to his I have a bird's eye view of how his property is maintained. Who is going to monitor his businesses to ensure that they are maintained properly? Carpinteria (Santa Barbara County) California is already experiencing problems after **two years** with the odor (see enclosed newspaper article). What effect is this going to have on local crops?

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Jerome". The signature is fluid and cursive, with a large loop at the end.

Susan Jerome  
3215 Alameda de Las Pulgas  
San Mateo CA 94403  
650-345-1590 susanj10@att.net

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### Residents sue nearby California cannabis growers over smell

CARPINTERIA — The smell of marijuana has driven some residents of the Southern California city of Carpinteria to sue local growers.

The lawsuit filed Thursday contends the growers should seal their greenhouses and use "carbon-based filtration methods," KEYT-TV reported.

The suit claims that so-called vapor-phase systems currently in use to mitigate odors cause eye irritation and worsen allergies and asthma.

"We've been breathing this brew of chemicals for the last two and a half years," said plaintiff Greg Gandrud.

Greenhouses that grew flowers before California legalize recreational cannabis are less than 100 feet from the windows and backyards of some of the plaintiffs.

Gandrud said the marijuana smell scares away prospective buyers for his house, which has been on the market over the past two years.

The lawsuit states that the residents would likely dismiss or settle the action if the greenhouses change filtration systems and the odor improves.

KEYT reported that a representative

### In other news ...

of the growers said they had not been served with the lawsuit as of Thursday night and did not have a response.

Carpinteria is a small seaside community in south Santa Barbara County.

### Baby hippo at San Diego Zoo gets a name

SAN DIEGO — A baby hippopotamus born at the San Diego Zoo last month has a name.

The zoo says the river hippo calf will be called Amahle, which means "beautiful one" in Zulu.

The name was announced Friday on "Good Morning America," which held an online poll asking viewers to choose among three African names.

Amahle, who was born on Feb. 8, weighs about 100 pounds and is "active and healthy," a zoo statement said.

Amahle is the ninth hippo calf born at the zoo and the 13th to her mother, Fumani.

Amahle's father, Otis, is an East African hippo who arrived at the zoo in 2009 specifically to breed with Fumani, zoo officials said.

Zoo visitors can see Amahle and her mother in the hippo habitat on Tuesdays, Thursdays and weekends, officials said.

### Disneyland video brawler pleads, gets 6 months in jail

SANTA ANA — A Las Vegas man who attacked family members in a brawl at Disneyland that was captured on viral video is going to jail.

Avery Robinson, 35, was sentenced Thursday in Orange County to six months in county jail and ordered to attend a violence treatment program for after pleading guilty to a felony charge and 13 misdemeanors ranging from assault to child endangerment.

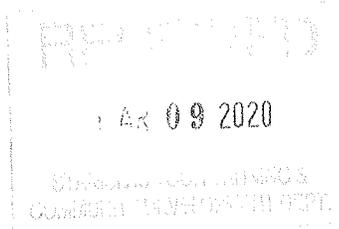
Prosecutors said Robinson attacked his sister, brother-in-law and his girlfriend last July in Disneyland's Toontown in front of children — including his own — who can be seen screaming and crying on the video.

The video showed a woman appearing to spit in her brother's face. It quickly escalated to blows and hair-pulling as several people were knocked to the ground over the course of nearly five minutes.

Others in the family intervened, as did bystanders who tried to break up the fight.

Disneyland security finally arrived and escorted the family from the park but prosecutors said Robinson tried to hit a security guard with his car as he drove away and also threatened to kill his sister and her husband.

Susan Hamilton Flora  
12 Overhill Rd.  
Mill Valley, CA 94941



Date: March 8, 2020  
To: Stanislaus County Department of Planning and Community Development  
From: Susan Hamilton Flora  
Re: Use Permit & Development Agreement Application no. PLN2019-0095 – Central Valley Growers, LLC – Howard Rd III (APN: 016-037-039)

To Whom it may concern:

We recently received a notice regarding the cannabis growing facility that is proposed for Assessor Parcel Number 016-037-039 and are concerned about how this facility may impact our property that is located nearby, APN 016-037-012. While our property does not border the proposed growing facility it is near the access road so the increased traffic will most likely impact us directly. We are also concerned about any indirect impacts this facility may have on safety and quality of crops that are grown on our property. Our family has owned this land and been involved in farming it for over 100 years and 5 generations, we hope to be able to continue on this legacy.

#### **Increased Traffic and Dust**

Our parcel is bordered by Mr. Athwal on 3 sides, we share many dirt access roads, road maintenance and dust control is a constant challenge during the summer months, particularly during harvest. Apricots and almonds are farmed on our land and the dust from existing traffic is already a problem. We have to make additional spray applications of miticide to control dust mite around the edges of our orchard, we water our roads to help control the dust and hopefully reduce the number of sprays we must apply to the trees. In the past Mr. Athwal has not made enough effort to water the roads for dust control. We hope that any roads Mr. Athwal uses for the new facility will be oiled or paved to help control the dust from the additional traffic.

#### **Impact to Crop**

It is important that the distance between our field and the grow facility will be adequate to prevent any food safety issues for our crops caused by the cannabis. The apricots that are grown in our orchard are grown under stricter standards for some of the processors to whom we sell. They are tested for a wide variety of residues and we are limited on what chemistries we can spray. This can be a challenge when we have mite pressure from the dusty roads. We want to ensure that we will not be limited to where we can sell our crops or what crops we can grow because of neighboring crops or impacts from traffic near our field. We want to make sure that our groundwater is not contaminated by any of the activities that may take place at the proposed facility as we depend on clean and safe groundwater for growing our crops.

**Dumping**

As was pointed out in the letter that Be Green Legal submitted, we are often plagued with illegal dumping in this area and there have been multiple stolen cars torched and abandoned in the area the past few years, along with piles of trash regularly dumped on our property. It is important that the increased traffic in and out of the proposed facility will not add to this problem. We have also dealt with wire theft from our irrigation pumps.

**Oversight**

We would like to know who we need to contact at the county if we see that Central Valley Growers is not complying with all of their stipulations agreed to with Stanislaus county. Mr. Athwal has made an effort, only just recently, to clean up his properties that border ours and we hope that continues. In case it does not, we would expect that the county will enforce the agreed to stipulations.

It is important to remember that, while cannabis growing is legal under California law, it is still illegal under Federal law. Non-enforcement on the Federal level relies on the cannabis grower's strict compliance with California's law and enforcement thereof.

**Physical Safety**

We are very concerned about the physical safety of the people who are performing the farming activity on our property. We are aware of two recent incidents in the immediate vicinity involving armed robberies of two cannabis growing facilities. Creating a dangerous environment would prohibit us from full enjoyment of our property. If this were to happen, we would be forced to take legal action.

**Conclusion**

This is the third parcel that Mr. Athwal is converting to a cannabis growing facility in the same area. How many parcels are going to be converted to this unfavorable activity? These three parcels are all within a close proximity to our property. This just increases the chances that there will be an adverse impact on our property.

We are very much against having a cannabis growing facility near our property. We want to make sure that the negative impacts are minimized and the facility is run in a professional and clean manner. Mr. Athwal's farming practices in the past have lacked oversight and efforts to comply with the rules. If this facility is built, the County has the responsibility to make sure the rules are complied with.

Thank you.



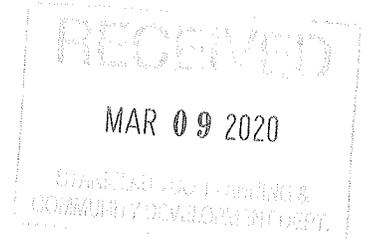
Susan Hamilton Flora

Dear Jeremy Ballard

I am writing in regards to PLN2019-0095  
Just because it meet so called requirements doesn't mean you have to say ok.

Con's

- Pubic safety ( My husband works in the orchards at night in the summer)
- Not legal by federal government
- Brings a criminal element to area
- Not able to be properly regulated by county
- Poor Sheriffs response
- Excessive traffic causing damage to crops & roads
- This property doesn't have a street address or its own access road ( only easement )



Concerned Wife

*Christina Ballard*

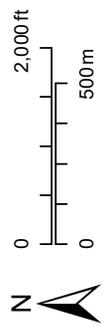
# CENTRAL VALLEY GROWERS LLC

## UP & DA PLN2019-0095

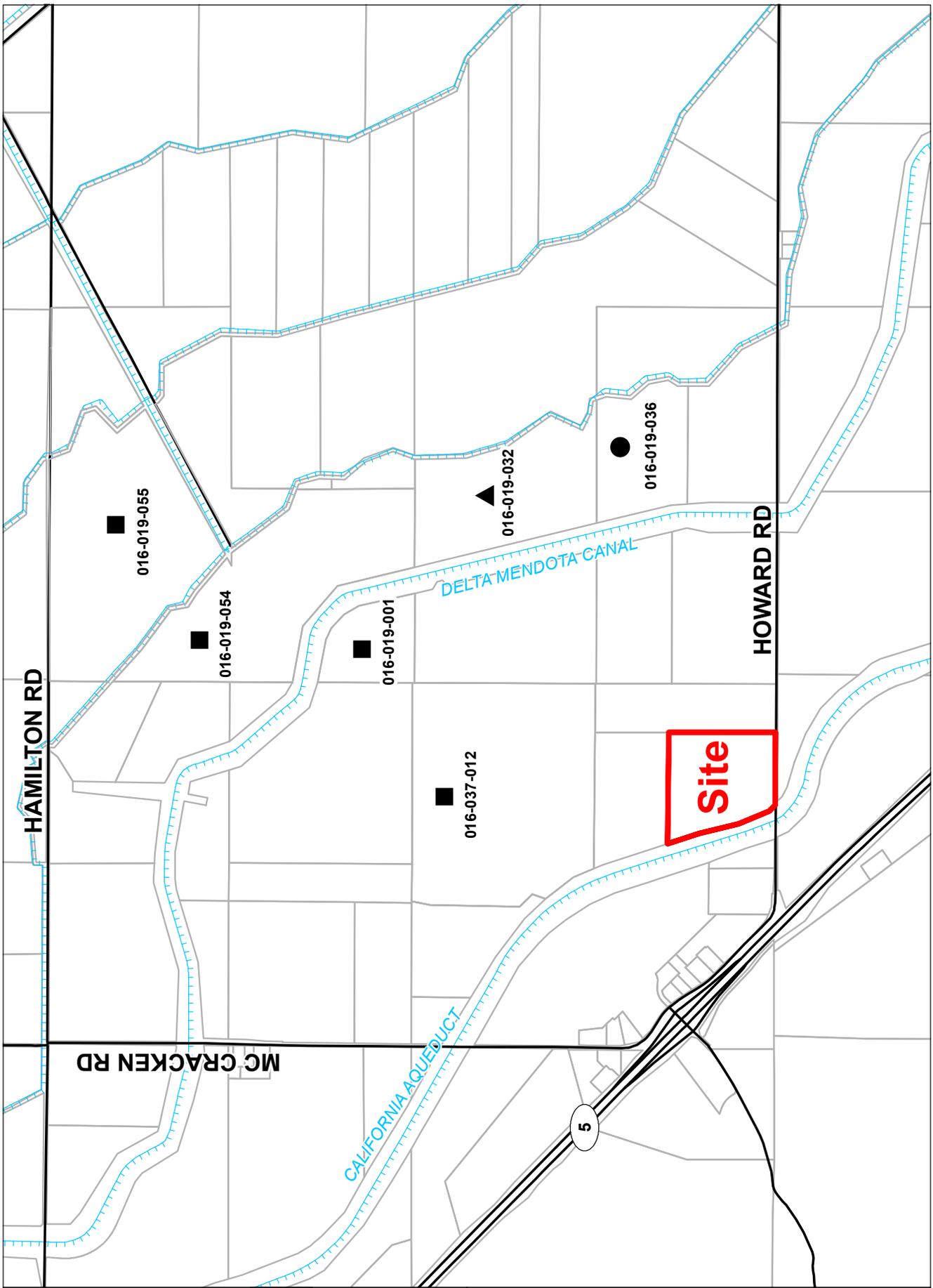
### APN MAP

#### LEGEND

- Project Site
- UP & DA PLN2018-0114  
Central Valley Growers, LLC  
Howard Road - Approved
- UP & DA PLN2019-0094  
Central Valley Growers, LLC  
Howard Road II - In Progress
- Letter of opposition received
- Road
- Canal
- Parcels



Source: Planning Department GIS Date: 9/10/2020



# BELLA CASA REALTY

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April 3, 2020

Stanislaus County Planning Department  
1010 10 th Street, Suite 3400  
Modesto, CA 95354  
Attention: Jeremy Ballard

Dear Mr. Ballard:

My name is Marie Joiner and I've been a resident of Stanislaus County for the last 45 years. I run two businesses within the county including Bella Casa Realty, a real estate brokerage, and Luxury Limousine Service, a transportation company. I've run both businesses for over 25 years, and both are located within Stanislaus County. I am also a best selling Author of Picking up The Pieces By: Marie Joiner.

