BOARD OF SUPERVISORS Yolo County, California

Meeting Date: September 14, 2021

To: <u>Comm. Svcs. ✓</u>

23.

Hold a public hearing to consider adoption of the Cannabis Land Use Ordinance (CLUO) and take final action on related matters, including a General Plan amendment, ordinances amending County subdivision and zoning regulations, and certification of an Environmental Impact Report. (No general fund impact) (Echiburu/Lindbo)

Omar Carrillo, Lauren Ayers, Rayna Person, Eileen Samitz, Matt Adams, Susan Pelican, Roamie Horn, Alan Pryor, Gian Paolo, Trini Campbell, Michael Hicks, Edward Walker, Kind Farms and Pam Welch (Capay Valley resident) addressed the Board of Supervisors on this item.

Minute Order No. 21-134: Held a public hearing and approved the following recommended actions:

- Adopted Resolution No. 21-111 certifying the Cannabis Land Use Ordinance (CLUO) Final Environmental Impact Report (EIR) as complete and adequate under the California Environmental Quality Act (CEQA), which will allow for potential future CEQA streamlining by cannabis use permit applicants. (Attachments B and C including errata identified by staff)
- 2. Adopted Resolution No. 21-112:
  - a. Amending the General Plan to revise the text of Policy LU-1.1 and Table LU-4, modify Policies LU-2.3 and AG-1.3, and add new Policies LU-1.4 and AG-3.21; and
  - b. Adopting the CLUO EIR Mitigation Monitoring and Reporting Program (MMRP). (Attachments D and E including errata identified by staff)

- Adopted Ordinance No. 1541 approving the final CLUO by amending the County Code to add Article 14 (Cannabis Land Use Ordinance) to Chapter 2, Zoning Regulations, of Title 8. (Attachments F and G including errata identified by staff and any additional changes to CLUO Section 8-2.1404 directed by the Board)
- Adopted Ordinance No. 1542 amending the Subdivision Regulations in Section 8-1.802 (Streets) of the County Code to comport to CLUO Section 8-2.1408(K) (Driveway Access) to include standards related to access for new private driveways and encroachments. (Attachment H)
- 5. Adopted **Ordinance No. 1543** making two additional amendments to the County Zoning Regulations to comport to the CLUO by:
  - a. Eliminating Section 8-2.116 which prohibits medical marijuana dispensaries; and
  - Amending Section 8-2.217 (Use Permits) to clarify and expand the process for revocation or modification of a use permit. (Attachments I and J)
- 6. Directed staff to file a CEQA Notice of Determination.
- 7. Directed staff to prepare for future consideration certain amendments to:
  - a. The County Marijuana Cultivation Ordinance, Chapter 20 of Title 5 to comport to the final CLUO; and
  - b. The County Zoning Regulations, to add allowed cannabis use types to each zone district table of permit and development requirements.
- 8. Directed staff to immediately begin implementation of the CLUO.

Additionally, the Board approved the following modifications:

 Change to the definition of Existing Licensee (Section 8-2.1403(N)) to include license applications received as of June 29, 2021. This would give this applicant all the same rights as an Existing Licenses (allowed to cultivate in 2022 with a valid license, ability to utilize buffer regulations applicable to Existing Licenses (allowed to cultivate in 2022 with a valid license, ability to utilize buffer regulations applicable to Existing Licensees, ability to apply for a CUP in January 2022, and the over-concentration threshold would not apply): N. Existing Licensees – Holders of a validly issued license on June 29, 2021, and license applications received as of June 29, 2021 for which all fees have been paid. 2. Change to 1406(G), found on page 6 of Attachment G, under Item G, under Limitations on Licenses and Permits, 5th line down, from "The Director may also establish a procedure for allocation....." to "The Board will select a procedure for allocation of Use Permits and/or licenses in instances where demand does or is expected to exceed the available number of permits/licenses." the 6th line down from "The Director may utilize various methods....." to "Various methods may be used to allocate limited permits and/or licenses to otherwise compliant applicants."; and lastly, delete the 9th line, "The Director will specify the applicable process administratively."

Motion passed by a 5:0 vote.

MOVED BY: Barajas / SECONDED BY: Saylor AYES: Barajas, Villegas, Saylor, Sandy, Provenza NOES: None. ABSTAIN: None. ABSENT: None.

