RESOLUTION NO. 25 – 114

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT REVOKING A CONDITIONAL USE PERMIT, RECORD NUMBER PLN-11402-CUP FOR APN 108-012-010

WHEREAS, On, May 19, 2016, Soul Arc Solutions, Inc. submitted an application for a Conditional Use Permit for cannabis cultivation for APN 108-012-010; and

WHEREAS, on January 20, 2022, a Conditional Use Permit for 18,092 square feet (SF) of existing cannabis operation utilizing 8,000 SF mixed light techniques with the remainder 10,092 SF utilizing outdoor light deprivation cultivation techniques 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 unit 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 measure S taxes of \$15,975.26 and did NOT establish a payment plan for those taxes owed.

WHEREAS, a letter was sent to the permit holder on May 3, 2024, notifying them the permit had been suspended for a lack of an agreement to pay Measure S taxes; and

WHEREAS, the Board of Supervisors held a duly noticed public hearing on June 17, 2025, and reviewed, considered, and discussed the revocation for this Conditional Use Permit and Special Permit 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:

1. FINDING:

Project Description: Revocation of a Conditional Use Permit for cannabis cultivation on APN 108-012-010 for not addressing the Measure S obligations associated with the permit.

EVIDENCE:

- a) Project File: PLN-11402-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.

EVIDENCE:

- Per conditions of the permit, 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 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.

- c) 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.
- d) The Permit holder has failed to pay or to enter into a payment plan for the required Measure S taxes as outlined in Humboldt County Code 314.55.4.12.2.9. This sum amounts to \$15,975.26.

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 May 5, 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 June 3, 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. Revoke the Conditional Use Permit for Soul Arc Solutions, Inc on APN 108-012-010.

The foregoing Resolution is hereby passed and adopted by the Board of Supervisors on June 17, 2025, by the following vote:

Dated: 6/14/2025

Supervisor Michelle Bushnell, Chair Humboldt County Board of Supervisors

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

AYES:

Supervisors: -- Arroyo, Bohn, Madrone, and Wilson

NAYES:

Supervisors: -- None

ABSENT:

Supervisors: -- Bushnell

ABSTAIN:

Supervisors: -- None

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.

Kaleigh Maffer

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