I am writing this letter in support of Central Valley Growers, LLC and Sarbjit Athwal with respect to the Conditional Use Permits that are currently pending from Central Valley Growers, LLC with the County of Stanislaus.

I have known Sarbjit for the last 15 years and got to know him through the brokerage community in Stanislaus County. Like me, Mr. Athwal is a real estate broker that has worked in Stanislaus County on residential and commercial real estate transactions for over two decades. I have always known Sarbjit to operate with the highest level of integrity and honesty in his business and personal life and find him to be a very intelligent entrepreneur that excels at whatever he puts his mind to. Additionally, Mr. Athwal also treats his business partners, associates and customers fairly and honestly.

Mr. Athwal's story of coming from India as an immigrant in the 70's with no money in his pocket and then working blue collar jobs before becoming a successful farmer and real estate broker is inspiring and a true example of the American Dream.

Given my very positive experiences with Mr. Athwal over the last 15 years and his stellar reputation within the County, Central Valley Growers and Sarbjit Athwal have my support in their future endeavors within the County and I look forward to a long and mutually prosperous business relationship with Mr. Athwal long into the future.

Best Regards

*Marie Joiner*

Marie L. Joiner Broker / Owner Of Bella Casa Realty BRE: 01362203

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2307 Magnolia St Ceres Ca 95307 \* 209-537-0996 \* 209-537-6298 \*ladyrealestate@gmail.com

April 10, 2020

Stanislaus County Planning Department  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354  
Attention: Jeremy Ballard

Dear Mr. Ballard:

My name is Brigido Mota and I am writing this letter in support of Central Valley Growers, LLC, Sarbjit Athwal and Navjot Athwal with respect to the Conditional Use Permits that are currently pending from Central Valley Growers, LLC with the County of Stanislaus.

I currently reside in Hughson, CA and have lived in Stanislaus County since 1968. I emigrated here from Mexico and have worked as a farm worker and farm contractor within the county for the last 20 years.

I have worked closely with Sarbjit Athwal for over 15 years and more recently with this son, Navjot Athwal. I have worked on the Athwal's farms helping them with pruning for almonds and apricots as well as overseeing contract labor during apricot harvest. I am not an employee of the Athwal's farming operation but rather an independent contractor.

The Athwals are careful farmers that always prioritize the safety of their workers and labor contractors. During my time working on the Athwal's farms I have never felt unsafe nor have the dozens of workers I have supervised and managed.

I know members of the public may feel a cannabis cultivation facility in Westley may create security concerns for workers in the area but to me, this is a misunderstanding. Given the Athwal's reputation as farmers that place the highest priority on the safety and security of their employees, I am confident they will take similar care in ensuring there are no safety or security issues arising out of their cannabis cultivation operations in Westley.

Additionally, having a state-of-the-art facility with state-of-the-art security, including security cameras, will enhance rather than detract from security in the Westley area. During my time working in the Westley area I have seen people hunting illegally and even growing marijuana illegally in the area. These illegal operations are the real safety concern for the County and for Westley. Legal and regulated facilities like the ones proposed by Central Valley Growers, LLC will help eliminate these illegal operations with increased oversight and increased budget through which the County can better monitor these illegal operations.

April 10, 2020  
Page 2

Due to their strong reputation as farmers within the County and their history in ensuring the safety and security of their employees and contractors, Central Valley Growers, Sarbjit Athwal and Navjot Athwal have my support in pursuing regulated and legal cannabis cultivation operations in Westley.

Sincerely,

Brigido Mota



2713 6<sup>th</sup> St.

Hawthorn CA. 95326

(209) 751-6974

**Date: 04-06-20**

**Jeremy Ballard**

Associate Planner  
 Stanislaus County  
 Planning and Community  
 Development Department

**In Reference To:**

Central Valley Growers,  
 LLC, Sarbjit Athwal and  
 Navjot Athwal

Application No.  
 PLN2019-0094 - Howard  
 Road II

Application No.  
 PLN2019-0095 - Howard  
 Road III

**Dear Mr. Ballard**

As the Contractor for the referenced Project's, it is with great pleasure that I write this letter of support for Central Valley Growers, LLC, Sarbjit Athwal and Navjot Athwal.

Growing up in the Central Valley, I truly appreciate the value and economic support California Agriculture brings to us who reside here. Whether we are farming almonds or cannabis, the goal is the same, providing a product safe for consumption. Farmers are the best equipped and most experienced people on the planet to provide the volume and consistency we all come to expect. The Owners of Central Valley Growers, LLC (CVG) have been farming in Stanislaus County for over 25 years. Their commitment and dedication are unparalleled and they have the experience to transition a small part of the almond farming operation to cannabis farming/cultivation... and they are doing it "right" by following the rules and regulations set forth by all regulatory agencies.

As I write this, I am at home in compliance with the COVID19 "shelter-in-place" recommendation issued by our Federal and State authorities. COVID19 has had a devastating impact on everyone. We all must do our part to assist in the recovery.

This project will occur over a three-year period. Table 1 below displays total projected economic impacts from construction spending locally. Calculations do not include impact overseas. About 40 percent of the construction spending will occur in the first and third year.

**Projected Economic Impacts of Construction Expenditures**

<b>Employment</b>	<b>Year 1 40%</b>	<b>Year 2 20%</b>	<b>Year 3 40%</b>	<b>Total</b>
Direct Effect	20	10	20	50
Indirect Effect	19	10	19	48
Total Effect	39	20	39	98
<b>Payroll</b>	<b>Year 1 40%</b>	<b>Year 2 20%</b>	<b>Year 3 40%</b>	<b>Total</b>
Direct Effect	\$345,992	\$172,996	\$345,992	\$864,979
Indirect Effect	\$200,825	\$105,697	\$200,825	\$507,348
Total Effect	\$546,817	\$278,693	\$546,817	\$1,372,327
<b>Output</b>	<b>Year 1 40%</b>	<b>Year 2 20%</b>	<b>Year 3 40%</b>	<b>Total</b>
Direct Effect	\$1,006,829	\$503,415	\$1,006,829	\$2,517,073
Indirect Effect	\$567,229	\$298,541	\$567,229	\$1,432,999
Total Effect	\$1,574,058	\$801,956	\$1,574,058	\$3,950,072

A final thought on security: This is a topic of great concern and CVG's response to it was above and beyond the basic requirements. They are sourcing materials equivalent to "military style" fencing to fortify their sites to protect their employees, vendors and indirectly their neighbors. With my experience working with food processors in the area (Harris Wolf Almonds, Blue Diamond Almonds, Stanislaus Foods, ConAgra), they are pulling from the FSMA (Food Safety Modernization Act) as it relates to the camera system and data storage to be installed. We are also involving (and taking input from) Stanislaus County Sheriff's Department.

In short, Navjot, Sarbjit and CVG's approach as it relates to security and going through the proper channels for licensing, confirms their commitment and solidifies my support for the project.

Sincerely,

A handwritten signature in cursive script that reads "Donald J. DeGraff".

Don DeGraff  
Celadon Development & Construction Services

Dd/dd



**HICKMAN OFFICE:**  
P.O. Box 429 • Hickman, California 95323  
Phone (209) 874-1821 • FAX (209) 874-1920

**REEDLEY OFFICE:**  
21200 E. Dinuba Avenue • Reedley, California 93654  
Phone (559) 638-6675 • FAX (559) 638-1185

March 27, 2020

Stanislaus County Planning Department  
Attention: Jeremy Ballard  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354

Dear Mr. Ballard:

This letter is in support of Central Valley Growers, LLC, Sarbjit Athwal and Navjot Athwal with respect to the Conditional Use Permits that are currently pending from Central Valley Growers, LLC with the County of Stanislaus.

Through my company, Dave Wilson Nursery, I've had the pleasure of working with the Athwals on their farming business that spans across Stanislaus County. I have been doing business with the Athwals for over 10 years, I am very grateful for their partnership. During this time, I have always known the Athwals to deal with the highest level of integrity, morality and honesty with a goal of building sustainable businesses that take care of their employees, community and vendors.

The Athwals are not only excellent farmers and business folks, but also strong supporters of the local community. Sarbjit Athwal has lived in Stanislaus County for as long as I remember and has raised his family here. During this time, he's built various business interests and has supported his local Temple and other community organizations.

Central Valley Growers and the Athwals have my support in their future endeavors within the County and I look forward to a long and mutually prosperous business and personal relationship with them long into the future.

Sincerely,

Harbir Singh  
Dave Wilson Nursery  
Field Representative



April 18, 2020

Stanislaus County Planning Department  
1010 10th Street, Suite 3400  
Modesto, CA 95354

Attn: Jeremy Ballard;

Dear County Staff and Planning Commissioners,

I write to provide my recommendation of approval for PLN 2019-0094 and PLN2019-0095 proposed by Central Valley Growers and its principals, Sarb Athwal, Nav Athwal and Roman Katuszonek.

As you may know, Lyfted Farms, Inc. is an existing State licensed commercial cannabis cultivation and distribution business with three approved facilities located in Stanislaus County, two of which are currently in operation in the North Modesto Area. More recently, on March 3 our Daly Avenue facility was approved for expanded cultivation and distribution as well as manufacturing activities with project improvements scheduled for completion this summer.

In building our company, we have committed to setting a 'Higher Standard of Growing' for our industry. We keep this in mind in all that we do, but especially in selecting our employees, executive team members, and business partners. Endeavoring to dispel the lingering stigma around the cannabis industry serves as part of the impetus that drives us to set this standard. Thus far we have been successful in doing so, as reflected in our unwavering regulatory compliance, track record of safe, successful operations, and impeccable performance under Development Agreements with the County over the last two years. We continue to raise this standard in formally establishing our relationship with Central Valley Growers through a facility management agreement executed last month for operation of CVG's previously approved cannabis project [PLN2018-0114] located at 3501 Howard Road.

I've known Mr. Athwal for over 20 years, having first met him as a fellow employee working at Proctor and Gamble where I served for 12 years as an Operations Manager. Sarb's good character and work ethic led us to become fast friends. His success in various farming and real estate ventures in Stanislaus County over the last twenty-five years has not come as a surprise.

Additionally, I'm grateful for the opportunity to work with Mr. Katuszonek, a fellow United States Military Veteran who served for over seven years in the Marine Corps, with myself having served in the National Guard from 1988 to 1994.

