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10 OAKLAND CANNERY COLLECTIVE,

11 ENVIRONMENTAL DEMOCRACY PROJECT and

12 CENTER FOR ENVIRONMENTAL HEALTH

13 SUPERIOR COURT OF THE STATE OF CALIFORNIA

14 FOR THE COUNTY OF ALAMEDA

15 OAKLAND CANNERY COLLECTIVE;
16 ENVIRONMENTAL DEMOCRACY PROJECT;
17 and CENTER FOR ENVIRONMENTAL
18 HEALTH,

19 Plaintiffs,

20 v.

21 GREEN SAGE MANAGEMENT, LLC;
22 OAKLAND CANNERY REAL ESTATE, LLC;
23 OAKLAND TINNERY, LLC; 5601 SLOCA, LLC;
24 5733 SLOCA, LLC; 5601-A LLC; 5601-B LLC;
25 MEADOWS IN BLOOM LLC; UNITED
26 RENTALS (NORTH AMERICA), INC.; YCL
27 INVESTMENT GROUP LLC; DC CAPITAL
28 HOLDINGS LLC; and DOES 1 through 100,
inclusive,

Defendants.

Civil Case No.: 22CV017469

ASSIGNED FOR ALL PURPOSES TO: Judge
Karin Schwartz, Department 20

~~PROPOSED~~ **CONSENT JUDGMENT AS
TO DEFENDANTS RNK PACIFIC
INVESTMENTS, LLC, YCL
INVESTMENT GROUP, LLC, AND DC
CAPITAL HOLDINGS, LLC**

1 **1. INTRODUCTION**

2 **1.1.** This Consent Judgment is entered into by Plaintiffs Oakland Cannery Collective,
3 Environmental Democracy Project, and Center for Environmental Health (Plaintiffs), and Defendants
4 RNK Pacific Investments, LLC, YCL Investment Group, LLC, and DC Capital Holdings, LLC (Settling
5 Defendants) to settle claims asserted by Plaintiffs against Settling Defendants as set forth in the
6 complaint in *Oakland Cannery Collective, et al. v. Green Sage Management, LLC, et al.*, Alameda
7 Superior Court No. 22CV017469 (the “Action”). Plaintiff and Settling Defendants are referred to
8 collectively herein as the “Parties.”

9 **1.2.** In 2022, Plaintiffs served 60-day notices of violation pursuant to Health and Safety Code
10 section 25249.7(d) on Settling Defendants, the California Attorney General, the District Attorney for the
11 County of Alameda, and the City Attorney for the city of Oakland. The Notice asserted that Settling
12 Defendants caused exposures to diesel engine exhaust at or near a warehouse complex located at 5601
13 and 5733 San Leandro Street, Oakland, California (the Facility) where numerous indoor cannabis
14 cultivation facilities operated. The Notice alleged that Settling Defendants did not provide clear and
15 reasonable warnings to individuals at or near the Facility before exposing them to diesel engine exhaust,
16 which is known to the State of California to cause cancer. The Notice alleged that Settling Defendants
17 violated the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code §
18 25249.6 et seq. (Proposition 65).

19 **1.3.** Plaintiffs allege that Settling Defendants are businesses that employ or employed ten (10)
20 or more persons during the relevant time period.

21 **1.4.** More than 60 days after serving the presuit notices, Plaintiffs sued Settling Defendants in
22 this Court, seeking injunctive relief and civil penalties. The complaint alleges that Settling Defendants
23 knowingly and intentionally caused the exposures identified in the presuit notices by operating large
24 diesel generators at the Facility without first issuing the clear and reasonable warnings under Proposition
25 65.

26 **1.5.** Settling Defendants deny the material factual and legal allegations in Plaintiffs’ complaint
27 and maintain that they do not expose individuals to diesel engine exhaust in violation of Proposition 65 or
28 any other law.

1 **1.6.** Following the initiation of this action, in April 2023, the City of Oakland amended its
2 municipal regulations to prohibit cannabis cultivators from using any internal combustion engine
3 generators to provide power to a building, facility, stationary source, or stationary equipment. *See*
4 Admin. Regs. & Performance Standards for City of Oakland Cannabis Operators (April 28, 2023).

