

October 5, 2023

MEMO TO: Stanislaus County Planning Commission

FROM: Department of Planning and Community Development

SUBJECT: CANCELLATION OF DEVELOPMENT AGREEMENT FOR USE PERMIT AND DEVELOPMENT AGREEMENT NO. PLN2018-0108 – MDF FARMS

PROJECT DESCRIPTION

This is a request to cancel the adopted Development Agreement (DA) for a mixed light commercial cannabis cultivation operation, located at 16218 Sycamore Avenue, between Fig and Orange Avenues, in the Patterson area (see Exhibit 1 – *Project Area Map*). The operator had informed the County of their closure and requested to mutually cancel their adopted DA on June 2, 2023.

Upon notification by the operator, the County’s Department of Environmental Resources – Code Enforcement Division inspected the site on July 5, 2023, to verify the commercial cannabis activities had ceased. Additionally, the County verified that MDF’s licensure from the State of California, issued through the Department of Cannabis Control (DCC), had been surrendered for their business. Although, the Use Permit for MDF had been activated, no commercial cannabis activity can be operated on site without an adopted DA. As such, any future use of the site under the Use Permit will require a new DA, which requires both Planning Commission and Board of Supervisor approval. Additionally, a new operation would be required to obtain a Commercial Cannabis Activities (CCA) Permit from the County’s Treasure Tax Collector, subsequent to adoption of a new DA, as required by County Code, as well as any required State licensing.

DISCUSSION

As required by Section 6.78.060(A)(2) of the Stanislaus County Code, prior to operating in the County, permittees of each commercial cannabis activity are required to enter into a DA with the County, as specified in Title 22 of the Stanislaus County Code, with the County setting forth the terms and conditions under which the commercial cannabis activity will operate. Title 22 specifies that the Planning Commission shall consider adoption, amendment, or cancellation of a DA and provide a recommendation to the Board of Supervisors. As each of the commercial cannabis operations were approved by the Board of Supervisors, an affirmative determination was made that each operation:

- 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.

In accordance with Chapter 22.08.010 of the Stanislaus County Code, and Government Code Section 65868, a DA may be cancelled in whole or in part by mutual consent provided a public hearing is noticed and held by both the Planning Commission and the jurisdiction's Legislative Body (Board of Supervisors) in conformance with Government Code Sections 65090 and 65091. As the cancellation of the DA under consideration has been mutually agreed to, by both the operator and County, the request meets the findings necessary for cancellation.

ENVIRONMENTAL REVIEW

Under California law, the subject project was subject to review under the California Environmental Quality Act (CEQA) and a CEQA determination was adopted at the time of project approval. The CEQA Guidelines provide that, where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. As the mutual DA cancellation will remove authority for development from the parcel, no impacts are anticipated, thus the action of cancellation is not subject to CEQA.

RECOMMENDATION

Staff recommends the Planning Commission recommend approval to the Board of Supervisors to authorize cancellation of the Development Agreement for Use Permit and Development Agreement No. PLN2018-0108 – MDF Farms, subject to following actions:

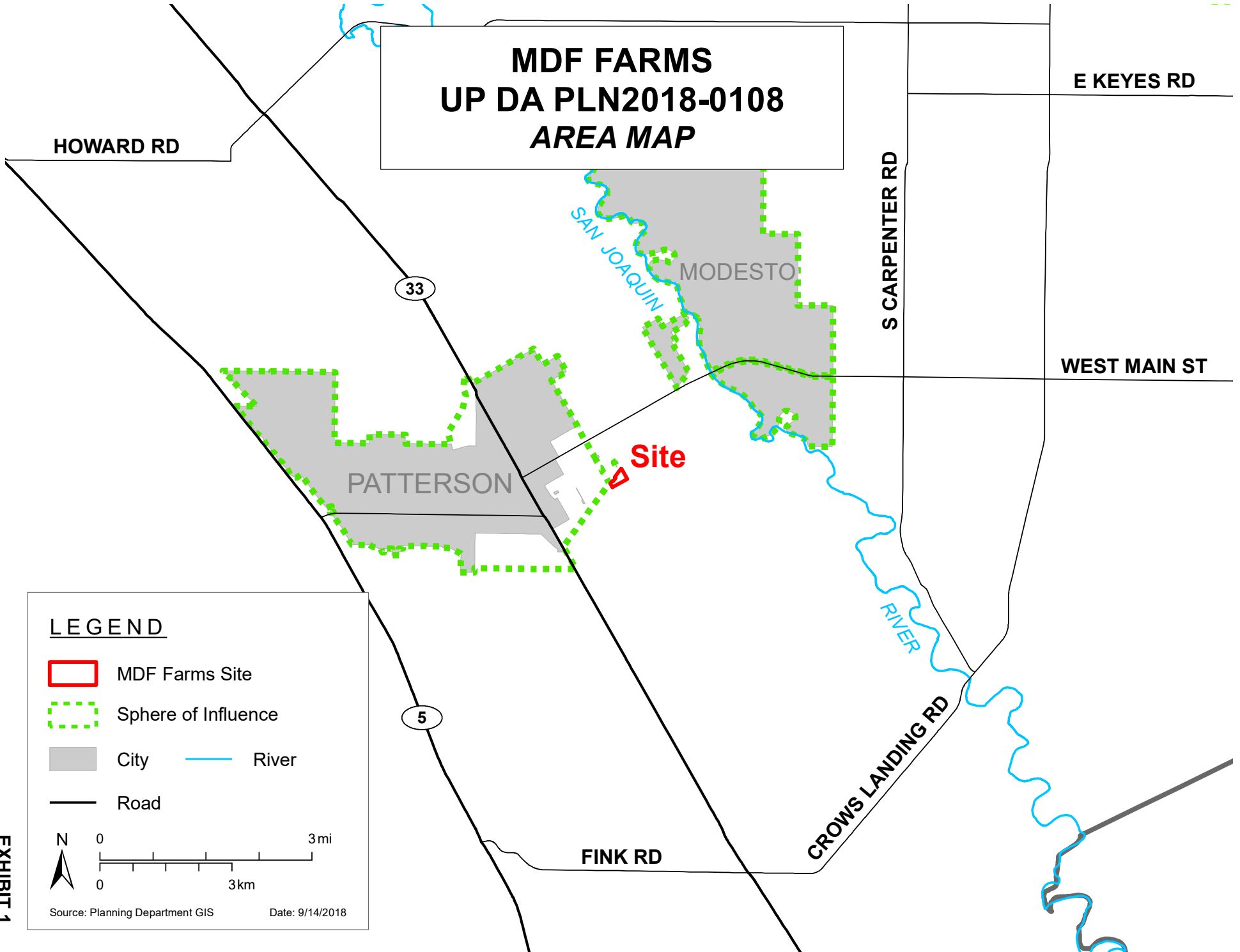
1. Find that the Cancellation of Development Agreement is in conformance with Government Code Section 65868 and County Code Section 22.08.010.
2. Approve the cancellation of the Development Agreement for Use Permit and Development Agreement No. PLN2018-0108 – MDF Farms.
3. Order the filing of a notice of Development Agreement Cancellation with the Stanislaus County Clerk Recorders Office.

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

Attachments:

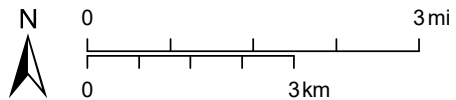
Exhibit 1 - Project Area Map

MDF FARMS UP DA PLN2018-0108 AREA MAP



LEGEND

-  MDF Farms Site
-  Sphere of Influence
-  City
-  River
-  Road



Source: Planning Department GIS Date: 9/14/2018

CANCELLATION OF DA FOR UP & DA NO. PLN2018-0108 – MDF FARMS

Planning Commission
October 5, 2023



Overview

- Mutually cancel the adopted Development Agreement (DA) of a mixed light commercial cannabis cultivation operation
 - No longer in business