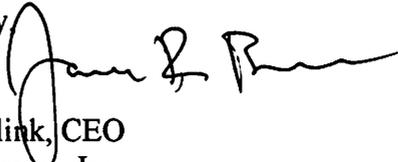
Through this partnership, we have the opportunity to continually raise industry standards for safety, security, and professionalism in the operation of our cannabis businesses, and in doing so, bridge the divide between the traditional ag industry and the cannabis industry, whose aggregate crop value across the State exceeds the combined value of the next five highest grossing agricultural commodities produced in California.

Working together, building on the integrity of our individual team members, the depth of experience in our respective fields, as well as upon the integrity of our projects, including the two set for your consideration, Lyfted Farms and Central Valley Growers have the ability to contribute to the ongoing success of the County's Cannabis Program, its benefits to the Stanislaus County Community, as well as to the success of the State's regulated cannabis industry.

For these reasons I would ask that you recommend CVG's project for approval by the Board of Supervisors.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "James Blink". The signature is fluid and cursive, with a large initial "J" and "B".

James Blink, CEO  
Lyfted Farms, Inc.

Beare Farms inc

Nelson Beare  
807 Texas Road  
Modesto CA 95358

April 10, 2020

Stanislaus County Planning Department  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354  
Attention: Jeremy Ballard

Dear Mr. Ballard:

This letter is in support of Central Valley Growers, LLC and Roman Katuszonek with respect to the Conditional Use Permits that are currently pending from Central Valley Growers, LLC with the County of Stanislaus.

I have known and worked closely with the Mr. Katuszonek for over 30 years. He has been an intelligent, fair and honest business associate that I've thoroughly enjoyed working with. Not only that, he has also become a good friend that I often engage with to discuss business and personal matters. Mr. Katuszonek has strong integrity and morality and he treats his business partners, associates, employees and the community fairly and honestly.

Mr. Katuszonek has been involved with the insurance industry as a broker within the County for over 35 years. He has also lived in this County for most of his life, raised his family here and prior to moving here, served our Country as a Marine who was honorably discharged. His commitment to our country and community is inspiring and I feel lucky to have worked with him and known him for so long.

Based on my extremely positive experiences with Roman and his high level of integrity, Central Valley Growers and Roman have my support for their pending use permits and in their future endeavors within the County. You can reach out to me with any questions at (209) 402-4622.

Sincerely,



Nelson Beare

April 8, 2020

Department of Planning and Community Development  
1010 10th Street, Suite 3400  
Modesto, CA 95354

RE: 1. Application PLN2019-0094 – Howard Road II Project  
2. Application PLN2019-0095 – Howard Road III Project

### **Introduction and Project Team**

Central Valley Growers is a locally-run company that has, for decades, successfully owned and managed several large cultivation properties in the Central Valley region. Through two generations, they have productively, profitably and conscientiously run operations that yield diverse crops including almonds, apples, grapes and apricots.

In the development phase of their cannabis project concept, Central Valley Growers hired BeGreenLegal, a Sacramento-based company specializing in cannabis cultivation consulting and licensing; to complete the Conditional Use Permit application, prepare supportive materials, and provide regulatory guidance. BeGreenLegal has extensive experience in planning, permitting and licensing similar cannabis cultivation projects. They have the personnel and technical expertise to deliver guidance regarding rapidly changing local, state, and federal laws and regulations and the nascent industry itself.

As it moves toward the facility design and construction phase, Central Valley Growers is working with my company, G. Fleissner Engineering, Celadon Development & Construction Services, Sees Geotechnical, GDR Engineering, Huifa Greenhouse, Bay Alarm and other designers and engineers to produce construction documents including designs, plans and calculations for a building permit for the adjacent property at 3501 Howard Road (016-019-036). This team provides a broad knowledge base in construction and design know-how from industry professionals in surveying, civil engineering, geotechnical engineering, greenhouse manufacturing, site security and other construction-related fields and will be developing designs and construction documents for this project.

I am a civil engineer living in Santa Cruz county. I have worked for several years at a fairly large surveying and engineering firm with about 50 employees in 4 offices in Northern California. That firm offers a broad range of services including planning, surveying, civil engineering, structural engineering, septic system design, permit assistance and violation resolution. I have designed a variety of municipal, residential and commercial projects in several local counties including Santa Cruz, Monterey,

Santa Clara, Alameda, Sonoma, San Mateo and San Benito. I've designed driveways, bridges and culverts, utilities, parking lots, retaining walls, storm drainage structures and mitigation measures, sewer and septic systems, structural elements and even an outdoor performing arts venue. I've also performed a variety of field work including septic system soils testing, construction inspections, topographic surveying, survey staking and site inspections related to failing structures and drainage systems.

## **Project Scope**

Central Valley Growers seeks to construct greenhouse buildings for cannabis cultivation within their existing orchard properties. The new facilities are both "tucked away" in the orchard properties and designed to "fit in" to the surroundings by utilizing manufactured greenhouse buildings. The planned development at this site includes a warehouse building and several greenhouse buildings constructed in 3 phases. The initial phase includes the warehouse and two greenhouse buildings. The warehouse building will house most of the restrooms, locker rooms, utility areas, etc. to support the final build-out. The second phase includes two more greenhouse buildings and an extension of the warehouse. The third phase includes four more greenhouse buildings. The facility will include a dedicated process waste collection system that isolates the process waste stream and prevents any possible contamination of soil or groundwater. In conformance with Measure X an enhanced treatment system will be the basis of the septic system along with a standard leach field consisting of rock-filled trenches. The security system will be installed in its entirety during the initial phase of construction.

The security system will include features beyond the requirements of the local permitting agency. A key-card gate will allow access to a well-lit driveway and parking area. The downlights will provide ample lighting for security without creating a visual nuisance to adjacent properties. High-definition cameras will be used with supplemental infrared LED illumination to provide clear imagery day and night. A "Military" style security fence will be utilized creating an intimidating security-conscious presentation to would-be intruders. A backup generator will power the entire security system including emergency lighting, cameras and the rack-mounted DVRs in the case of a power failure.

In addition to these security features the project will include state-of-the-art greenhouse building enhancements such as strenuous climate control, odor control and various safety features including emergency vehicle access and onsite water flow adequate for fire suppression. The site will also include required lighting levels and signage for safety and security.

## **Community Benefits**

Central Valley Growers seeks to add legal cannabis cultivation to the wide range of crops safely supplied to the people of California by its agricultural activities. We have obtained local and state licenses from Stanislaus County, the Department of Food and Agriculture and the Bureau of Cannabis Control. State licenses will include three Type

2B, Tier 2 Mixed Light licenses, one Mixed Light Tier 2 Specialty Cottage License, one Type 4 Nursery license, and one Distribution license. In addition to local and state government revenue in fees and taxes, CVG supports local businesses with its development and operations. CVG cannabis cultivation operations will generate considerable tax revenue and numerous desirable employment opportunities to the local work force.

## **Conclusion**

CVG believes that it is uniquely qualified take advantage of this opportunity to generate tax revenue and good paying, skilled jobs to the local community. With decades of experience in the legal agricultural markets, CVG will have proper processes and controls in place to ensure compliance with local and state licensing requirements, safe and secure cultivation and manufacturing operations, and a facility that fits within its surroundings minimizing disruption and undue attention.

Please let me know if you have any questions about the material in this narrative or my conclusions.

Sincerely,



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Geoffrey Fleissner, RCE 82889  
Registered Civil Engineer

# Iglesia Apostolica de la fe en Cristo Jesus, in U.S.A.

April 6, 2020

Stanislaus County Planning Department  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354  
Attention: Jeremy Ballard

Dear Mr. Ballard:

My name is Miguel Gonzalez and I am the Pastor of Iglesia Apostolica de la fe en Cristo Jesus. I am writing this letter in support of Central Valley Growers, LLC and Sarbjit Athwal with respect to the Conditional Use Permits that are currently pending from Central Valley Growers, LLC with the County of Stanislaus.

I currently reside in Modesto, CA and have lived in Stanislaus County for over 40 years. I emigrated here from Mexico and have been a Pastor at the church in Ceres for over 20 years.

I have known Sarbjit Athwal for over 20 years and have always known him to be an honest and moral person with high integrity. Given Mr. Athwal's strong reputation in the community and his high degree of integrity, I highly recommend him for any future business ventures or endeavors within the County.

Accordingly, Central Valley Growers, LLC and Sarbjit Athwal have my support in pursuing their Conditional Use Permits with the County. If you have any questions, I can be reached at 209-526-4529.

Sincerely,

Miguel Gonzalez





## PACIFIC COAST PRODUCERS

April 1, 2020

STANISLAUS COUNTY PLANNING DEPARTMENT  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354  
Attention: Jeremy Ballard

Dear Mr. Ballard:

My name is Jeff Barron and I'm a District Manager for Pacific Coast Producers (PCP), an Agricultural Cooperative owned by over 160 family farms located in Central and Northern California. PCP was created in 1971 and is focused on processing Apricots, Peaches, Pears, Tomatoes, Apples, Grapes, Cherries and Blueberries grown, among other places, in Stanislaus County and California's Central Valley.

I've known Sarbjit Athwal for the last 5 years and he has been a grower-member of PCP for the last 16 years. Mr. Athwal grows Apricots in Westley and in addition to being a member of PCP, he is also a member of the Apricot Producers of California (APC). During Mr. Athwal's tenure as a member of PCP, he has always been one of PCP's largest producers of Apricots.

As a member of PCP, growers are subject to strict controls and guidelines including around pesticide use and food safety. For example, as part of their membership agreement with us, each grower (including the Athwals) must agree to comply with the Good Agricultural Practices as well as food safety laws and federal, state and local labor laws. Accordingly, only the best growers gain and maintain membership with PCP and the Athwals are among those growers.

Mr. Athwal is a member in good standing at Pacific Coast Producers, and we find that he is very cooperative and diligent in observing the proper good agricultural practices, and company requirements.

Sincerely,

Jeff Barron  
District Manager  
Pacific Coast Producers



April 24, 2020

Stanislaus County Planning Department  
1010 10th Street, Suite 3400  
Modesto, CA 95354  
Attention: Jeremy Ballard

Dear Mr. Ballard:

This letter is in support of Central Valley Growers, LLC, Sarbjit Athwal and Navjot Athwal with respect to the Conditional Use Permits that are currently pending from Central Valley Growers, LLC with the County of Stanislaus.

Through my company, Stanislaus Farm Supply, I've had the pleasure of working with the Athwals on their farming business that spans across Stanislaus County. Over the last 2 years, the Athwals have provided my company with millions of dollars of business revenue and I am very grateful for their partnership. During this time, I have always known the Athwals to deal with the highest level of integrity, morality and honesty with a goal of building sustainable businesses that take care of their employees, community and vendors.

The Athwals are not only excellent farmers and business folks, but also strong supporters of the local community. Sarbjit Athwal has lived in Stanislaus County for over 40 years and has raised his family here. During this time, he's built various business interests and has supported his local Temple and other community organizations.

Central Valley Growers and the Athwals have my support in their future endeavors within the County and I look forward to a long and mutually prosperous business and personal relationship with them long into the future.

Sincerely,

Narinder Dhaliwal Crop Advisor  
7175 W. Oswego Ave  
Fresno CA 93723  
559-994-0836 (cell)

A handwritten signature in black ink, appearing to read "Narinder Dhaliwal", is written over the typed name and contact information.

**STANISLAUS COUNTY**  
DEPARTMENT OF PLANNING AND  
COMMUNITY DEVELOPMENT  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, California 95354

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**NOTICE OF EXEMPTION**

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**Project Title:** Use Permit and Development Agreement Application No. PLN2019-0095 – Central Valley Growers, LLC – Howard Road III

**Applicant Information:** Sarbjit Athwal dba Central Valley Growers, LLC.

**Project Location:** 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area. Stanislaus County (APN: 016-037-039).

**Description of Project:** This project is a request to obtain a Use Permit and Development Agreement to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district.