5 **1.7.** Plaintiffs and Settling Defendants have engaged in extensive arms' length settlement
6 negotiations including private mediation with Hon. Judge Bonnie Sabraw (Ret.). The Parties enter this
7 Consent Judgment as a full and final settlement of all disputed claims which were or could have been
8 raised in the complaint arising out of the facts or conduct alleged therein. Execution and compliance
9 with this Consent Judgment shall not constitute or be construed as an admission by the Parties of any
10 fact, conclusion of law, or violation of law.

11 **1.8.** Settling Defendants deny the material, factual, and legal allegations in the notice and
12 complaint and expressly deny any wrongdoing whatsoever. Nothing in this Consent Judgment is or will
13 be construed as an admission by Settling Defendants of wrongdoing. Nothing in this Consent
14 Judgement shall be construed as an admission by Settling Defendants of any fact, conclusion of law,
15 issue of law, or violation of law. Nor shall compliance with the Consent Judgment constitute or be
16 construed as an admission by Settling Defendants of any fact, conclusion of law, issue of law, or
17 violation of law.

18 **1.9.** This Consent Judgment is the product of negotiation and compromise and is accepted by
19 the Parties solely for purposes of settling, compromising, and resolving issues disputed in this Action.

20 **2. DEFINITIONS**

21 **2.1.** “Effective Date” means the date on which the Court enters this Consent Judgment.

22 **3. INJUNCTIVE RELIEF**

23 **3.1.** Settling Defendants shall not operate, or cause to be operated, any diesel generators at
24 any cannabis cultivation facility in the State of California..

25 **4. PAYMENTS**

26 **4.1. Payments by Settling Defendant.** By May 15, 2025 or within five (5) business days of
27 the Court's approval and entry of this Proposed Consent Judgment, whichever is later, Settling
28 Defendants shall pay the total sum of \$170,000 as a settlement payment to Lexington Law Group, LLP

(LLG) to be deposited in LLG's IOLTA account, if Settling Defendants have not done so already. The payment shall be made by wire per instructions LLG will provide to Settling Defendants or by other means on which the Parties may agree. Plaintiffs and their counsel are solely responsible for making the payments and allocating the payments as described below.

4.2. Allocation of Payments. Within three (3) days of the Court's approval and entry of this Consent Judgment, the funds paid by Settling Defendant shall be paid and allocated by LLG as follows:

4.2.1. \$25,501 as a civil penalty pursuant to Health & Safety Code § 25249.7(b). The civil penalty payment shall be apportioned in accordance with Health & Safety Code § 25249.12 (25% to Plaintiffs and 75% to the State of California's Office of Environmental Health Hazard Assessment). The OEHHA portion of the civil penalty payment for \$19,125.75 shall be paid to OEHHA and associated with taxpayer identification number 68-0284486. LLG shall pay and deliver the OEHHA payment as follows:

For United States Postal Service Delivery:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
P.O. Box 4010, MS #19B
Sacramento, CA 95812-4010

For Non-United States Postal Service Delivery:

Attn: Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street, MS #19B
Sacramento, CA 95814

LLG shall pay Plaintiffs' portion of the civil penalty payment of \$6,375.25.

4.2.2. \$25,499 as an Additional Settlement Payment ("ASP") to Plaintiffs pursuant to Health & Safety Code § 25249.7(b), and California Code of Regulations, Title 11, § 3204 and California Code of Regulations, Title 11, § 3204. Plaintiffs will use these funds to support Plaintiffs' programs and activities that seek to educate the public about the harms of diesel generators and diesel engine exhaust, to work with allied organizations to reduce the use of diesel generators and exposures to diesel engine exhaust and other air pollutants (for example, providing air filters to East Oakland communities

1 impacted by diesel pollution), and to thereby reduce the public health impacts and risks of exposure to
2 diesel engine exhaust and other air pollutants in East Oakland. Plaintiffs shall obtain and maintain
3 adequate records to document that ASPs are spent on these activities and Plaintiffs agree to provide such
4 documentation to the Attorney General within thirty days of any request from the Attorney General.
5 LLG shall make this payment to Plaintiffs.