Attachment D

**RESOLUTION NO. 21-112** 

## RESOLUTION OF THE YOLO COUNTY BOARD OF SUPERVISORS AMENDING THE YOLO COUNTY GENERAL PLAN (GPA 2021-02) FOR THE SECOND TIME IN CALENDAR YEAR 2021 AND ADOPTING THE CANNABIS LAND USE ORDINANCE EIR MITIGATION MONITORING AND REPORTING PROGRAM

WHEREAS, in September 2015 the California Medical Marijuana Regulation and Safety Act was enacted creating a comprehensive statewide licensing system for the commercial cultivation, manufacture, retail sale, transport, distribution, delivery, and testing of medical cannabis;

WHEREAS, in March 2016, in response to the Medical Marijuana Regulation and Safety Act and to effect greater local control, the Yolo County Board of Supervisors adopted the County Marijuana Cultivation Ordinance (Chapter 20 to Title 5 of the Yolo County Code) regulating medical cannabis cultivation in Yolo County;

WHEREAS, in October 2016 the County established a moratorium on the issuance of cannabis licenses which limited the number of eligible cannabis cultivation licenses to 78;

WHEREAS, in November 2016 California voters approved Proposition 64, the California Marijuana Legalization Initiative, or the Adult Use of Marijuana Act which decriminalized the personal use and cultivation of marijuana in California. The ability to sell recreational cannabis, and statewide taxation of those transactions, went into effect January 1, 2018. The act established a comprehensive system to decriminalize, control, and regulate the cultivation, processing, manufacture, distribution, testing, and sale of nonmedical marijuana products, for use by adults 21 years and older, and to tax the commercial growth and retail sale of marijuana for recreational use;

WHEREAS, in October 2017 the Board of Supervisors approved Guiding Principles for Proposed Cannabis Land Use Ordinance as the basis for the development of a CLUO. (Note: With respect to Principle 3.d the Board later concurred that the draft CLUO should allow for additional possible cannabis uses in addition to cultivation). Ten public outreach meetings were held with residents, property owners, and cultivators to obtain comments on what should be included in the ordinance;

WHEREAS, in November 2017 a provision was added to the County Marijuana Cultivation Ordinance allowing the licensing of a limited number of nursery and processing facilities as part of a pilot program. The County received four applications under the pilot program. None of these applications have yet been approved, although one has completed the environmental review process. Two have since been withdrawn and one is on hold pending completion of the CLUO process;

WHEREAS, in March 2018 the Board approved an early implementation development agreement policy for existing licensed cannabis cultivators in Yolo County proposing projects that include indoor or mixed-light (greenhouse) cultivation;

WHEREAS, in April 2018 the Board approved, for public outreach purposes, a Draft CLUO based on the Guiding Principles approved in October 2017. Eleven public outreach meetings were held in numerous locations throughout Yolo County with residents, property owners, and cultivators to obtain public input on the CLUO. Two Planning Commission meetings were also held;

WHEREAS, in June 2018 the voters of Yolo County, including those in the incorporated cities, approved Measure K, authorizing the County to impose a general tax on the gross receipts of commercial cannabis activity in unincorporated Yolo County. The measure was approved by 79 percent of the voters;

WHEREAS, in July 2018 the Marijuana Cultivation Ordinance was amended to allow for recreational cannabis activities in addition to medicinal cultivation and associated activities. The amendment also allowed for the issuance of distributor licenses (limited to distribution of a licensee's own product) in conjunction with the nursery and processing facilities pilot program when requested under a development agreement;

WHEREAS, in March 2019 the Board of Supervisors amended the County Marijuana Cultivation Ordinance to allow distribution licenses for existing County licensed cultivators to distribute their own product, broaden penalties for violations of the ordinance, and to provide and allow for the adoption of early implementation development agreements;

WHEREAS, on October 25, 2019 the CLUO Draft EIR was released for an extended 60-day review period that ended December 3, 2019. Appendix C of the Draft EIR contained the Revised Public Draft CLUO which took into account comments received on the April 2018 version, and was the version of the ordinance upon which the Draft EIR analysis was based. The County also released a CLUO Guide to Citizen Participation and held fourteen outreach meetings throughout the County to summarize and answer questions about the proposed Draft CLUO and Draft EIR. Several of the meetings were held with Citizen Advisory Committees which provided their recommendations regarding the CLUO;

WHEREAS, on September 2020 the CLUO Final EIR was released. The Final EIR includes the Draft EIR by reference, copies of all comments received, responses to all comments, and changes and clarifications to the Draft EIR. Appendix D of the Final EIR contained the Staff-Proposed Revised Draft CLUO which reflected the staff proposed revised draft ordinance for review and consideration by the Planning Commission and Board of Supervisors, including all mitigation measures identified in the Draft EIR;

WHEREAS, on September 10, 2020 the Planning Commission conducted a public workshop and on November 12, 2020 conducted a public hearing on the CLUO and Final EIR;

WHEREAS, on December 10, 2020, the Planning Commission held a duly noticed public hearing and following staff presentation, public testimony, review of all documentary evidence, and Commission deliberation, voted unanimously to recommend certification of the Final EIR and approval of the proposed CLUO and related actions to the Board of Supervisors;

WHEREAS, on March 9, April 20, May 4, May 18, June 8, June 29, and July 27, 2021 the Board of Supervisors received information and conducted meetings and hearings on the CLUO and Final EIR; and

WHEREAS, on September 14, 2021 the Board of Supervisor held a duly noticed public hearing and based on the staff presentation, recommendation of the Planning Commission, Citizen Advisory Committee input, public testimony, review of all documentary evidence, and Board deliberation, the

Board certified the CLUO Final EIR and approved the final CLUO related actions necessary in support the decision.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Yolo as follows:

1. The foregoing recitals are true and correct.

2. The Board of Supervisors finds that the actions as set forth in this Resolution are in the public interest and necessary to public health, safety, and welfare.

