

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified Copy of Portion of Proceedings for the Meeting of March 18th, 2025

RESOLUTION NO. 25 –

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT REVOKING THE DSCD HOLDINGS LLC CONDITIONAL USE PERMIT, RECORD NUMBER PLN-11844-ZCC FOR APN 210-071-007.

WHEREAS, On, March 27, 2018, DSCD Holdings, LLC submitted an application for a permit for cannabis cultivation for APN 210-071-007; and

WHEREAS, on May 6, 2021, a Conditional Use Permit for an existing 14,322 square feet of outdoor commercial cannabis cultivation was approved; and

WHEREAS, on October 24, 2023, the Board of Supervisors received a report that there are approximately \$14 million in unpaid Measure S Taxes and \$2.1 million in unpaid permit processing costs associated with cannabis permit applications; and

WHEREAS, the Board of Supervisors provided a series of deadlines for cannabis permit holders to pay for their permit processing costs and establish a payment plan for payment of Measure S taxes. The farmers were given six months until March 31, 2024, to pay their permit costs and enter an agreement to pay their outstanding taxes.

WHEREAS, in response to the Board direction, a series of communications was provided to applicants and permit holders to inform them of the needed actions and deadlines to keep their permits in good standing. This included a detailed January 9, 2024, letter, subsequent emails, and social media announcements encouraging applicants and permit holders to bring their account current before March 31, 2024; and

WHEREAS, this permit holder has unpaid Department invoices in the amount of \$713.09 and unpaid measure S taxes of \$16,445.37 and did NOT establish a payment plan for those taxes owed.

WHEREAS, a letter was sent to the permit holder on April 24, 2024, notifying them the permit had been suspended for unpaid processing costs and lack of an agreement to pay Measure S taxes; and

WHEREAS, the Board of Supervisors held a duly-noticed public hearing on March 18, 2025, and reviewed, considered, and discussed the revocation for this Zoning Clearance Certificate and reviewed and considered all public testimony and evidence presented at the hearing.

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NOW, THEREFORE, IT IS HEREBY PROCLAIMED that the Board of Supervisors makes all the following findings:

1. FINDING: **Project Description:** Revocation of a Conditional Use Permit for cannabis cultivation on APN 210-071-007 for lack of payment of processing costs and not addressing the Measure S obligations associated with the permit.

EVIDENCE: a) Project File: PLN- 11844-CUP
b) Humboldt County Code Section 312-14.2 allows revocation of a permit when the permit has been exercised contrary to the terms and conditions of the permit or in violation of any statute, code section law or regulation.

2. FINDING: **CEQA:** The requirements of the California Environmental Quality Act have been complied with as this action is exempt from environmental review.

EVIDENCE: a) CEQA Guidelines Section 15321 exempts enforcement actions by a regulatory agency including actions to revoke permits.

3. FINDING: The permit has been exercised contrary to the terms and conditions of approval and/or in violation of the County Code.

EVIDENCE: a) Section 55.4.11 (a) of the Commercial Medical Marijuana Land Use Ordinance states: *Cannabis cultivation and other commercial cannabis activity shall be conducted in compliance with all laws...*
b) Section 55.4.3.8 of the Humboldt County Code states “*Zoning clearance certificates and permits issued for commercial cannabis activities pursuant to the commercial medical marijuana land use ordinance (CMMLUO) as set forth in this section shall remain valid, and shall be governed by the terms and conditions of this section until such time as the permit is modified*” thus references to the CMMLUO are treated as sections of the Humboldt County Code for permits issued under the CMMLUO.

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- c) Section 55.4.11 (k) of the Commercial Medical Marijuana Land Use Ordinance requires a permit holder to “Pay all applicable application and annual inspection fees”.
- d) The permit holder has not paid all costs generated during the life of this permit. This sum currently amounts to \$713.09. This is a violation of Section 55.4.11 (k) of the CMMLUO.
- e) Section 719-4 of the Humboldt County code states: *In addition to any requirements imposed by Title III, each person issued a commercial marijuana cultivation permit shall pay an annual tax of one dollar (\$1.00) per square foot of outdoor cultivation area, two dollars (\$2.00) per square foot of mixed-light cultivation area or three dollars (\$3.00) per square foot of indoor cultivation area.* The permit holder is responsible for paying the taxes imposed under this section of the code.
- f) The permit holder has failed to pay required Measure S taxes as outlined in Humboldt County Code This sum currently amounts to \$16,445.37.

4. FINDING: Notice of this hearing was given as required by Section 312-14.2.6 of the Humboldt County Code and Section 65091 of the California Government Code.

- EVIDENCE:**
- a) A Notice of Revocation Hearing was sent to the permit holder’s address on record on February 26, 2025, by certified, return requested mail, as required by Section 312-14.2.6 of the Humboldt County Code.
 - b) A Notice of Public Hearing was sent to the permit holder, property owner and agent, and all property owners and occupants of record within 300 feet and was published in the local newspaper on March 4, 2025, as required by Section 65091 of the California Government Code.

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DECISION

NOW, THEREFORE, based on the above findings and evidence, the Board of Supervisors does hereby:

- a. Revoke the Conditional Use Permit for APN 210-071-007.

The foregoing Resolution is hereby passed and adopted by the Board of Supervisors on March 18, 2025, by the following vote:

Dated: _____

Supervisor Michelle Bushnell, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor _____, Seconded by Supervisor _____, and the following vote:

AYES: Supervisors: --
NAYES: Supervisors: --
ABSENT: Supervisors: --
ABSTAIN: Supervisors: --

STATE OF CALIFORNIA
County of Humboldt

I, Tracy Damico, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be a full, true, and correct copy of the original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California as the same now appears of record in my Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.

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Tracy Damico
Clerk of the Board of Supervisors of the
County of Humboldt, State of California