6 **4.2.3.** \$119,000 as a reimbursement of a portion of Plaintiffs' reasonable attorney fees
7 and costs.

8 **5. ENFORCEMENT OF CONSENT JUDGMENT**

9 **5.1.** Plaintiffs may, by motion or application for an order to show cause before the Superior
10 Court of Alameda County, enforce the terms and conditions contained in this Consent Judgment. Prior
11 to bringing any motion or application to enforce the requirements of Section 3 above, Plaintiffs shall
12 meet and confer regarding the basis for Plaintiffs' anticipated motion or application in an attempt to
13 resolve it informally, including providing Settling Defendants a reasonable opportunity of at least sixty
14 (60) days to cure any alleged violation. Should such attempts at informal resolution fail, Plaintiffs may
15 file their enforcement motion or application. This Consent Judgment may only be enforced by the
16 Parties.

17 **6. MODIFICATION**

18 **6.1. Written Consent.** This Consent Judgment may be modified from time to time by
19 express written agreement of the Parties with the approval of the Court, or by an order of this Court
20 upon motion and in accordance with law.

21 **6.2. Meet and Confer.** Any Party seeking to modify this Consent Judgment shall provide
22 notice to and attempt in good faith to meet and confer with all affected Parties to this Consent Judgment
23 prior to filing a motion to modify the Consent Judgment.

24 **7. CLAIMS COVERED AND RELEASED**

25 **7.1.** Provided that Settling Defendants comply in full with their obligations under Sections 3
26 and 4, this Consent Judgment is a full, final, and binding resolution between Plaintiffs, on behalf of
27 themselves and the public interest, and Settling Defendants and their parents, subsidiaries, affiliated
28

1 entities that are under common ownership or control, directors, officers, employees, agents,
2 shareholders, members, successors, assigns, and attorneys (“Defendant Releasees”) of any violation of
3 Proposition 65 based on failure to warn about alleged exposure to diesel engine exhaust caused by diesel
4 generators at the Facility prior to the Effective Date.

5 **7.2.** Provided that Settling Defendants comply in full with their obligations under Sections 3
6 and 4, Plaintiffs, for themselves, their agents, successors and assigns, releases, waives, covenants not to
7 sue, and forever discharges any and all claims against Settling Defendants and Defendant Releasees
8 arising from any violation of Proposition 65 or any other statutory or common law claims that have been
9 or could have been asserted by Plaintiffs regarding Settling Defendants’ alleged failure to warn about
10 exposures to diesel engine exhaust caused by the diesel generators at the Facility prior to the Effective
11 Date.

12 **7.3.** Compliance with the terms of this Consent Judgment by Settling Defendants and
13 Defendant Releasees shall constitute compliance with Proposition 65 by Settling Defendants and
14 Defendant Releasees with respect to any alleged violation of Proposition 65 based on failure to warn
15 about alleged exposure to diesel engine exhaust caused by the diesel generators at the Facility.

16 **7.4.** The Settling Plaintiffs understand that there is a risk that subsequent to the approval and
17 entry of the Proposition 65 proposed Consent Judgment, they will discover facts in addition to, or
18 different from, those she now knows or believes to be true, or that the Settling Plaintiffs will incur or
19 suffer damages, injuries, or loss which are in some way related to the matters released but which are
20 unknown or unanticipated at the time that this Agreement is executed. The Settling Plaintiffs understand
21 and assume this risk, and it is agreed and understood that the releases being provided by the Settling
22 Plaintiffs shall apply to all unknown and unanticipated claims, as well as those known and anticipated.
23 The Parties expressly acknowledge that they are familiar with section 1542 of the California Civil Code,
24 which provides:

25 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR
26 RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER
27 FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM
28 OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH
THE DEBTOR OR RELEASED PARTY.

1 The Settling Plaintiffs, having been specifically advised by their counsel of the consequences of
2 the above waiver, expressly waive and relinquish any and all rights and benefits which it may have
3 under section 1542 of the Civil Code, as well as under the provisions of all comparable, equivalent or
4 similar statutes and principles of law or equity of any and all states of the United States or of the United
5 States. The Settling Plaintiffs understand and acknowledge the significance and consequences of this
6 waiver and upon the approval and entry of the proposed Consent Judgment in the Proposition 65 case,
7 assume the risk of any injuries, losses or damages which may arise from such waiver.