**Name of Agency Approving Project:** Stanislaus County Board of Supervisors.

**Lead Agency Contact Person:** Jeremy Ballard, Associate Planner

**Telephone:** (209) 525-6330

**Exempt Status:** (check one)

- Ministerial (Section 21080(b)(1); 15268);
- Declared Emergency (Section 21080(b)(3); 15269(a));
- Emergency Project (Section 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: \_\_\_\_\_
- Statutory Exemptions. State code number: \_\_\_\_\_
- Common Sense (Section 15061)

**Reasons why project is exempt:** Project does not have possibility for significant effect on environment as non-cannabis cultivation would be ministerially permitted in current zoning district and proposed structures would be considered accessory to onsite production.

September 17, 2020  
Date

Signature on file.  
Jeremy Ballard  
Associate Planner

**SUMMARY OF RESPONSES FOR ENVIRONMENTAL REVIEW REFERRALS**

**PROJECT: UP & DA PLN2019-0095 - CENTRAL VALLEY GROWERS, LLC - HOWARD ROAD III**

REFERRED TO:				RESPONDED		RESPONSE			MITIGATION MEASURES		CONDITIONS	
	2 WK	30 DAY	PUBLIC HEARING NOTICE	YES	NO	WILL NOT HAVE SIGNIFICANT IMPACT	MAY HAVE SIGNIFICANT IMPACT	NO COMMENT NON CEQA	YES	NO	YES	NO
CA DEPT OF CONSERVATION: Land Resources / Mine Reclamation	X		X		X							
CA DEPT OF FISH & WILDLIFE	X		X		X							
CA DEPT OF CONSUMER AFFAIRS BUREAU OF CANNABIS CONTROL	X		X		X							
CA DEPT OF AGRICULTURE: CAL CANNABIS DIVISION	X		X		X							
CA DEPT OF TRANSPORTATION DIST 10	X		X	X				X		X		X
CA DEPT OF WATER RESOURCES	X		X		X							
CA RWQCB CENTRAL VALLEY REGION	X		X	X				X		X	X	
CA RWQCB CENTRAL VALLEY REGION: DRINKING WATER DIVISION	X		X		X							
CEMETERY DISTRICT: PATTERSON	X				X							
COOPERATIVE EXTENSION	X		X		X							
FIRE PROTECTION DIST: WEST STAN	X		X		X							
HOSPITAL DISTRICT: DEL PUERTO	X		X		X							
IRRIGATION DISTRICT: DEL PUERTO	X		X		X							
MOSQUITO DISTRICT: TURLOCK	X		X		X							
MT VALLEY EMERGENCY MEDICAL	X		X		X							
PACIFIC GAS & ELECTRIC	X		X		X							
SAN JOAQUIN VALLEY APCD	X		X	X				X		X	X	
SCHOOL DISTRICT 1: PATTERSON JOINT	X		X		X							
STAN CO AG COMMISSIONER	X		X		X							
STAN CO BUILDING PERMITS DIVISION	X		X	X				X		X	X	
STAN CO CEO	X		X		X							
STAN CO DER	X		X	X				X		X	X	
STAN CO ERC	X		X	X				X		X		X
STAN CO FARM BUREAU	X		X		X							
STAN CO HAZARDOUS MATERIALS	X		X	X				X		X	X	
STAN CO PUBLIC WORKS	X		X	X				X		X	X	
STAN CO SHERIFF	X		X	X				X		X		X
STAN CO SUPERVISOR DIST 5: DEMARTIN	X		X		X							
STAN COUNTY COUNSEL	X		X		X							
STANISLAUS FIRE PREVENTION BUREAU	X		X		X							
STANISLAUS LAFCO	X		X		X							
SURROUNDING LAND OWNERS	X		X	X				X		X		X
TELEPHONE COMPANY: ATT	X		X		X							

**NON-CONSENT ITEMS**

- A. **USE PERMIT AND DEVELOPMENT AGREEMENT APPLICATION NO. PLN2019-0095 – CENTRAL VALLEY GROWERS, LLC – HOWARD ROAD III** – Request to obtain a Use Permit and Development Agreement to establish a mixed-light commercial cannabis cultivation, nursery, processing, and distribution operation in phases on a 49-acre parcel in the A-2 (General Agriculture) zoning district. The project site is located at 3735 Howard Road, between the California Aqueduct and the Delta Mendota Canal, east of Interstate Highway 5, in the Westley area. The Planning Commission will consider finding that no further analysis under the California Environmental Quality Act is required pursuant to CEQA Guidelines Section 15183 (Consistency with a General Plan or Zoning Ordinance for which an EIR was certified) and that the project is exempt from CEQA under CEQA Guidelines Section 15061 (Common Sense Exemption). APN: 016-037-039.  
Staff Report: Jeremy Ballard, Associate Planner, Recommends **APPROVAL.**

***Recess – 6:23 p.m.***

***Recess was taken to allow the Planning Commission and Staff to review the correspondence***

***Reconvened – 6:28 p.m.***

Public hearing opened.

**OPPOSITION:** Daniel Bays

**FAVOR:** Zach Drivon, Nav Athwal, Bob Blink, Shikha Jain, Roman Katuszonek, Don DeGraff

Public hearing closed.

Buehner/Mott (5/2) **RECOMMENDED DENIAL TO THE BOARD OF SUPERVISORS.**

**Roll Call Vote:** Ayes – Buehner, Durrer, Maring, Mott, Pacheco  
 Noes – Willerup, Blom  
 Absent – Munoz, Zipser  
 Abstained – None.

<p><b>EXCERPT</b></p> <p><b>PLANNING COMMISSION</b></p> <p><b>MINUTES</b></p> <hr/> <p>Signature on file.</p> <hr/> <p>Angela Freitas          Planning Commission Secretary          October 1, 2020</p> <hr/> <p>Date</p>
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2020-0692

STANISLAUS COUNTY ORDINANCE NO. C.S. 1287

AN ORDINANCE ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY OF STANISLAUS AND CENTRAL VALLEY GROWERS, LLC.

The Board of Supervisors of the County of Stanislaus, State of California, ordains as follows:

Section 1. Pursuant to Chapter 22.05 of the Stanislaus County Code, the Board of Supervisors hereby approves and adopts the Development Agreement by and between the County of Stanislaus and Central Valley Growers, LLC, located at 3735 Howard Road, dated December 15, 2020 which is incorporated herein by reference.

Section 2. This ordinance shall take effect and be in full force thirty (30) days from and after the date of its passage and before the expiration of fifteen (15) days after its passage it shall be published once, with the names of the members voting for and against same, in the Modesto Bee, a newspaper of general circulation published in Stanislaus County, State of California.

Upon motion of Supervisor Chiesa, seconded by Supervisor Grewal, the foregoing ordinance was passed and adopted at a regular meeting of the Board of Supervisors of the County of Stanislaus, State of California, this 15th day of December, 2020, by the following called vote:

AYES: Supervisors: Chiesa, Grewal and Chairwoman Olsen

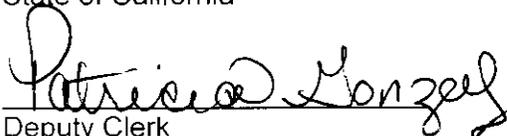
NOES: Supervisors: Withrow, DeMartini

ABSENT: Supervisors: None

ABSTAINING: Supervisors: None

  
Kristin Olsen  
CHAIRWOMAN OF THE BOARD OF SUPERVISORS  
of the County of Stanislaus,  
State of California

ATTEST: ELIZABETH A. KING, Clerk of  
the Board of Supervisors of  
the County of Stanislaus,  
State of California

By:   
Deputy Clerk



APPROVED AS TO FORM:

Thomas E. Boze  
County Counsel

By:   
Todd James  
Deputy County Counsel



Stanislaus, County Recorder  
Donna Linder Co Recorder Office  
**DOC- 2021-0005040-00**

Tuesday, JAN 19, 2021 08:33:44  
Ttl Pd \$0.00 Rcpt # 0004546125  
SCT/R2/1-40

RECORDING REQUESTED BY:

**COUNTY OF STANISLAUS  
BOARD OF SUPERVISORS**

When Recorded Mail To:

County of Stanislaus  
Department of Planning & Community Development  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354

*Fee Waived per GC 27383*

---

Space above this line for Recorder's use

**DEVELOPMENT AGREEMENT**

**BETWEEN**

**THE COUNTY OF STANISLAUS**

**AND**

**CENTRAL VALLEY GROWERS, LLC  
3735 HOWARD ROAD**

40ST  
40ST

THIS DEVELOPMENT AGREEMENT (this "Agreement" or this "Development Agreement") is made and entered in the County of Stanislaus on this 15<sup>th</sup> day of December, 2020, by and between Stanislaus County, a body corporate and a political subdivision of the State of California (hereafter "County") and Central Valley Growers, LLC, a California Limited Liability Company (hereafter "Permittee") pursuant to the authority of §§ 65864 *et seq.*, of the California Government Code and Stanislaus County Code, Title 22. County and Permittee are, from time-to-time, individually referred to in this Agreement as a "Party," and are collectively referred to as "Parties."

List of Attachments:

Attachment A "Project Description"

Attachment B "Legal Description/Property Description"

Attachment C "Operating Conditions"

Attachment D "Community Benefits"

Attachment E "Grant Deed"

Attachment F "Development Schedule"

## RECITALS

A. The Legislature of the State of California adopted the Development Agreement Act, Government Code §§65864 *et seq.*, which authorizes the County to enter into a property development agreement with any person having legal or equitable interest in real property for development of such property.

B. Pursuant to the Development Agreement Act, the County adopted the Development Agreement Ordinance, Title 22 of the Stanislaus County Code (hereafter "Title 22"), establishing procedures and requirements under which the County may enter into a Development Agreement for the development of real property with any person having a legal or equitable interest in such property in order to establish certain development rights in such property.

C. Permittee retains a legal or equitable interest in certain real property located at 3735 Howard Road, in the Patterson area, California, also known as Stanislaus County Assessor Parcel Number 016-037-039 and that is more particularly described in Attachment B attached hereto and is incorporated herein by reference ("the Property").

D. Chapter 6.78 of the Stanislaus County Code (hereafter "Chapter 6.78") establishes a regulatory permit for Commercial Cannabis Activities ("Commercial Cannabis Activities Permit") and prohibits all Commercial Cannabis Activities in all zoning areas without first obtaining a permit.

E. Permittee proposes to develop the Property to be used for the commercial cannabis activity described in Attachment A ("the Project").

F. To ensure that the County remains responsive and accountable to its residents while pursuing the benefits of this development agreement, the County accepts the restraints on its police powers contained in this Agreement only to the extent and for the duration required to achieve the County's objectives and to offset such restraints, seeks public benefits from the Permittee that go beyond those obtained by traditional County controls and conditions imposed on development project applications.

G. The County Board of Supervisors has found that, among other things, this Development Agreement is consistent with its General Plan and has been reviewed and evaluated in accordance with the Development Agreement Statute and Title 22.

H. County and Permittee desire the timely, efficient, orderly and proper development of the Project.

I. County and Permittee have reached agreement and desire to express herein a Development Agreement that shall facilitate development of the Project in conformance with Title 22 and subject to conditions set forth herein.

J. In addition, the parties intend that this Agreement satisfy the requirements of Chapter 6.78, which requires those operating a commercial cannabis activity to enter into a "development agreement" setting forth "the terms and conditions under which the Commercial Cannabis Activity will operate that are in addition to the requirements of this chapter, including, but not limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety, and welfare."

