

**RESOLUTION OF THE ZONING ADMINISTRATOR
OF THE COUNTY OF HUMBOLDT**

Resolution Number: 25-

Records Number: PLN-12764-CUP

Assessor's Parcel Number: 208-111-021-000

Resolution by the Zoning Administrator of the County of Humboldt certifying compliance with the California Environmental Quality Act and denying the Otto Farms, LLC, Conditional Use Permit.

WHEREAS, Otto Farms, LLC, submitted an application on December 28, 2016, for a Conditional Use Permit for commercial cannabis cultivation; 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 applicant had unpaid measure S taxes and did NOT establish a payment plan for those taxes owed.

WHEREAS, a letter was sent to the applicant on June 24, 2024, notifying them that the permit would be denied if the taxes were not paid or a payment plan was entered into within 90 days; and

WHEREAS, the project is statutorily exempt from environmental review pursuant to Section 15270 of the State CEQA Guidelines (projects which are disapproved); and

WHEREAS, the Humboldt County Zoning Administrator held a duly noticed public hearing on March 6, 2025, and reviewed, considered, and discussed the application for a Conditional Use Permit, and reviewed and considered all evidence and testimony presented at the hearing.

Now, THEREFORE BE IT RESOLVED, that the Zoning Administrator makes all the following findings:

1. FINDING: **Project Description:** A Conditional Use Permit for commercial cannabis cultivation.

EVIDENCE: a) Project Files: PLN-12764-CUP

2. FINDING: **CEQA.** The requirements of the California Environmental Quality Act have been complied with. The project is statutorily exempt from CEQA as it is a project which is not approved.

EVIDENCE: a) Section 15270 of the CEQA Guidelines

FINDINGS FOR CONDITIONAL USE PERMIT

3. FINDING: The proposed development is not consistent with the requirements of the Humboldt County Code.

EVIDENCE: a) 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.

The applicant has failed to pay required Measure S taxes as outlined in Humboldt County Code and has not entered into a payment plan. This sum currently amounts to \$22,603.27.

DECISION

NOW, THEREFORE, based on the above findings and evidence, the Humboldt County Zoning Administrator does hereby:

- Adopt the findings set forth in this resolution; and
- **Deny** the Conditional Use Permit for Otto Farms, LLC, based upon the Findings and Evidence; and

Adopted after review and consideration of all the evidence on **March 6, 2025**.

I, John H. Ford, Zoning Administrator of the County of Humboldt, do hereby certify the foregoing to be a true and correct record of the action taken on the above-entitled matter by said Zoning Administrator at a meeting held on the date noted above.

John H. Ford, Zoning Administrator
Planning and Building Department