8 **8. NOTICE**

9 **8.1.** When Plaintiffs are entitled to receive any notice under this Consent Judgment, the notice
10 shall be sent by first class and electronic mail to:

Lucas Williams, Esq.
LEXINGTON LAW GROUP, LLP
503 Divisadero Street
San Francisco, CA 94117
lwilliams@lexlawgroup.com

14 **8.2.** When Settling Defendant is entitled to receive any notice under this Consent Judgment,
15 the notice shall be sent by first class and electronic mail to:

Michael J. Farley, Esq.
MICHAEL J. FARLEY, a Professional Corporation.
401 Watt Avenue
Sacramento, CA 95864
michaeljfarley@gmail.com

19 **8.3.** Any Party may modify the person and address to whom the notice is to be sent by
20 sending the other Party notice by first class and electronic mail.

21 **9. COURT APPROVAL**

22 **9.1.** This Consent Judgment shall become effective upon entry by the Court. Plaintiff shall
23 prepare and file a Motion for Approval of this Consent Judgment and Settling Defendant shall support
24 entry of this Consent Judgment.

25 **9.2.** If this Consent Judgment is not entered by the Court, it shall be of no force or effect and
26 shall never be introduced into evidence or otherwise used in any proceeding for any purpose other than
27 to allow the Court to determine if there was a material breach of Section 9.1.
28

1 **10. GOVERNING LAW AND CONSTRUCTION**

2 **10.1.** The terms of this Consent Judgment shall be governed by the laws of the State of
3 California.

4 **11. ATTORNEYS' FEES**

5 **11.1.** Should Plaintiff prevail on any motion, application for an order to show cause, or other
6 proceeding to enforce a violation of this Consent Judgment, Plaintiff shall be entitled to its reasonable
7 attorneys' fees and costs incurred as a result of such motion or application. Should a Settling Defendant
8 prevail on any motion application for an order to show cause or other proceeding, Settling Defendant
9 may be awarded its reasonable attorneys' fees and costs against Plaintiff as a result of such motion or
10 application upon a finding by the Court that Plaintiffs' prosecution of the motion or application lacked
11 substantial justification. For purposes of this Consent Judgment, the term substantial justification shall
12 carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure §§
13 2016.010, et seq.

14 **11.2.** Except as otherwise provided in this Consent Judgment, each Party shall bear its own
15 attorneys' fees and costs.

16 **11.3.** Nothing in this Section 11 shall preclude a Party from seeking an award of sanctions
17 pursuant to law.

18 **12. ENTIRE AGREEMENT**

19 **12.1.** This Consent Judgment contains the sole and entire agreement and understanding of the
20 Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations,
21 commitments or understandings related thereto, if any, are hereby merged herein and therein. There are
22 no warranties, representations or other agreements between the Parties except as expressly set forth
23 herein. No representations, oral or otherwise, express or implied, other than those specifically referred
24 to in this Consent Judgment have been made by any Party hereto. No other agreements not specifically
25 contained or referenced herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties
26 hereto. Any agreements specifically contained or referenced herein, oral or otherwise, shall be deemed
27 to exist or to bind any of the Parties hereto only to the extent that they are expressly incorporated herein.
28 No supplementation, modification, waiver or termination of this Consent Judgment shall be binding

1 unless executed in writing by the Party to be bound thereby. No waiver of any of the provisions of this
2 Consent Judgment shall be deemed or shall constitute a waiver of any of the other provisions hereof
3 whether or not similar, nor shall such waiver constitute a continuing waiver.

4 **13. SUCCESSORS AND ASSIGNS**

5 **13.1.** This Consent Judgment shall apply to and be binding on Plaintiffs and Settling
6 Defendants, and their respective divisions and subdivisions.

7 **14. RETENTION OF JURISDICTION**

8 **14.1.** This Court shall retain jurisdiction of this matter to implement or modify the Consent
9 Judgment.