K. On September 17, 2020, the Stanislaus County Planning Commission, serving as the planning agency for purposes of Government Code section 65867, held a duly noticed public hearing on this Agreement and Related Project Approvals. Following the public hearing, the Planning Commission, determined that the Project, the Initial Project Approvals, and the Agreement are, as a whole and taken in their entirety, consistent with the County's General Plan and the Zoning Code. The Planning Commission recommended denial of the Project, including this Agreement, to the Board of Supervisors.

L. On December 15, 2020, the County Board of Supervisors of the County of Stanislaus having receive the recommendations of the Planning commission, held a duly notice public hearing on this Agreement and the related initial Project Approvals. Following the public hearing, the board adopted Ordinance No. C.S. 1287 (the "Enacting Ordinance"), approving this Agreement and authorizing the Chairman of the Board of Supervisors to execute this Agreement and found that the Agreement is consistent with the General Plan and Zoning Code in accordance with Government Code

section 65867.5 and determined that the Project as defined herein required no further analysis under CEQA, pursuant to CEQA Guidelines Section 15183 (Consistency with a General Plan or Zoning for which an EIR was prepared).

M. Permittee will implement public benefits, above and beyond the necessary mitigation for the Project, including the creation of new jobs, funding for various community improvements, and payment of the benefit fees as set forth in this Agreement and these public benefits serve as the consideration upon which the County bases its decision to enter into this Agreement.

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, obligations and covenants herein contained, County and Permittee agree as follows:

### AGREEMENT

1. Incorporation of Recitals. The Recitals and all defined terms set forth above are hereby incorporated into this Agreement as if set forth herein in full.
2. Definitions.
  - 2.1. "Agreement" means this Development Agreement and all amendments and modifications thereto.
  - 2.2. "Enacting Ordinance" means Ordinance No. C.S.1287 adopted by the Board of Supervisors on December 15, 2020, approving this Agreement and authorizing the Chairman of the Board of Supervisors to execute this Agreement.
  - 2.3. "Initial Project Approvals" means those land use approvals and entitlements relating to the Project that were approved by the Board of Supervisors concurrently with this Agreement, which include the Use Permit, and CEQA determination.
  - 2.4. "Regulatory Permit" means the permit required by Stanislaus County Code Chapter 6.78 to conduct Commercial Cannabis Activities.
  - 2.5. "Development Agreement Act" means Article 2.5 of Chapter 4 of Division 1 of Title 7 (section 65864 through 65869.5) of the California government Code.
  - 2.6. "Development Agreement Ordinance" means Title 22 of the Stanislaus County Code.
  - 2.7. "Effective Date" is the date on which the Agreement shall be effective in accordance with section 7.1 hereof.

2.8. "Rules, Regulations and Official Policies" means the County rules, regulations, ordinances, laws, and officially adopted policies governing development, including, without limitation, density and intensity of use, permitted uses, the maximum height and size of proposed buildings, the provision for the reservation or dedication of land, if any, for public purposes, the construction, installation, and extension of public improvements, environmental review, and other criteria relating to development or use of real property and which are generally applicable to the Property.

2.9. "Uniform Codes" means those building, electrical, mechanical, plumbing, fire, and other similar regulations of a Countywide adopted scope that are based on recommendations of the California Building Standards Commission and that become applicable throughout the County, such as, but not limited to, the California Uniform Building Code, the California Uniform Electrical Code, the California Uniform Mechanical Code, California Uniform Plumbing Code, or the California Uniform Fire Code (including those amendments to the promulgated California Uniform codes that reflect local modification adopted pursuant to the applicable process provided in state law for a local jurisdiction to modify such uniform codes and that are applicable Countywide).

3. Description of the Project. The Project consist of the use of the Property for the Commercial Cannabis Activities set forth in Attachment A attached hereto and in the Initial Project Approvals.
4. Description of Property. The Property that is the subject of this Agreement is described in Attachments B and C attached hereto.
5. Interest of Permittee. The Permittee has a legal interest in the Property in that it is the Lessee of the property.
6. Relationship of County and Permittee. It is understood that this Agreement is a contract that has been negotiated and voluntarily entered into by the County and Permittee and that the Permittee is not an agent of the County. The County and Permittee hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making the County and Permittee joint venture's or partners.
7. Effective Date and Term.

7.1. Effective Date. The Effective Date of this Agreement shall be the date on which the Enacting Ordinance becomes effective. The Enacting Ordinance is effective 30 days after the date of approval ("the Effective Date").

7.2. Term. The term of this Agreement shall commence on the Effective Date and extend five (5) years thereafter, unless said term is otherwise terminated or

7.2. Term. The term of this Agreement shall commence on the Effective Date and extend five (5) years thereafter, unless said term is otherwise terminated or amended by circumstances set forth in this Agreement or Permittee no longer has a legal interest in the property or has ceased operations on the property for a period of 30 consecutive days.

8. Development of the Property.

8.1. Right to Develop. This Agreement is entered into by the Parties for the limited purpose of setting forth the terms concerning the development and use of the Property by Permittee for Commercial Cannabis Activities. Accordingly:

8.1.1. Vested Rights. Permittee waives any and all "vested rights" (as that term is used in California land use law) the Permittee may have or later acquire, in law or equity, concerning the Property or the Project except those specifically stated herein. Nothing contained in this Agreement, nor in any of the permits, approvals, plans, inspections, certificates, documents, licenses, or any other actions taken by the County regarding the Project shall be construed to grant Permittee any vesting of rights for future development or use of the Property or to conduct commercial cannabis activities except as specifically stated herein; and

8.1.2. Project Subject to Rules in Effect at Time of Development. Permittee agrees that any and all development and use of the Property shall be governed by the County's fees, taxes, rules, regulations, ordinances, laws, and officially adopted policies governing the development and use of the Property, including, without limitation, impact fees, processing fees, regulatory fees and permits, density and intensity of use, permitted uses, the maximum height and size of proposed buildings, the provision for the reservation or dedication of land, if any, for public purposes, the construction, installation, and extension of public improvements, environmental review, and other criteria relating to development or use of real property and which are generally applicable to the Property in effect at the time of the development or use.

8.1.3. New Rules and Regulations. During the term of this Agreement, the County may apply new or modified ordinances, resolutions, rules, regulations and official policies of the County to the Property to ensure that the operation of the Commercial Cannabis Activity is consistent with the protection of the health, safety and welfare of the community and will not adversely affect the surrounding uses.

8.1.4. Future Approvals. Nothing in this Agreement shall prevent the County from denying or conditionally approving any subsequent land use permit or authorization for the Project on the basis of such new or modified

15.6.4. No Monetary Damages Against County. Notwithstanding anything to the contrary contained herein, in no event shall monetary damages be awarded against the County upon an event of default or upon termination of this Agreement.

16. Dispute Resolution. In addition to, and not by way of limitation of, all other remedies available to the Parties under the terms of this Agreement, the Parties may choose to use the informal dispute resolution and/or arbitration processes in this Section.

16.1. Informal Dispute Resolution Process. The Parties may agree to informal dispute resolution proceedings to fairly and expeditiously resolve disputes related to the interpretation or enforcement of, or compliance with, the provision of this Agreement ("Disputes"). These dispute resolution proceedings may include: (a) procedures developed by the County for expeditious interpretation of questions arising under development agreements; or (b) any other manner of dispute resolution that is mutually agreed upon by the Parties.

16.2. Non-Binding Arbitration. The Parties may agree to use nonbinding arbitration to resolve any Dispute arising under this Agreement. The arbitration shall be conducted by an arbitrator who must be a former judge of the Stanislaus County Superior Court, Appellate Justice of the Fifth District Court of Appeals, or Justice of the California Supreme Court. This arbitrator shall be selected by mutual agreement of the Parties.

16.3. Non-Binding Arbitration Procedures. Upon appointment of the arbitrator, the Dispute shall be set for arbitration at a time not less than thirty (30) nor more than ninety (90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under procedures that are mutually agreed upon by the Parties in writing prior to the commencement of arbitration.

17. Termination or cancellation. In addition to the procedures set forth in Section 15.6, above, this Agreement is also subject to the following termination provisions:

17.1. Termination Upon Expiration of Term. This Agreement shall terminate upon expiration of the Term set forth in Section 7.2 unless otherwise extended or modified by mutual consent of the Parties. Upon termination of this Agreement, the County Registrar-Recorder/County Clerk may cause a notice of such termination in a form satisfactory to the County to be duly recorded in the official records of the County.

17.2. Cancellation by Mutual Consent. This Agreement may be cancelled by mutual consent of the Parties, subject to the procedures set forth in the Development Agreement Act and the Development Agreement Ordinance.

17.3. Enforced Delay; Extension of Time of Performance. In addition to specific provisions of this Agreement, performance by any Party hereunder shall not be deemed to be in default where a delay is enforced due to: war, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, acts of God, third-party litigation, restrictions imposed or mandated by other governmental entities, enactment of conflicting state or federal laws or regulations, judicial decisions, or similar basis for excused performance that is not within the reasonable control of the Party to be excused, and the cause of the enforced delay actually prevents or unreasonably interferes with such Party's ability to comply with this Agreement; provided, however, that the Parties agree that a delay that results solely from unforeseen economic circumstances shall not constitute an enforced delay for purposes of this Section. This Section shall not be applicable to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of Permittee, or by any third parties against Permittee if such third-party proceedings are not dismissed within ninety (90) days. If written notice of an enforced delay is given to either Party within forty-five (45) days of the commencement of such enforced delay, an extension of time for such cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

18. Estoppel Certificate.

18.1. Either party may, at any time, and from time to time, request written notice from the other party requesting such party to certify in writing that, (a) this Agreement is in full force and effect and a binding obligation of the parties, (b) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (c) to the knowledge of the certifying party the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults. A party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof, or such longer period as may reasonably be agreed to by the parties. Chief Executive Officer of the County shall be authorized to execute any certificate requested by Permittee. Should the party receiving the request not execute and return such certificate within the applicable period, this shall not be deemed to be a default, provided that such party shall be deemed to have certified that the statements in clauses (a) through (c) of this section are true, and any party may rely on such deemed certification.

19. Severability.

19.1. The unenforceability, invalidity or illegality of any provisions, covenant, condition or term of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

20. Attorneys' Fees and Costs.

20.1. If the County or Permittee initiates any action at law or in equity to enforce or interpret the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs in addition to any other relief to which it may otherwise be entitled. If any person or entity not a party to this Agreement initiates an action at law or in equity to challenge the validity of any provision of this Agreement or the Project Approvals, the parties shall cooperate in defending such action. Permittee shall bear its own costs of defense as a real party in interest in any such action and shall reimburse the County for all reasonable court costs and attorneys' fees expended by the County in defense of any such action or other proceeding.

21. Transfers and Assignments.

21.1. The Permittee shall not transfer, delegate, or assign its interest, rights, duties, and obligations under this Agreement without the prior written consent of the County. Any assignment, delegation, or assignment without the prior written County consent of the other parties to this Agreement shall be null and void. Any transfer, delegation, or assignment by the Permittee as authorized herein shall be effective only if and upon the party to whom such transfer, delegation, or assignment is made is issued a Regulatory Permit as required under chapter 6.78 of the Stanislaus County Code.

21.2. No change in Permittee's ownership or in the composition of the Permittee's ownership shall be made, and no transfer or sub-lease of the lease Agreement shall be made, without providing the County with 30 days prior written notice. If the change, transfer or sub-lease changes Control over the use of the Property, the operations of Permittee, or the actions or activities of Permittee, then the prior written consent of the County must be obtained 30 days before the change, transfer or sub-lease.