MDF FARMS UP DA PLN2018-0108 AREA MAP

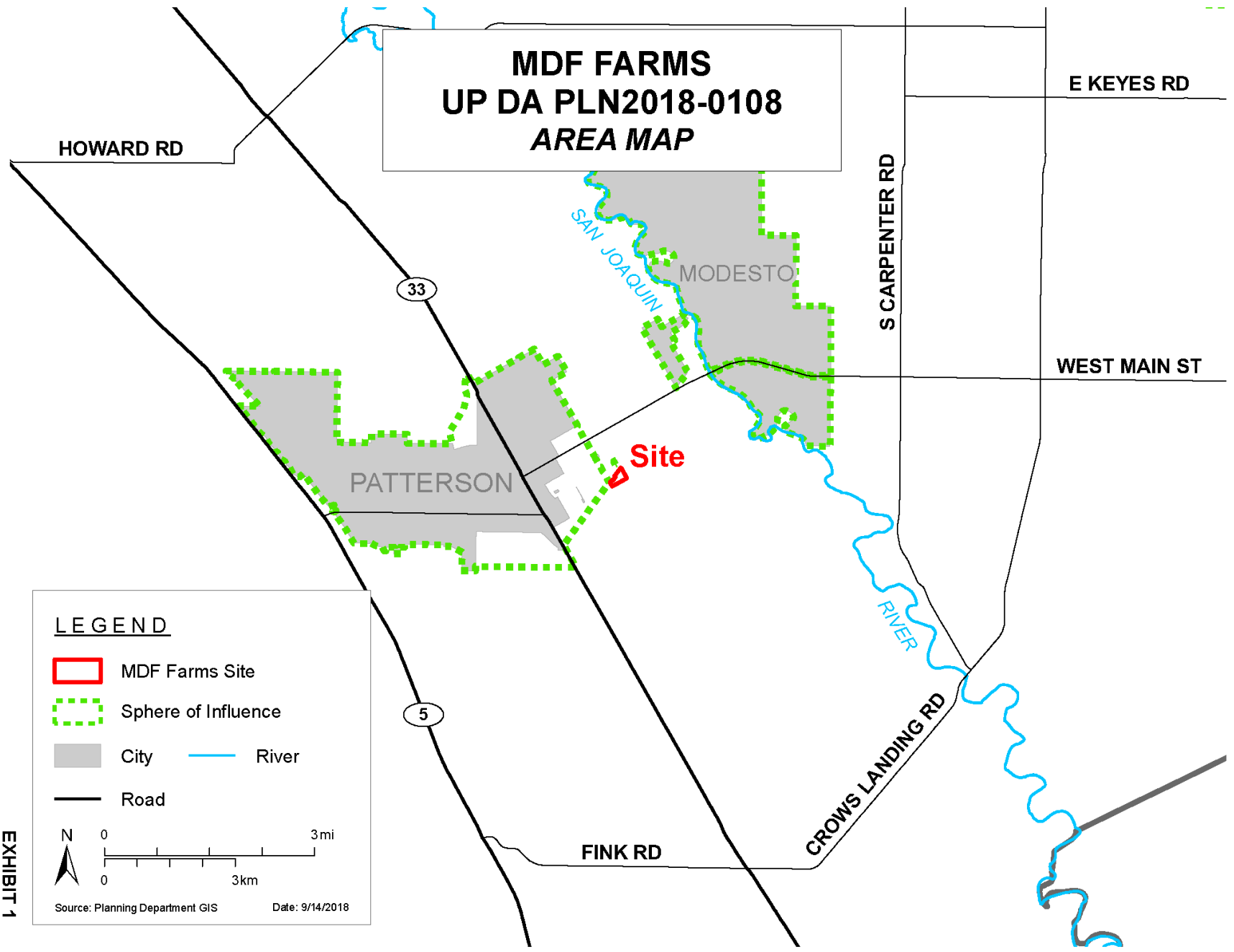


EXHIBIT 1

LEGEND

- MDF Farms Site
- Sphere of Influence
- City
- River
- Road

Source: Planning Department GIS Date: 9/14/2018

Development Agreements

- Required for all commercial cannabis by Chapter 6.78 of County Code
 - Chapter 22 of the County Code regulates agreements
 - Requires Planning Commission recommend action to the Board of Supervisors
- Cancellation of Development Agreements
 - Chapter 22.08.010 of County Code allows for cancellation by mutual cancellation
 - Provided it meets Government Code 65868
 - Public hearing by legislative body

Environmental Review

- Original Use Permit & Development Agreement adopted individual CEQA determinations
 - Cancellation would remove authority for development
 - No impacts anticipated
 - Action of cancellation not subject to CEQA