3. The Board of Supervisors hereby amends the Yolo County General Plan (GPA 2021-02) to revise the text of Policy LU-1.1 and Table LU-4, modify Policies LU-2.3 and AG-1.3, and include new Policies LU-1.4 and AG-3.21 as follows (revisions/additions shown in <u>underline</u>):

### Modify Policy LU-1.1 and Table LU-4:

**Agriculture (AG)** includes the full range of cultivated agriculture, such as row crops, <u>cannabis</u> <u>cultivation, cannabis nurseries, cannabis processing</u>, orchards, vineyards, dryland farming, livestock grazing, forest products, horticulture, floriculture, apiaries, confined animal facilities and equestrian facilities. It also includes agricultural industrial uses (e.g. agricultural research, processing and storage; supply; service; crop dusting; agricultural chemical and equipment sales; <u>cannabis manufacturing</u>, <u>testing</u>, and distribution; <u>cannabis retail – non-storefront; cannabis microbusiness;</u> surface mining; etc.) as well as agricultural commercial uses (e.g. roadside stands, "Yolo Stores," wineries, farm-based tourism (e.g. u-pick, dude ranches, lodging), horseshows, rodeos, crop-based seasonal events, ancillary restaurants and/or stores) serving rural areas. Agriculture also includes farmworker housing, surface mining, and incidental habitat....

**Commercial General (CG)** includes regional and highway-serving retail, offices, service retail and agricultural commercial uses. Research and development is allowed where offices and service support uses are the primary use (accounting for more than 50 percent of the total square footage). There is no limit on the amount of ground floor square footage. Upper floor and accessory attached residential uses are allowed. <u>This designation also includes indoor and mixed-light cannabis cultivation, cannabis processing, cannabis manufacturing – packaging and labeling; cannabis distribution, cannabis retail, and cannabis microbusiness.</u>

**Commercial Local (CL)** includes a range of goods and services to meet the everyday needs of residents within a community, such as retail, offices, service uses and agricultural commercial uses. There is a limit of 40,000 square feet allowed on the ground floor for any one user. Upper floor and ancillary attached residential uses are allowed. This designation also includes cannabis retail-storefront.

**Industrial (IN)** includes the full range of light to heavy industrial/manufacturing, including agricultural industrial uses (e.g. storage facilities, contractor's yards, corporation yards, dismantling, etc.). <u>This designation also includes indoor and mixed light cannabis cultivation, cannabis nurseries, cannabis processing, cannabis manufacturing, cannabis testing, cannabis distribution, cannabis retail, and cannabis microbusiness. Research and development, including biotechnology, is allowed where manufacturing is the primary use (accounting for more than 50 percent of the total square footage).</u>

#### Add new Policy LU-1.4:

Personal cultivation of cannabis, outdoor and indoor, compliant with all applicable state and local

regulations, is an allowed land use in all agricultural, residential, commercial, and industrial general plan land use designations.

#### Modify Policy LU-2.3 as follows:

Prohibit the division of land in an agricultural area if the division is for non-agricultural purposes, <u>if</u> the division is for cannabis crops or activities, and/or if the result of the division will be parcels that are infeasible for farming. Projects related to clustering and/or transfers of development rights are considered to be compatible with agriculture.

#### Modify Policy AG-1.3 as follows:

Prohibit the division of agricultural land for non-agricultural uses <u>and/or for cannabis crops or</u> activities.

#### Add new Policy AG-3.22 as follows:

Based on statewide and local voter support, accept cannabis cultivation, nurseries, processing, manufacturing, retail, and microbusiness operations as a new agricultural opportunity in support of agricultural economic development, preservation of agricultural land, and creation of opportunities for new farmers. Recognize unique challenges, and competing and evolving community values, by allowing for adaptive regulatory considerations over time.

4. Pursuant to Public Resources Code Section 21081.6, and Sections 15091(d) and 15097 of the CEQA Guidelines, the Board of Supervisors hereby adopts the CLUO Final EIR Mitigation Monitoring and Reporting Program (MMRP) provided in Exhibit 1.

The County has taken the approach of integrating all identified mitigation measures into the CLUO as regulations and standards. As such the CLUO is considered "self-mitigating," and the only action required for full implementation of the MMRP is adoption of the CLUO.