22. Bankruptcy.

The obligations of this Agreement shall not be dischargeable in bankruptcy.

23. Indemnification.

23.1. Permittee hereby agrees to and shall indemnify, save, hold harmless, and, if requested by the County, defend the County from any claim, action, or proceeding brought by a third party (i) to challenge, attack, set aside, void, or annul this Agreement or the Initial Project Approvals, or (ii) for claims, costs, and liability for any damages, personal injury, or death, which may arise in connection with The Project or this Agreement. Directly or indirectly from the negotiation, formation,

execution, enforcement, or termination of this Agreement. Nothing in this Section shall be construed to mean that Permittee shall hold the County harmless and/or defend it from any claims arising from, or alleged to arise from, the negligent acts, negligent failure to act, or intentional acts on the part of the County. The County agrees that it shall reasonably cooperate with Permittee in the defense of any matter in which Permittee is defending, indemnifying, and/or holding the County harmless. The County may make all reasonable decisions with respect to its representation in any legal proceeding. In the event any claim, action, or proceeding as described above is filed by a third party against the County, Permittee shall, within 10 days of being notified of the filing, make an initial deposit with the County in the amount of \$5,000, from which actual costs and expenses shall be billed and deducted for purposes of defraying the costs and/or expenses involved in the County's cooperation in the defense, including, but not limited to, depositions, testimony, and other assistance provided to Permittee or Permittee's counsel. If during the litigation process actual costs or expenses incurred reach 80 percent of the amount on deposit, Permittee shall deposit additional funds to bring the balance up to the amount of \$5,000. There is no limit to the number of supplemental deposits that may be required during the course of litigation. At the sole discretion of Permittee, the amount of the initial or any supplemental deposit may exceed the minimum amounts specified herein. Additionally, the cost for collection and duplication of records, including the reasonable costs of staff time necessary to collect, review, and/or duplicate such records in connection with the preparation of any administrative record or otherwise in relation to litigation, shall be paid by Permittee. Upon Permittee's initial \$5,000.00 deposit to cover the County's costs and expenses pursuant to this section, Permittee shall have the right to a monthly, itemized accounting of such expenses, which County shall provide upon Permittee's request within 5 days of such request, but no sooner than 30 days after Permittee's initial deposit.

24. Insurance.

24.1. Public Liability and Property Damage Insurance. During the term of this Agreement, Permittee shall maintain in effect a policy of comprehensive general liability insurance with a per-occurrence combined single limit of not less than two million dollars (\$2,000,000.00) with a one hundred thousand dollar (\$100,000) self-insurance retention per claim. The policy so maintained by Permittee shall name the County as an additional insured and shall include either a severability of interest clause or cross-liability endorsement.

24.2. Workers Compensation Insurance. During the term of this Agreement Permittee shall maintain Worker's Compensation insurance for all persons employed by Permittee for work at the Project site. Permittee shall require each contractor and subcontractor similarly to provide Worker's Compensation

insurance for its respective employees. Permittee agrees to indemnify the County for any damage resulting from Permittee's failure to maintain any such insurance.

24.3. Evidence of Insurance. Prior to the County Board of Supervisors approval of this Agreement, Permittee shall furnish the County satisfactory evidence of the insurance required in Sections 24.1 and 24.2 and evidence that the carrier is required to give the County at least fifteen days prior written notice of the cancellation or reduction in coverage of a policy. The insurance shall extend to the County, its elective and appointive boards, commissions, officers, agents, employees and representatives and to Permittee performing work on the Project.

25. Notices.

25.1. All notices required or provided for under this Agreement shall be in writing. Notices required to be given to the County shall be addressed as follows:

County Chief Executive Officer  
County of Stanislaus  
1010 10<sup>th</sup> Street, Suite 6800  
Modesto, CA 95354

Notices required to be given to Permittee shall be addressed as follows:

Central Valley Growers, LLC  
2561 4<sup>th</sup> Street  
Ceres, CA 95307  
Attn: Sarbjit Athwal

A party may change address by giving notice in writing to the other party and thereafter all notices shall be addressed and transmitted to the new address. Notices shall be deemed given and received upon personal delivery, or if mailed, upon the expiration of 48 hours after being deposited in the United States Mail. Notices may also be given by overnight courier which shall be deemed given the following day or by facsimile transmission which shall be deemed given upon verification of receipt.

26. Agreement is Entire Understanding.

This Agreement constitutes the entire understanding and agreement of the parties.

27. Attachments.

The following documents are referred to in this Agreement and are attached hereto and incorporated herein as though set forth in full:

Attachment A "Project Description"  
Attachment B "Legal Description/Property Description"  
Attachment C "Operating Conditions"  
Attachment D "Community Benefits"  
Attachment E "Grant Deed"  
Attachment F "Development Schedule"

28. Counterparts.

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original.

29. Recordation.

The County shall record a copy of this Agreement within ten (10) days following execution by all parties.

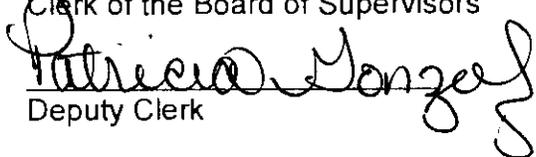
***[Signature Page Follows]***

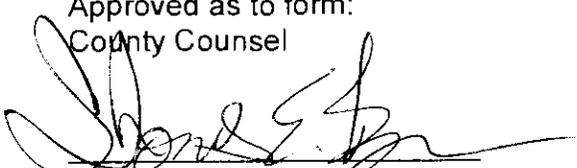
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

COUNTY

County of Stanislaus

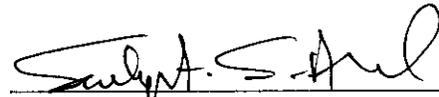
By:   
~~Kristin Olsen~~ Vito Chiesa  
Chairwoman of the Board of Supervisors

Attest:  
Clerk of the Board of Supervisors  
  
Deputy Clerk

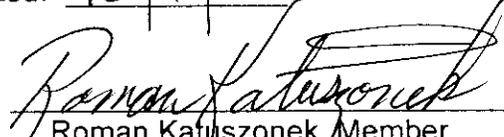
Approved as to form:  
County Counsel  
  
Thomas E. Boze  
County Counsel

PERMITTEE

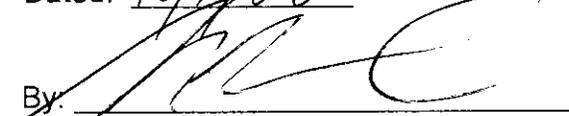
Central Valley Growers, LLC

By:   
Sarbjit Athwal, Member

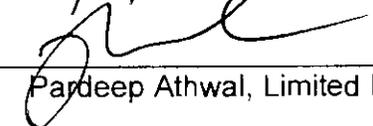
Dated: 10/1/2020

By:   
Roman Katuszonek, Member

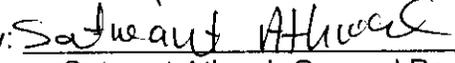
Dated: 10/1/2020

By:   
Navjot Athwal, Limited Partner

Dated: 10/1/2020

By:   
Pardeep Athwal, Limited Partner

Dated: 10/5/2020

By:   
Satwant Athwal, General Partner

Dated: 10-1-2020

(NOTARIZATION ATTACHED)

# CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Stanislaus }

On January 15, 2021 before me, Karyn A. Watson Notary Public,  
(Here insert name and title of the officer)

personally appeared Vito Chiesa

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Karyn A. Watson  
Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Development Agreement  
(Title or description of attached document)

Central Valley Growers LLC  
(Title or description of attached document continued)

Number of Pages 2 Document Date 10-1-2016

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer

\_\_\_\_\_ (Title)

Partner(s)

Attorney-in-Fact

Trustee(s)

Other Chairman of BOB

### INSTRUCTIONS FOR COMPLETING THIS FORM

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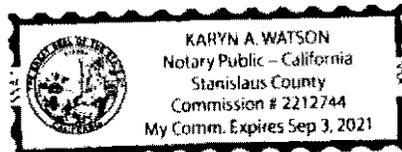
On October 5, 2020 before me, Karyn A. Watson, Notary Public  
(Here insert name and title of the officer)

personally appeared Pardeep Arora  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Karyn A. Watson  
(Notary Public Signature)



(Notary Public Seal)

### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Development Agreement  
(Title or description of attached document)

Central Valley Groves, LLC  
(Title or description of attached document continued)

Number of Pages — Document Date 10-5-2020

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer

\_\_\_\_\_ (Title)

Partner(s) General

Attorney-in-Fact

Trustee(s)

Other \_\_\_\_\_

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State of California }

County of Stanislaus }

On October 1, 2020 before me, Karyn A. Watson, Notary Public  
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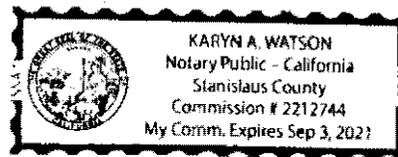
personally appeared Satwant Athwal  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]  
Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
Development Agreement  
(Title or description of attached document)

Central Valley Growers, LLC  
(Title or description of attached document continued)

Number of Pages 1 Document Date 10-1-2020

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer

\_\_\_\_\_  
(Title)

Partner(s) General

Attorney-in-Fact

Trustee(s)

Other \_\_\_\_\_

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County of Stanislaus }

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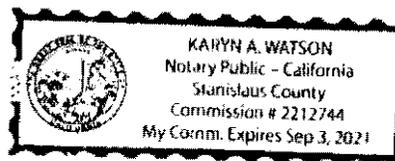
personally appeared Najot Athwal  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

[Signature]  
Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

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Development Agreement  
(Title or description of attached document)  
Central Valley Grasses, LLC  
(Title or description of attached document continued)  
Number of Pages — Document Date 10-1-2020

CAPACITY CLAIMED BY THE SIGNER

Individual (s)  
 Corporate Officer

\_\_\_\_\_  
(Title)

Partner(s) Limited  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

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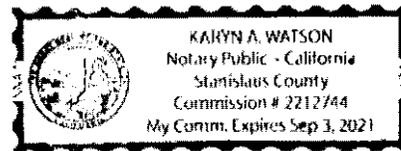
On October 1, 2020 before me, Karyn A. Watson, Notary Public,  
(Here insert name and title of the officer)

personally appeared Serhij Ahtoval and Roman Kafuszczek,  
 who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

[Signature]  
 Notary Public Signature (Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
Development Agreement  
(Title or description of attached document)  
Central Valley Growers, LLC  
(Title or description of attached document continued)  
 Number of Pages — Document Date 10-1-2020

CAPACITY CLAIMED BY THE SIGNER

Individual (s)  
 Corporate Officer  
 \_\_\_\_\_  
(Title)

Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other Member

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**ATTACHMENT A  
PROJECT DESCRIPTION**

Project Description: TO ESTABLISH A MIXED-LIGHT COMMERCIAL CANNABIS CULTIVATION, NURSERY, PROCESSING, AND DISTRIBUTION OPERATION IN PHASES ON A 49 ACRE PARCEL IN THE A-2 (GENERAL AGRICULTURE) ZONING DISTRICT.

**ATTACHMENT B**

**LEGAL DESCRIPTION**

Real property in the County of Stanislaus, State of California, described as follows:  
Parcel 1 as shown on Parcel Map filed February 21, 1997, in Book 48, Page 12 of  
Parcel Maps in the office of the County Recorder of Stanislaus County.

**ATTACHMENT C  
OPERATING CONDITIONS**

1. Compliance with Laws. Permittee shall operate in accordance with all applicable State and local laws, and any regulations promulgated thereunder.
2. Compliance with Conditions of Approval/Development Standards/Mitigation Measures. Permittee shall operate in compliance with all conditions of approval/development standards/mitigation measures associated with the Initial Project Approvals and any subsequent approvals issued by the County or any other regulatory agency.
3. Compliance with License Regulations. Permittee shall operate in strict compliance with the regulations contained in Chapter 6.78 of the Stanislaus County Code.