Recommendation

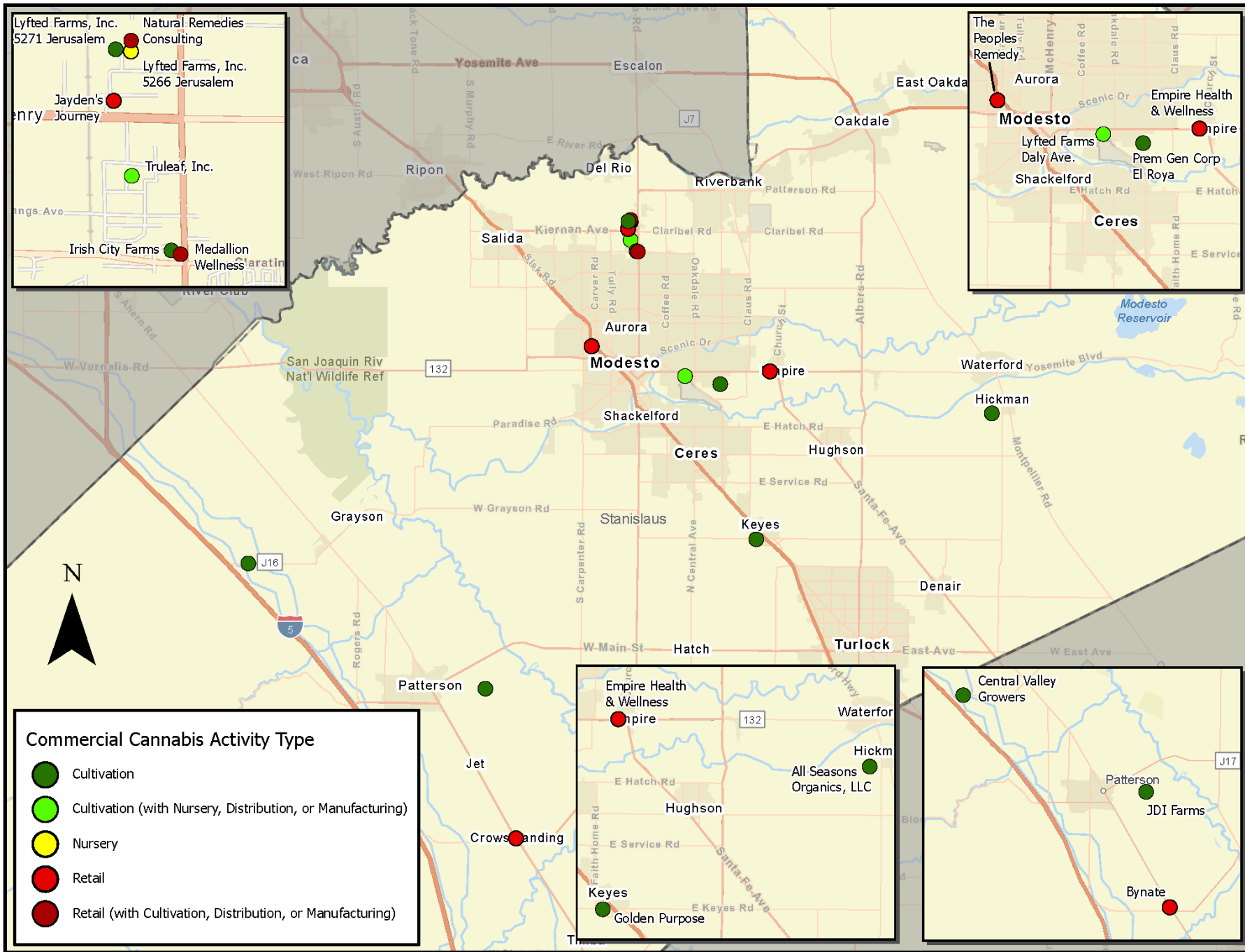
- Staff Recommends that the Planning Commission Recommend Approval to the Board of Supervisors
 - Find the Cancellation of each operation is consistent with Chapter 22.08 of County Code and Government Code
 - File of a notice Development Agreement Cancellation

Questions

Phase I – Current Conditions

| Operation Type | Activity Permits Occupied |
|---------------------------------|---------------------------|
| | |
| Retail | 7 |
| Mixed Light Cultivation | 3 |
| Indoor Cultivation | 7 |
| Nursery | 4 |
| Distribution | 7 |
| Manufacturing | 3 |
| | |
| Total Activity Permits Allowed | 61 |
| Total Activity Permits Occupied | <u>31</u> |
| Activity Permits Remaining | 30 |





Lyfted Farms, Inc. 5271 Jerusalem (green dot)
 Natural Remedies Consulting (red dot)
 Lyfted Farms, Inc. 5266 Jerusalem (green dot)
 Jayden's Journey (red dot)
 Truleaf, Inc. (green dot)
 Irish City Farms (green dot)
 Medallion Wellness (red dot)

The Peoples Remedy (red dot)
 Aurora (red dot)
 Empire Health & Wellness (red dot)
 Lyfted Farms Daly Ave. (green dot)
 Prem Gen Corp El Roya (green dot)
 Shackleford (red dot)