Pursuant to Section 15091(d) of the CEQA Guidelines, all feasible mitigation measures that avoid or substantially lessen the significant effects of the project have been made a part of the project and are fully enforceable by the Board of Supervisors.

Passed and Adopted this 14th day of September 2021, by the following vote:

AYES: Barajas, Villegas, Saylor, Sandy, Provenza. NOES: None. ABSENT: None. ABSTAIN: None.

Jim Provenza, Chair Yolo County Board of Supervisors

manning ATTEST Hile Dachtler, Senior Deputy Clerk Yolo County Board of Supervisors By 1 11 11 181 1 eputy

APPROVED AS TO FORM:

By

Philip J. Pogledich, County Counsel

Attachments: Exhibit 1 - CEQA Mitigation Monitoring and Reporting Program

# General Plan Amendment 2021-02

Note: All proposed text amendments are shown in bold legislative font (underline and strikeout).

# <u>A: Text Amendments to the Land Use and Community Character Element to</u> <u>modify and add new policies related to the adoption of the Cannabis Land Use</u> <u>Ordinance (CLUO)</u>

# Change A-1: Modify Policy LU-1.1 and Table LU-4, as follows:

Agriculture (AG) includes the full range of cultivated agriculture, such as row crops, <u>cannabis</u> <u>cultivation, cannabis nurseries, cannabis processing</u>, orchards, vineyards, dryland farming, livestock grazing, forest products, horticulture, floriculture, apiaries, confined animal facilities and equestrian facilities. It also includes agricultural industrial uses (e.g. agricultural research, processing and storage; supply; service; crop dusting; agricultural chemical and equipment sales; cannabis manufacturing, testing, and distribution; cannabis retail – non-storefront; cannabis microbusiness; surface mining; etc.) as well as agricultural commercial uses (e.g. roadside stands, "Yolo Stores," wineries, farm-based tourism (e.g. u-pick, dude ranches, lodging), horseshows, rodeos, crop-based seasonal events, ancillary restaurants and/or stores) serving rural areas. Agriculture also includes farmworker housing, surface mining, and incidental habitat.

**Commercial General (CG)** includes regional and highway-serving retail, offices, service retail and agricultural commercial uses. Research and development is allowed where offices and service support uses are the primary use (accounting for more than 50 percent of the total square footage). There is no limit on the amount of ground floor square footage. Upper floor and accessory attached residential uses are allowed. <u>This designation also includes indoor and mixed-light cannabis cultivation, cannabis processing, cannabis manufacturing – packaging and labeling; cannabis distribution, cannabis retail, and cannabis microbusiness.</u>

**Commercial Local (CL)** includes a range of goods and services to meet the everyday needs of residents within a community, such as retail, offices, service uses and agricultural commercial uses. There is a limit of 40,000 square feet allowed on the ground floor for any one user. Upper floor and ancillary attached residential uses are allowed. <u>This designation also includes cannabis retail-storefront</u>.

**Industrial (IN)** includes the full range of light to heavy industrial/manufacturing, including agricultural industrial uses (e.g. storage facilities, contractor's yards, corporation yards, dismantling, etc.). <u>This designation also includes indoor and mixed light cannabis cultivation, cannabis nurseries, cannabis processing, cannabis manufacturing, cannabis testing, cannabis distribution, cannabis retail, and cannabis microbusiness. Research and development, including biotechnology, is allowed where manufacturing is the primary use (accounting for more than 50 percent of the total square footage).</u>

## Change A-2: Add new Policy LU-1.4:

Personal cultivation of cannabis, outdoor and indoor, compliant with all applicable state and local regulations, is an allowed land use in all agricultural, residential, commercial, and industrial general plan land use designations.

# <u>B: Text Amendments to the Agriculture and Economic Development Element to</u> modify and add new policies related to the adoption of the Cannabis Land Use Ordinance (CLUO)

## <u>Change B-1:</u> Modify Policy LU-2.3, as follows:

Prohibit the division of land in an agricultural area if the division is for non-agricultural purposes, **if the division is for cannabis crops or activities,** and/or if the result of the division will be parcels that are infeasible for farming. Projects related to clustering and/or transfers of development rights are considered to be compatible with agriculture.

## Change B-2: Modify Policy AG-1.3, as follows:

Prohibit the division of agricultural land for non-agricultural uses <u>and/or for cannabis crops or</u> <u>activities</u>.

## Change B-3: Add new Policy AG-3.22:

Based on statewide and local voter support, accept cannabis cultivation, nurseries, processing, manufacturing, retail, and microbusiness operations as a new agricultural opportunity in support of agricultural economic development, preservation of agricultural land, and creation of opportunities for new farmers. Recognize unique challenges, and competing and evolving community values, by allowing for adaptive regulatory considerations over time.