

# Mendocino County Cannabis Local Equity Program Manual V1. 2/18/2020

The Mendocino County Cannabis Equity Assessment (2020) established that Mendocino has been hit hard by the criminalization of cannabis, and a targeted, data-driven and well-funded equity program can help certain populations and neighborhoods, particularly small growers and those impacted from past policies that may be left behind, into a legal, sustainable economic future.

The purpose of this manual is to describe the qualifications for, and services to be provided by, the Mendocino County Cannabis Local Equity Program (LEP).

## A. Qualifications

1. **Program Eligibility:** Those who meet any of the following qualifications shall therefore meet the qualifications for Mendocino County's LEP and become eligible for consideration for funding and services provided therefrom:
  - a. Any individual and/or entity that has obtained or applied for a permit/license (either temporary or permanent), and the permit/license is for a business located in an area in Mendocino County with a poverty rate of 20% or above.
  - b. Have engaged in or are currently engaged in small-scale cultivation of cannabis on property in Mendocino County owned, leased, or with the express permission of the owner, with a cultivation area less than 10,000 square feet;
  - c. Any woman, person of color, or LGBTQ individual who has or worked in, or currently works in the cannabis industry in Mendocino County;
  - d. Any individual who has obtained or applied for a cannabis permit in Mendocino County, or who has worked in or currently works in the cannabis industry, and was arrested and/or convicted of a non-violent cannabis-related offense, or was subject to asset forfeiture arising from a cannabis-related event;
  - e. Are a person who experienced sexual assault, exploitation, domestic violence, and/or human trafficking while participating in the cannabis industry;
  - f. Have become homeless or suffered a loss of housing as a result of cannabis enforcement.
2. **Alternate qualifications:** For those who do not meet qualifications set forth above in Section A.1, individuals and/or entities can become eligible for the Mendocino County LEP if they meet three (3) of the following conditions:
  - a. Be one of the following:
    - i. An individual permitted for, seeking a permit for or employment in a Mendocino County permitted cannabis business;
    - ii. A board member of a non-profit cannabis business;
    - iii. Have a membership interest in a cannabis business formed as a cooperative per B&P Code section 26220 - 26231.2.
  - b. Have resided in Mendocino County for at least five years during the period 1971 – 2016;
  - c. Have obtained or applied for, or intend to apply for, a permit or zoning clearance for commercial cannabis activities in Mendocino County;

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- d. Have lived within a 5-mile radius of the location of raids conducted by the Campaign Against Marijuana Planting (CAMP) program;
- e. Household income below the California poverty level;
- f. Have a parent, sibling or child who was arrested for or convicted of the sale, possession, use, manufacture or cultivation of cannabis (including as a juvenile);
- g. Can reasonably demonstrate that, on the basis of equity, applicant was adversely impacted as a result of the criminalization of cannabis (i.e. the War on Drugs).

## B. Services

Services to be provided by the Mendocino County Cannabis Equity Program may include, depending on need and the availability of funds from grants or other sources:

1. Tiered fees or waiver of fees for Application Assistance Meetings of up to four hours, with the Cannabis Program Division of the Department of Planning & Building Services;
2. Cannabis and Small Business Development Assistance from the Economic Development Division, including business planning, loan application preparation, site location services, human resource management, capital procurement services, bookkeeping and accounting practices and systems, etc.;
3. Deferral of payment of Application Fees for Administrative Permit or Use Permit for a period not to exceed three (3) years;
4. Technical Assistance for the formation and administration of Road Maintenance Associations for public and private road networks providing access to cannabis activity operations by eligible cannabis equity program applicants or licensees, where such road networks may adversely impact watersheds providing habitat for threatened or endangered species;
5. Waiver or deferral of fees for training and certification by the Agricultural Commissioner's office for Weights and Measures and Pesticide Applicators requirements or certification of scales used in cannabis licensed businesses in Mendocino County;
6. Technical Assistance for the formation of cannabis cooperative associations pursuant to Business and Professions Code sections 26220 -26231.2 the majority membership of which is comprised of cannabis equity program applicants or licensees.
7. Loans or Grants for purposes of assuring compliance with regulatory requirements of local or state permits or licenses that mitigate adverse environmental effects of cannabis cultivation or other activities including, but not limited to:
  - a. Water storage for irrigation during forbearance periods of surface water diversion required by state or local regulations;
  - b. Remediation and relocation of cannabis facilities located within streamside setbacks required by state or local regulation;
  - c. Installation of solar electrical systems to replace diesel or gasoline generator power for off-grid cannabis facilities where connecting to the grid is economically infeasible.
8. Employment skill training for eligible equity participants employed or seeking employment in licensed cannabis operations in Mendocino County

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## C. Program Administration

1. No more than ten percent (10%) of any funding from the Governor's Office of Business and Economic Development Cannabis Local Equity Program Grant Funds may be utilized for program administration;
2. Principal Administration and Coordination of Services shall be performed by the by the Mendocino County Department of Planning & Building Services- Cannabis Program, or such other agency as may be designated by the Board of Supervisors;
3. The Department of Planning and Building Services shall promulgate any policies, procedures, and forms necessary for program administration and submit them to the Board of Supervisors for review and approval;
4. Where possible, county staff will provide existing services to LEP applicants and licensees, with the intent to have Equity Program funding pay for the cost of those services. Where county staff is unable to provide services, defer to Section D. Such funding will be provided either through the administration portion of the LEP or eligible services described in Section B above;
5. The Department of Planning and Building Services shall monitor and report on all program services provided through the LEP, at least annually and more frequently as directed by the Board of Supervisors, state law or regulation;
6. The Department of Planning and Building Services, or such other agency as may be designated by the Board of Supervisors, shall receive and process all applications to determine eligibility of equity program participants.

## D. Provision of Services

- a. Staff in the Mendocino County Department of Planning & Building Services- Cannabis Program Division serves as the liaison between equity permittees/licensees who receive grant funding and the selected agency(ies) that provides an eligible service. Agencies include, but are not limited to:
  - i. Small business development organizations
  - ii. Department of Planning & Building Services - Planning and Building Divisions
  - iii. Health & Human Services Agency
  - iv. Workforce development agencies
  - v. Banking and financial institutions
  - vi. Commercial real estate brokerages and associations
- b. The Department of Planning & Building Services may enter into an interagency agreement, on behalf of the county, with qualifying internal or external agencies capable of providing the services described in SB 1294, Business and Professions Code and Mendocino County Local Equity Program Manual. These services include:
  - i. Small business support services, such as technical assistance, professional mentorship services
  - ii. Tiered fees or fee waivers of cannabis-related permits and licenses.
  - iii. Assistance in paying state and regulatory and licensing fees

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**E. Budget Allocation**

Available program funds shall be allocated for Program Services specified in Section B., above, as follows:

Loans and Grants	30%
Technical Assistance, Training, waivers and fee reductions	60%
Administration (not to exceed)	10%