



**STAFF REPORT
HOLLISTER CITY COUNCIL
MEETING DATE: January 5, 2026
REPORT # Community Development-2026-02**

AGENDA ITEM: A RESOLUTION RENEWING A REGULATORY PERMIT FOR EUPHORIC LIFE INC. TO OPERATE A CANNABIS MANUFACTURING FACILITY AT 807 INDUSTRIAL DRIVE (APN 056-270-012-000)

DEPARTMENT: Community Development

DEPARTMENT HEAD: Rod Powell, Assistant City Manager

STAFF CONTACT: Maria C. Mendez, Cannabis Affairs Program Manager

RECOMMENDED ACTION: Adopt a resolution approving the renewal of a regulatory permit for Euphoric Life Inc. to operate a cannabis manufacturing facility located at 807 Industrial Drive for the 2026/2027 period.

DISCUSSION: On December 18, 2017, the Hollister City Council approved a Cannabis Use Permit/Development Agreement for Euphoric Life, Inc. to operate a cannabis manufacturing facility (Resolution No. 2017-331). Following this, on March 19, 2018, the City Council granted a regulatory permit (Resolution No. 2018-60) for the company to operate at 807 Industrial Drive.

On February 18, 2025, during its regular meeting, the City Council renewed Euphoric Life Inc.'s regulatory permit for the 2025/2026 period.

According to Section 5.42.050 of the City of Hollister Municipal Code, the renewal of a regulatory permit is subject to approval by the City Council. Under HMC § 5.42.070(A), the City Council may only reject the renewal if any specific findings are made. Euphoric Life Inc. has consistently adhered to all operational requirements and has paid all necessary fees. Staff have not identified any grounds that would justify rejecting the renewal.

Approving the renewal of this regulatory permit will enable Euphoric Life Inc. to continue its operations into the 2026/2027 period, ensuring the business's continued contribution to the local economy and industry. Given the applicant's compliance history, staff recommend approval of the permit renewal.

FISCAL IMPACT: As a regulatory permittee, Euphoric Life Inc. is required to pay quarterly taxes to the city. Non-approval of an applicable regulatory permit would result in a loss of current tax revenue.

PREVIOUS COUNCIL OR COMMISSION ACTION: On February 18, 2025, the City Council renewed Euphoric Life Inc.'s regulatory permit for the 2025–2026 period, granting a late renewal after the permit expired on January 10, 2025.

CEQA: Exempt: Section 15301. The proposed action is exempt from the California Environmental Quality Act (CEQA) under Section 15301, which applies to the operation and maintenance of existing facilities. This exemption is appropriate as the project

involves the renewal of a regulatory permit for an established cannabis cultivation facility, with no significant changes or expansion of operations anticipated. Therefore, no further environmental review is required.

ATTACHMENTS:

1. Resolution
2. Regulatory Permit Application