RESOLUTION NO. 25 –

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT REVOKING FIRST MC PROCESSING, LLC CONDITIONAL USE PERMIT, RECORD NUMBER PLN-12081-CUP FOR APN 032-012-001-000

WHEREAS, on December 20, 2016, First MC Processing, LLC submitted an application for a Conditional Use Permit and two Special Permits for cannabis cultivation for APN 032-012-001-000; and

WHEREAS, on March 15, 2018, the permit was approved for a commercial medical cannabis processing and distribution facility, and an SP for a parking exception; 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, wanting to balance the economic realities of the current cannabis market with the realities of the County, directed a series of actions to address these conditions. That direction resulted in a series of communications 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, emails, and social media announcements to applicants and permit holders compelling them to bring their account current before March 31, 2024; and

WHEREAS, the above referenced permit had unpaid Department invoice balance of \$3,640.20.

WHEREAS, a letter was sent to the applicants on April 24, 2024 providing notice that the permit had been suspended for lack of payment of the past due balance and that the permit would be scheduled for revocation if not resolved within 90 days; and

WHEREAS, the Board of Supervisors held a duly-noticed public hearing on April 22, 2025, and reviewed, considered, and discussed the revocation of the Conditional Use Permit PLN-12081-CUP, and reviewed and considered all public testimony and evidence presented at the hearing.

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

- FINDING: Project Description: Revocation of a Conditional Use Permit for cannabis cultivation on APN 032-012-001-000 because of nonpayment of permit processing fees, causing the permit to be exercised contrary to the terms and conditions of approval and County Code.
 - **EVIDENCE:** Project file: PLN-12081-CUP
- **2. FINDING: CEQA:** There has been appropriate compliance with the California Environmental Quality Act.
 - **EVIDENCE:** The revocation is exempt from environmental review pursuant to Section 15321 of the CEQA Guidelines (Enforcement Actions by Regulatory Agencies).
- **3. FINDING:** The permit has been exercised contrary to the terms and conditions of such approval.
 - **EVIDENCE:** Per the operational conditions under PLN-12081-CUP, the applicant is responsible for costs for post-approval review for determining project conformance with conditions prior to release of building permit or initiation of use and at time of annual inspection. The permit holder has not adhered to this requirement to cover all costs generated during the life of this permit. This sum currently amounts to \$3,640.20.
- 4. FINDING: Notice of this hearing was given as required by Section 312-14.2 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 March 7, 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 April 2, 2025, as required by Section 65091 of the California Government Code.

DECISION

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

a. Adopt the findings set forth in this resolution; and

b. Revokes the Conditional Use Permit for APN 032-012-001-000; and

The foregoing Resolution is hereby passed and adopted by the Board of Supervisors on April 22, 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.

Tracy Damico

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