10 **15. AUTHORITY TO STIPULATE TO CONSENT JUDGMENT**


11 **15.1.** Each signatory to this Consent Judgment certifies that he or she is fully authorized by the
12 Party he or she represents to stipulate to this Consent Judgment and to enter into and execute the
13 Consent Judgment on behalf of the Party represented and legally to bind that Party.

14 **16. NO EFFECT ON OTHER SETTLEMENTS**

15 Nothing in this Consent Judgment shall preclude Plaintiffs from resolving any claim against an entity
16 other than Settling Defendants on terms that are different than those contained in this Consent Judgment
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19 **IT IS SO ORDERED:**

20 04/17/2025
21 Dated: _____



Judge of the Superior Court
Karin Schwartz / Judge

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5 **IT IS SO STIPULATED:**

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7 Dated: February 28, 2025

OAKLAND CANNERY COLLECTIVE

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11 Alistair Monroe
12 Executive Director

13 Dated: _____

**ENVIRONMENTAL DEMOCRACY
PROJECT**

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18 Tanya Boyce
19 Executive Director

20 Dated: _____

CENTER FOR ENVIRONMENTAL HEALTH

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25 Kizzy Charles-Guzman
26 Chief Executive Officer

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5 **IT IS SO STIPULATED:**

6 Dated: _____

OAKLAND CANNERY COLLECTIVE

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12 Executive Director

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**ENVIRONMENTAL DEMOCRACY
PROJECT**

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19 Executive Director

20 Dated: February 28, 2025

CENTER FOR ENVIRONMENTAL HEALTH

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25 Chief Executive Officer
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OAKLAND CANNERY COLLECTIVE

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11 Alistair Monroe
Executive Director

12 Dated: February 28, 2025

13 **ENVIRONMENTAL DEMOCRACY**
14 **PROJECT**

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18 Tanya Boyce
Executive Director

19 Dated: _____

CENTER FOR ENVIRONMENTAL HEALTH

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Chief Executive Officer

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Dated: 12/11/2024

RNK PACIFIC INVESTMENTS, LLC

Kai chen

Signature

Kai Chen

Printed Name

CFO

Title

Dated: 12/13/2024

YCL INVESTMENT GROUP LLC

签署人：
yangcheng li

Signature

yangcheng li

Printed Name

CEO

Title

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Dated: 12/13/2024

DC CAPITAL HOLDINGS LLC

Signed by:

Signature

du yuan Chen

Printed Name

CEO

Title

SUPERIOR COURT OF CALIFORNIA COUNTY OF ALAMEDA		Reserved for Clerk's File Stamp
COURTHOUSE ADDRESS: Rene C. Davidson Courthouse 1225 Fallon Street, Oakland, CA 94612		FILED Superior Court of California County of Alameda 04/17/2025 Chad Finke, Executive Officer / Clerk of the Court By: <u>D. Kinney</u> Deputy D. Kinney
PLAINTIFF/PETITIONER: Oakland Cannery Collective et al		
DEFENDANT/RESPONDENT: Green Sage Management, LLC et al		
CERTIFICATE OF ELECTRONIC SERVICE CODE OF CIVIL PROCEDURE 1010.6		CASE NUMBER: 22CV017469

I, the below named Executive Officer/Clerk of Court of the above-entitled court, do hereby certify that I am not a party to the cause herein, and that on this date I served one copy of the PLAINTIFFS' NOTICE OF LODGING OF [PROPOSED] CONSENT JUDGMENT AS TO RNK PACIFIC INVESTMENTS, LLC, YCL INVESTMENT GROUP, LLC, AND DC CAPITAL HOLDINGS, LLC entered herein upon each party or counsel of record in the above entitled action, by electronically serving the document(s) from my place of business, in accordance with standard court practices.

Howard Hirsch
Lexington Law Group
lwilliams@lexlawgroup.com

John Chu
Corporate Counsel Law Group LLP
jchu149@yahoo.com

Michael J. Farley
michaeljfarley@gmail.com

Spencer Peter Hugret
shugret@grsm.com

Dated: 04/17/2025

Chad Finke, Executive Officer / Clerk of the Court

By:

D. Kinney

D. Kinney, Deputy Clerk