## **ATTACHMENT D COMMUNITY BENEFITS**

Permittee agrees that its participation in commercial cannabis activities negatively impacts the residents of Stanislaus County and that by entering into this Development Agreement Permittee is agreeing to contribute greater public benefits than could otherwise be required and that Permittee does so freely and with full knowledge and consent.

Permittee agrees to provide the following public benefits and specifically consents to the payment or provision of these public benefits. Permittee agrees that these public benefits are not a tax and do not constitute a taking of Permittee's property for the public's benefit and Permittee waives any and all claims, actions, causes of action, liabilities, damages, demands, attorneys' fees, expenses and costs (including without limitation court costs) of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, which may arise by reason of payment or provision of the community benefits stated herein.

### **A. Community Benefit Contribution.**

---

Permittee shall pay to the County a Community Benefit Contribution in the amount of \$3,438 in 2021, \$28,050 in 2022, \$60,638 in 2023, \$77,600 in 2024, and \$87,300 in 2025. Permittee shall deliver the Community Benefit Contribution in quarterly installments in the same manner as Benefit Rate Payments described in section B.

The Community Benefit Contribution may be used for the general governmental purposes of the County and not for the purposes of regulation or of raising revenues for regulatory purposes. All of the Community Benefit Contribution proceeds received from Permittee shall be placed in the County's general fund and used for the usual current expenses of the County and is a separate and distinct payment from the Community Benefit Rate Payment below. The County intends, but is not obligated, to distribute these funds to local community charities for their use and for public improvement projects.

### **B. Community Benefit Rate Payments:**

1. Permittee shall provide funding as described below for the general governmental purposes of the County, including the enforcement of illegal commercial cannabis activities, and not for the purposes of regulation or of raising revenues for regulatory purposes. All of the proceeds received from Permittee shall be placed in the County's general fund and used for the usual current expenses of the County.
2. Definitions.

- 2.1. "Canopy" means all of the following:
  - 2.1.1. The designated area(s) at a licensed premises that will contain cannabis plants at any point in time;
  - 2.1.2. Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain cannabis plants at any point in time, including all of the space(s) within the boundaries;
  - 2.1.3. Canopy may be noncontiguous but each unique area included in the total canopy calculation shall be separated by an identifiable boundary such as an interior wall or by at least ten feet of open space; and
  - 2.1.4. If cannabis plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.
- 2.2. "Processing" means all activities associated with drying, curing, grading, trimming, rolling, storing, packaging, and labeling of nonmanufactured cannabis products, including flower, shake, kief, leaf, and pre-rolls.
- 2.3. "Designated area(s)" means the entirety of the enclosed area measured in square feet without regard to any portion of the enclosed area that does not or will not contain cannabis plants.
- 2.4. "Gross Receipts," except as otherwise specifically provided, means the total amount actually received or receivable from all sales or transfers; the total amount or compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise; discounts, rents, royalties, fees, commissions, dividends, and gains realized from trading in stocks or bonds, however designated. Included in "gross receipts" shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever, except that the following shall be excluded therefrom:
  - 2.4.1. Cash discounts allowed and taken on sales;
  - 2.4.2. Credit allowed on property accepted as part of the purchase price and which property may later be sold, at which time the sales price shall be included as gross receipts;
  - 2.4.3. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;

2.4.4. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

2.4.5. Receipts from investments where the holder of the investment receives only interest and/or dividends, royalties, annuities and gains from the sale or exchange of stock or securities solely for a person's own account, not derived in the ordinary course of a business;

2.4.6. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the Permittee in the regular course of the Permittee's business;

2.4.7. Cash value of sales, trades or transactions between departments or units of the same business;

2.4.8. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered;

2.4.9. Transactions between a partnership and its partners;

2.4.10. Receipts from services or sales in transactions between affiliated corporations. An affiliated corporation is a corporation:

A. The voting and nonvoting stock of which is owned at least 80 percent by such other corporation with which such transaction is had; or

B. Which owns at least 80 percent of the voting and nonvoting stock of such other corporation; or

C. At least 80 percent of the voting and nonvoting stock of which is owned by a common parent corporation which also has such ownership of the corporation with which such transaction is had.

2.4.11. Transactions between a limited liability company and its member(s), provided the limited liability company has elected to file as a Subchapter K entity under the Internal Revenue Code and that such transaction(s) shall

be treated the same as between a partnership and its partner(s) as specified in subsection (E)(9) of this section;

2.4.12. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of \$1.00;

2.4.13. Amounts collected for others where the business is acting as an agent or trustee and to the extent that such amounts are paid to those for whom collected. These agents or trustees must provide the names and the addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustees.

2.5. "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to cannabis is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom such cannabis or cannabis product was purchased.

3. Amount of Community Benefit Rate Payment.

3.1. Cultivation. Permittee's Annual Community Benefit Rate Payment shall be based on the greater of the active state, or local, permitted canopy, or actual total canopy.

3.1.1. Community Benefit Rate Payment for Cultivation: For mixed light cultivation activities Permittee shall pay the greater of the applicable annual rate per square foot of canopy set forth in Table 1 below or the amount stated in paragraph 3.1.2 below.

Table 1

<u>Annual Rate*</u>	<u>Area of Canopy</u>
\$25,000	Up to 5,000 sq.ft.
\$55,000	5,001 to 10,000 sq.ft.
\$132,000	10,001 to 22,000 sq.ft.

\*Rate subject to CPI adjustment per paragraph 3.3 below.

3.1.2. Permittee shall pay to the County:

A. In 2021, \$13,750 to be paid January 30, 2022.

B. In 2022, \$93,500 to be paid in quarterly installments of \$13,750 on April 30 and July 30, and quarterly installments of \$33,000 to be paid October 30, and January 30.

C. In 2023, \$173,250 to be paid in quarterly installments of \$33,000 on April 30 and quarterly installments of \$46,750 to be paid on July 30, October 30, and January 30.

D. Subsequent years, \$187,000 each year to be paid in quarterly installments of \$46,750 and to be paid on April 30, July 30, October 30, and January 30.

3.2. Nursery. Permittee's Annual Community Benefit Rate Payment shall be based on the greater of the active state or local permitted canopy.

3.2.1. Community Benefit Rate Payment for Nursery: For cannabis nursery activities Permittee shall pay the greater of the applicable rate per square foot of canopy set forth in Table 1 below or the amount stated in paragraph 3.1.2 below.

Table 1

<u>Annual Rate*</u>	<u>Area of Canopy</u>
\$1.00 per sq.ft.	Up to 22,000 sq.ft.

\*Rate subject to CPI adjustment per paragraph 3.3 below.

3.2.2. Permittee shall pay to the County:

A. In 2024, \$7,000 to be paid in quarterly installments of \$1,750 and to be paid on April 30, July 30, October 30 and January 30.

B. Subsequent years, \$7,000 to be paid in quarterly installments of \$1,750 and to be paid on April 30, July 30, October 30 and January 30.

3.3. Annual CPI Adjustment. Beginning on July 1, 2020 and on July 1 of each succeeding fiscal year thereafter, the amount of each benefit rate payment imposed by this subsection shall be increased by the most recent change in the annual average of the Consumer Price Index ("CPI") for all urban consumers in the San Francisco-Oakland-San Jose areas as published by the United States Government Bureau of Labor Statistics. However, no CPI adjustment resulting in a decrease of any payment shall be made.

4. Payment Location. Permittee shall make the Community Benefit Rate Payment at the Offices of the County Treasurer-Tax Collector. The Community Benefit Rate Payment may be paid in legal tender or in money receivable in payment of taxes by the United States. The County Treasurer-Tax Collector shall have the right to refuse the payment in coins. The County Treasurer-Tax Collector may, in his or her discretion, accept electronic funds transfers in payment of the Community Benefit Rate Payment in the same way it would accept the payment of taxes in accordance with section 2503.2 of the Revenue and Taxation Code.
  
5. Payment Due.
  - 5.1. The Community Benefit Rate Payment shall be due and payable as follows:
    - 5.1.1. Permittee shall on or before the last day of the period designated by and at the discretion of the County Treasurer-Tax Collector, prepare and deliver a Community Benefit Rate Payment statement to the County Treasurer-Tax Collector of the total gross receipts and the amount of Community Benefit Rate Payment owed for the preceding designated period. At the time the Community Benefit Rate Payment statement is filed, the full amount of the Community Benefit Rate Payment owed for the preceding designated period shall be remitted to the County Treasurer-Tax Collector.
    - 5.1.2. All Community Benefit Rate Payment statements shall be completed on forms provided by the County Treasurer-Tax Collector.
    - 5.1.3. Community Benefit Rate Payment statements and payments for all outstanding Community Benefit Rate Payment owed the County are immediately due to the County Treasurer-Tax Collector upon cessation of business for any reason.
  
6. Payments and Communications Made by Mail—Proof of Timely Submittal. Community Benefit Rate Payments made shall be deemed timely if submitted in accordance with Revenue and Taxation Code sections 2512 and 2513.
  
7. Payment—When Deemed Late.
  - 7.1. The Community Benefit Rate Payments required to be paid pursuant to this Agreement shall be deemed late if not paid on or before the due date specified in this Attachment E.
  - 7.2. The County is not required to send a late or other notice or bill to the Permittee.

8. Payment—Returned Checks. Whenever a check is submitted in payment of and the check is subsequently returned unpaid by the bank upon which the check is drawn, and the check is not redeemed prior to the due date, the Permittee, in addition to the amount due, pay a return check fee as established by the Board of Supervisors.
9. Payment —Interest on Late Payments. If Permittee fails to remit the Community Benefit Rate Payment at the time due shall pay interest at the rate of one-half of one percent per month or fraction thereof on the amount of the Community Benefit Rate Payment, from the date on which the remittance first became delinquent until paid. All such interest as accrues shall become a part of the Community Benefit Rate Payment required to be paid. Only payments for the full amount due shall be accepted. Partial payments shall not be accepted.
10. Refunds.
  - 10.1. Whenever the amount of Community Benefit Rate Payment or interest has been overpaid, paid more than once, or has been erroneously collected or received by the County under this Agreement, it may be refunded to the Permittee; provided, that a written claim for refund is filed with the County Treasurer-Tax Collector within three years of the date the Community Benefit Rate Payment was originally due and payable.
  - 10.2. The County Treasurer-Tax Collector or the County Treasurer-Tax Collector's authorized agent shall have the right to examine and audit all the books and business records of the Permittee in order to determine the eligibility of the Permittee to the claimed refund. No claim for refund shall be allowed if the Permittee refuses to allow such examination of Permittee's books and business records after request by the County Treasurer-Tax Collector to do so.
  - 10.3. In the event that the Community Benefit Rate Payment was erroneously paid and the error is attributable to the County, the entire amount of the Community Benefit Rate Payment erroneously paid shall be refunded to the claimant. If the error is attributable to the Permittee, the County shall retain the amount set forth in the schedule of fees and charges established by resolution of the Board of Supervisors from the amount to be refunded to cover expenses.
11. Audit and Examination of Records and Equipment.
  - 11.1. The County Treasurer-Tax Collector shall have the power to audit and examine all books and records of the Permittee, including both State and Federal income tax returns, California sales tax returns, or other evidence documenting the gross receipts of the Permittee, and, where necessary, all equipment of Permittee,

for the purpose of ascertaining the gross receipts to determine the amount of Community Benefit Rate Payment, if any, required to be paid by this Agreement, and for the purpose of verifying any statements or any item thereof when filed by the Permittee. If such person, after written demand by the County Treasurer-Tax Collector, refuses to make available for audit, examination or verification such books, records or equipment as the County Treasurer-Tax Collector requests, the County Treasurer-Tax Collector may, after full consideration of all information within his or her knowledge concerning the cannabis business and activities of the person so refusing, make an assessment in the manner provided in this Chapter of any Benefit Rate Payment estimated to be due.