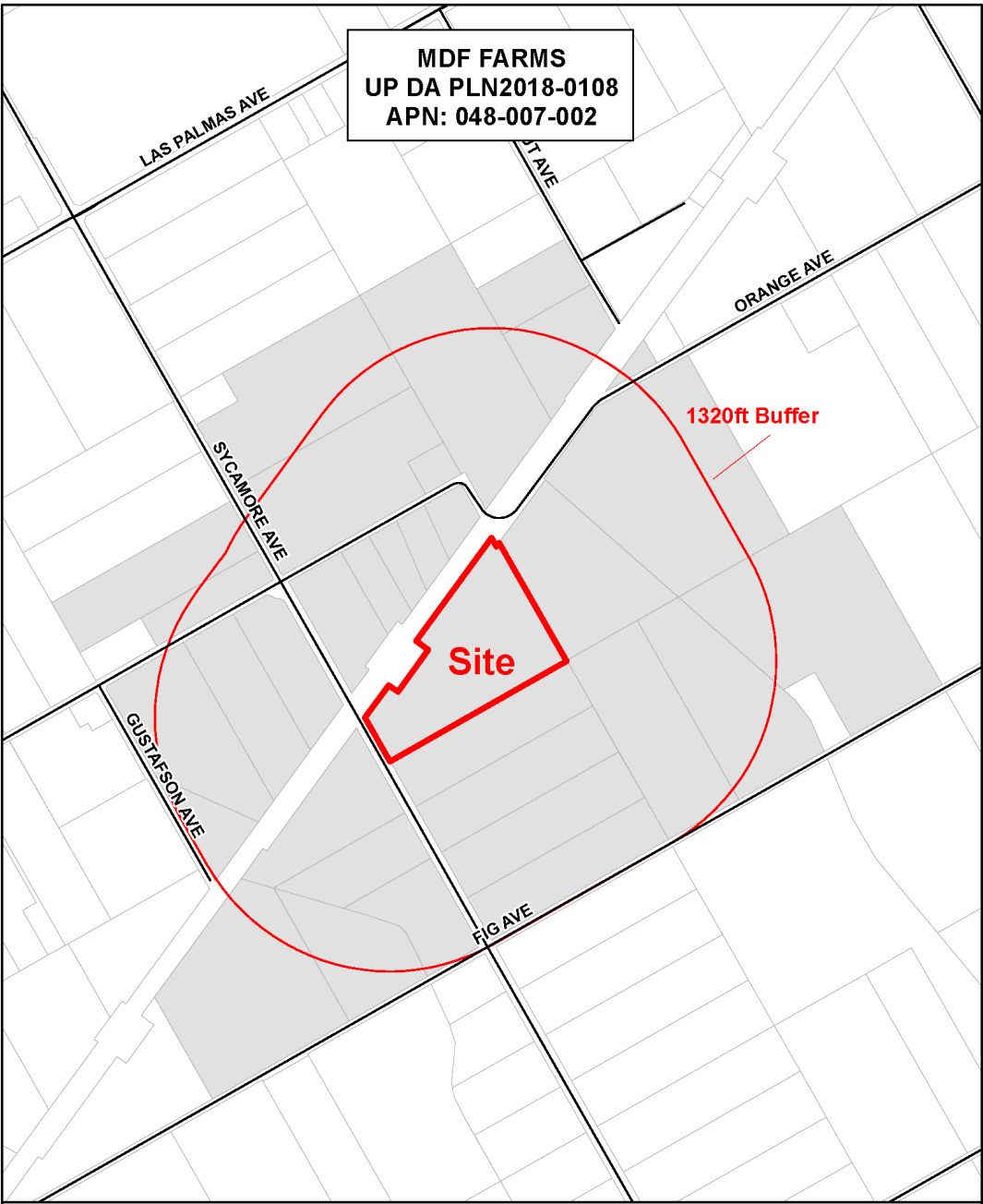
Empire Health & Wellness (red dot)
 Empire (red dot)
 All Seasons Organics, LLC (green dot)
 Golden Purpose (green dot)
 Keyes (green dot)

Central Valley Growers (green dot)
 JDI Farms (green dot)
 Bynate (red dot)

Commercial Cannabis Activity Type

- Cultivation
- Cultivation (with Nursery, Distribution, or Manufacturing)
- Nursery
- Retail
- Retail (with Cultivation, Distribution, or Manufacturing)

MDF FARMS
UP DA PLN2018-0108
APN: 048-007-002



LAND OWNER NOTIFICATION AREA
SEPTEMBER 13, 2023 Total Parcels - 33

