



**COUNTY OF MENDOCINO
CANNABIS DEPARTMENT**

125 EAST COMMERCIAL ST
WILLITS CALIFORNIA · 95490

department

PHONE: 707-234-6680

cannabisprogram@mendocinocounty.org

<https://www.mendocinocounty.org/departments/cannabis->

DATE: May 22, 2023
TO: Honorable Board of Supervisors
FROM: The Cannabis Department
RE: Local Jurisdiction Assistance Grant Amendment Request

MEMORANDUM

BACKGROUND

The Local Jurisdiction Assistance Grant Program (“LJAGP”) was proposed by Governor Newsom in the 2021-2022 budget and passed by the Legislature providing funding to local jurisdictions to aid in transitioning the high number of provisional cannabis licenses into annual licenses. On September 14, 2021, the Department of Cannabis Control (“DCC”) released draft LJAGP guidelines and announced that eligible jurisdictions could submit applications from October 8, 2021 to November 15, 2021.

On October 5, 2021, the Board of Supervisors (“Board”) directed staff to prepare an application for up to \$18,084,837 in LJAGP funding, and to bring the completed application back to the Board for review and approval at the October 26, 2021 Board meeting.

On November 9, 2021, the Board approved the submission of the Local Jurisdiction Assistance Grant Program application; and authorized the Cannabis Program Manager, or Department Head, to execute the grant agreement on behalf of the County of Mendocino should the grant be awarded.

The awarded LJAGP budget, totaling \$17,586,406.62, is broken into four (4) primary expense categories that include:

- A. Direct Technical Assistance Costs – Personnel, includes expenses related to personnel that will provide direct technical assistance to the intent of the grant program. Personnel refers to full-time County staff.
- B. Direct Technical Assistance Costs – Other, includes expenses related to the direct support of the grant program, such as contract planning services.
- C. Indirect/Administrative – Personnel, includes expenses related to personnel that will provide indirect/administrative assistance to the intent of the grant program.
- D. Indirect/Administrative – Other, includes expenses related to the indirect/administrative support of the grant program.

On March 14, 2023, the Board directed staff to prepare an environmental document and ordinance to remove or streamline the requirements for issuance of local permits for cannabis cultivation while retaining all substantive legal restrictions and environmental protection measures for state licensed operators. In a letter that accompanied the Board agenda item, the DCC stated;

“The Department is prepared to collaboratively engage with the County to address longstanding challenges confronting the County’s legacy operators and California’s legal market. This includes assessing inefficiencies under existing procedures for compliance with the California

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Environmental Quality Act (CEQA), and identifying a way by which the Department could (with the County's assistance) lead revitalized efforts to ensure timely compliance with CEQA for provisional license holders. Likewise, streamlining local permit decisions will provide greater clarity, sooner, to support enforcement of state and local law."

REVISED BUDGET / SCOPE OF WORK

The revised budget would provide funding for the following expenses: a portion of the salaries of all currently allocated staff providing direct technical assistance and indirect administrative assistance with administering the LJAGP, increased contract planning services and related support, expenses associated with the implementation of Accela, maintaining TRAKiT licenses, field and remote inspection technology, a direct grant program, and and contract services for the preparation of an Environmental Impact Report.

The revised scope of work would incorporate the expenses above as action items with their respective intended outcomes, to then be implemented by the Department. These action items are designed to streamline the efforts of the Department and partner agencies, convert provisional State licenses into annual State licenses, and provide much needed assistance to cultivators in our community.

RECOMMENDATION

Approval of the Cannabis Department's request to file a local Jurisdiction Assistance Grants Program (LJAGP) budget and scope of work amendment with the Department of Cannabis Control.