11.2. Permittee shall keep and preserve, for a period of at least three years, all records as may be necessary to determine the amount of the Community Benefit Rate Payment, which records the County Treasurer-Tax Collector shall have the right to inspect at all reasonable times.

12. Deficiency Determination. If the County Treasurer-Tax Collector is not satisfied that any statement filed as required under the provisions of this Agreement is correct, or that the amount of Community Benefit Rate Payment is correctly computed, the Treasurer-Tax Collector may compute and determine the amount to be paid and make a deficiency determination upon the basis of the facts contained in the statement or upon the basis of any information in their possession or that may come into their possession within three years of the date the Community Benefit Rate Payment was originally due and payable. One or more deficiency determinations of the amount of Community Benefit Rate Payment due for a period or periods may be made. If Permittee discontinues the permitted commercial cannabis activity, a deficiency determination may be made at any time within three years thereafter as to any liability arising from engaging in such business whether or not a deficiency determination is issued prior to the date the Community Benefit Rate Payment would otherwise be due. Whenever a deficiency determination is made, a notice shall be given to the Permittee concerned in the same manner as notices under this Agreement.
13. Subsequently Enacted Tax. In the event Stanislaus County enacts a tax applicable to the Project following the execution of this agreement, Permittee's obligation to pay Community Benefit Rates under this Section shall be reduced by the amount to which Permittee would be obligated to pay under the subsequently enacted tax.

[End of Attachment D.]

**ATTACHMENT E  
GRANT DEED**

Recording Requested By  
MARK R. JENSEN

Return to  
JENSEN & JENSEN  
1514 H Street  
Modesto, CA 95354



Stanislaus, County Recorder  
Lee Lundrigan Co Recorder Office  
**DOC- 2012-0117768-00**

Acct 402-Counter Customers  
Friday, DEC 28, 2012 10:30:47  
Ttl Pd \$17.00 Rcpt # 0003315233  
OMK/R2/1-2

**GRANT DEED**

The undersigned declares that the documentary transfer tax is \$0.00 and is \_\_\_\_ computed on the full value of the interest or property conveyed, or is \_\_\_\_ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.

**THERE IS NO CONSIDERATION FOR THIS TRANSFER.**

Exempt from documentary transfer tax under Revenue & Taxation Code §11925

Grantors and Grantees are comprised of the same parties and their proportional interest remains the same immediately following transfer

The land is located in  X  unincorporated area; or \_\_\_\_ City

JENSEN & JENSEN

signature of Declarant or agent determining tax - firm name

**FOR A VALUABLE CONSIDERATION**, receipt of which is hereby acknowledged,

SARBJIT S. ATHWAL and SATWANT K. ATHWAL, Husband and Wife, as Joint Tenants, as to an undivided ninety-nine percent (99%) interest, and ATHWAL MANAGEMENT, LLC, a California limited liability company, as to an undivided one percent (1%) interest,

hereby GRANT to

ATHWAL INVESTMENTS, L.P., a California limited partnership,

the following described real property in the County of Stanislaus, State of California:

Parcels 1, 2 and 3 as shown on Parcel Map filed February 21, 1997, in Book 48, Page 12 of Parcel Maps in the office of the County Recorder of Stanislaus County.

APN: 016-037-037	Address: 3731 Howard Road Patterson, CA
APN: 016-037-038	Address: 3739 Howard Road, Westley, CA
APN: 016-037-039	Address: 3735 Howard Road, Patterson, CA

DATED:  December 27 , 2012

ATHWAL MANAGEMENT, LLC, a California limited liability company

SARBJIT S. ATHWAL

By   
SARBJIT S. ATHWAL, Manager

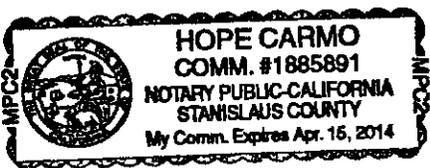
SATWANT K. ATHWAL

STATE OF CALIFORNIA     )  
COUNTY OF STANISLAUS    )

On December 27, 2012, before me, HOPE CARMO, Notary Public, personally appeared SARBJIT S. ATHWAL and SATWANT K. ATHWAL, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Hope Carmo  
Notary Public

**ATTACHMENT F  
DEVELOPMENT SCHEDULE**

This is a proposed development schedule, date of completion referred to below is the date of the issuance of the Certificate of Occupancy. Permittee shall develop the Project in a regular, progressive and timely manner.

**Phase 1: Mixed Light Cultivation up to 10,000 square feet license  
Agreed date of completion 10/31/2021**

Phase 1 will develop 13,940 square feet of greenhouse space including 10,000 square feet of flowering canopy, the maximum threshold for a Specialty Mixed-Light Tier 2 Cultivation License issued by the Department of Food and Agriculture (CDFA).

**Phase 2: Mixed Light Cultivation up to 22,000 square feet license  
Agreed date of completion 7/31/2022**

Phase 2 build-out of facilities would add an additional 13,940 square feet of greenhouse space, with 10,000 square feet of canopy, to accommodate 20,000 square feet of flowering canopy along with vegetation space for a total of 40,530 square feet of building space.

**Phase 3: Mixed Light Cultivation up to 32,000 square feet license  
Agreed date of completion 4/30/2023**

Phase 3 build-out will expand facilities to include an additional 13,940 square feet of greenhouse space, with 10,000 square feet of canopy, to accommodate a total of 32,000 square feet of flowering canopy along with vegetation space for a total of 56,470 square feet of building space.

**Phase 4: Mixed Light Nursery of up to 7,000 square feet license  
Agreed date of completion 1/01/2024**

Phase 4 build-out will expand facilities to include an additional 7,000 square foot greenhouse for nursery cultivation.

**Planning**

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**From:** Daniel Bays <daniel@baysranch.com>  
**Sent:** Thursday, September 17, 2020 5:10 PM  
**To:** Planning  
**Subject:** PLN2019-0095 \_ Central Valley Growers LLC Howard Road III  
**Attachments:** CVG - Howard Rd. III letter.docx

Attached is our letter concerning the proposed cannabis grow facility on Howard Rd.

Thank you,

Daniel Bays

SEP 17 2020

Bays Property Partnership and Bays Ranch Inc.  
P.O. Box 85  
Westley, CA 95387

SEP 17 2020

Date: September 17, 2020

To: Stanislaus County Department of Planning and Community Development

From: Ivan E. Bays, Eleanor Bays, Jeanne Kolding, Cathie Gabrio, Kenneth Bays, Michele Bays, Daniel Bays, and Rebecca Bays

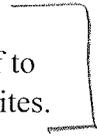
Re: Use Permit & Development Agreement Application no. PLN2019-0095 – Central Valley Growers, LLC – Howard Road III

To Whom it may concern:

As owners and farmers of the almond orchard on APN 016-019-037-000 we will be neighboring the proposed commercial cannabis operation and would like to make known our opposition to the proposed use permit and some of the concerns we have about potential negative impacts to our property, located just south of the proposed facility.

This is the third cannabis cultivation and processing facility Central Valley Growers LLC has applied for a permit to construct and operate in close proximity to several fields we own and/or farm. The first facility was approved by Stanislaus County in 2019, construction is in the beginning stages begun so we have no experience, positive or negative, from that first facility to know what to expect. Our concerns are based largely on the impacts existing cannabis growing facilities in our community have had and our experience of farming next to Mr. Athwal for over 15 years.

We are concerned that Central Valley Growers and Mr. Athwal may have 3 different grow facilities, in very close proximity, approved by the county before he is able to prove himself to be a responsible cannabis grower and good neighbor, below is a map of the three different sites.





### **Increased Traffic & Dust**

When the application for the first facility on Howard Rd that Central Valley Growers came before the Planning Commission we voiced our concern about dust and increased traffic on the existing dirt roads. In the past Mr. Athwal has done very little to maintain the dirt roads that we share and control the dust, we were assured by Mr. Athwal and his representative Mr. Cox that they would water roads in the future and make sure improvements were made so that these dirt roads would be able to handle the increased traffic. Mr. Athwal had a water tank water his roads for dust control for a few days during apricot harvest in June of 2019, since then little to no effort has been made to control dust, when this was brought to his attention in June of 2020 he simply asked that we send him a bill and take care of it ourselves. We realize that construction of the cannabis facilities had not started at that point and the increased traffic was due to harvest crews in the apricots, but we are concerned this is how things will be going forward, promises made with little to no enforcement.]

### **Employee Safety**

We are also concerned for the safety of ourselves and our employees, existing legal cannabis growing business on Welty Road, in Vernalis, and Fig Ave, in Patterson, have been subject to armed robberies in the past 12 months, both facilities are similar to what Central Valley Growers is planning to operate. We, along with our employees, are concerned these facilities will attract a criminal element that we may encounter in our own fields, particularly at night while irrigating or spraying. A single security guard on duty does not provide much peace of mind, especially when backup from the Sheriff's department may be delayed because of the large area our Sheriff's deputies cover. Our close proximity to interstate 5 makes the location convenient for transporting Central Valley Grower's product to the Bay Area, but it also makes it a convenient location for criminals to easily enter and leave the area.

### **Impact to Crops**

[ We realize the cannabis will be grown in green houses under a controlled environment, but we would like to express again our concern for the potential of any chemical or fertilizer drift or aquifer contamination that may impact our ability to farm our existing crops. ] The apricots we grow are used for baby food and undergo strict testing to ensure there is no residue that would impact their use.

### **Future use of Cannabis facilities**

We are also concerned about the blight and nuisance these facilities will cause if legal cannabis growing and processing ceases to exist, whether because a permit is pulled due to noncompliance or due to market conditions and the business no longer being profitable. Approving multiple facilities before the first facility has been built and Central Valley Growers has had the opportunity to demonstrate they will in fact be good neighbors and operators concerns us. Sarb Athwal has made efforts in the past year to clean up his existing fields and rental properties around us and “be a better neighbor” but that has not always been the case in the past. Minimal maintenance and cleaning was done on Mr. Athwal’s orchards in the past, mobile homes that were used as rentals on two parcels (APNs 016-019-032 & 016-037-039) housed illegal cannabis grows prior to March of 2019 as well as piles of trash that built up over several years. We hope Mr. Athwal’s farming and stewardship practices have turned a page in the past year but would prefer he prove himself with a single cannabis growing and processing facility before constructing multiple facilities in the area.

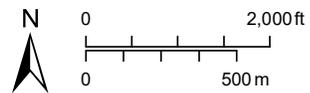
This is our home and community, we have farmed and lived in the area for over 3 generations, we would like to keep this community a safe place to work, raise families, and grow crops, we respect private property rights and zoning standards set forth by Stanislaus County and California, but we are concerned about the negative impacts having multiple cannabis growing and processing facilities in close proximity to our farms will have.

# CENTRAL VALLEY GROWERS LLC HOWARD ROAD III UP & DA PLN2019-0095

## APN MAP

### LEGEND

-  Project Site
-  UP & DA PLN2018-0114  
Central Valley Growers, LLC  
Howard Road - Approved
-  UP & DA PLN2019-0094  
Central Valley Growers, LLC  
Howard Road II - In Progress
-  Letter of opposition received
-  Letter of Opposition Received after Planning Commission Staff Report Published
-  Road
-  Parcels
-  Canal



Source: Planning Department GIS

Date: 10/6/2020

