
CANNABIS EQUITY PROGRAM UPDATE

10/13/20



Presented by
Department of Planning and Building Services

BOARD ADOPTED CANNABIS EQUITY PROGRAM

- On February 25, 2020, the Board of Supervisors adopted Resolution No. 20-020 which formally adopted the Mendocino County Local Equity Program and Program Manual with a motion to authorize the CEO or designee to revise as deemed appropriate and submit as part of the grant application.
- A Revised version of the LEP Manual was submitted incorporating changes requested during the BOS meeting. The CEO's office made additional modifications to sections of the manual to match the solicitation requirements required by the State to make it ready for submittal.

CANNABIS EQUITY PROGRAM MANUAL CHANGES

- The grant application was submitted in March.
- The State notified the County of our grant award in April and the CEO's office coordinated the execution, which involved changes to the original budget submitted making adjustments from the \$5 million requested amount to the awarded \$2.2 million.
- In May and June, as Staff and County Counsel reviewed the eligibility qualifications within the Manual, it was deemed that Eligibility Qualification C was not allowable under the law. California Proposition 209 does not allow the state to discriminate against or provide preferential treatment on the basis of race, sex, ethnicity or national origin. The removal of this qualification is necessary.

CANNABIS EQUITY PROGRAM MANUAL CHANGES

- Additional changes to the Cannabis Local Equity Program Manual are necessary in order to meet State guideline requirements of the grant solicitation. This includes the removal of select qualifications that do not meet the definition of equity eligible criteria. Specifically those qualifications that do not have a direct correlation with those impacted due to the War on Drugs.
- The changes to qualifications and services are currently under review with Governor's Office of Business and Economic Development (GoBiz) for approval.
- Any subsequent or additional changes may delay our implementation process and will require review and approval by GoBiz prior to being allowable under our Grant Agreement.
- Staff recommends changes to the Program Administration section to streamline and provide authorization to the Department of Planning and Building Services to efficiently implement the Cannabis Equity Program.

CANNABIS EQUITY

PROGRAM MANUAL SUMMARY OF CHANGES

Summary of Changes

1. Qualification or Eligibility Amended
 - Select eligibility criteria were removed to meet the State solicitation guidelines and the Mendocino County Equity Assessment. The revised Manual focus eligibility on those individuals and communities who have been disproportionately or negatively impacted by the War on Drugs.
2. Focused Grant Services into 3 categories:
 - Fee Waiver Grants
 - Direct Grants
 - Direct Technical Assistance (Road Maintenance Formation removed due being outside the scope of State definition of Direct Technical Assistance Services)
3. Authorization to the Department of Planning and Building Services for Program Administration: Policies/Procedures/Grant Funding Caps/Grant Agreements/Forms etc.
4. Authorization to the Department of Planning and Building Services to Contract Services for Grant Administration Assistance and Direct Technical Assistance.

Program Services

80% Grants

10% Direct Technical Assistance

1. County Fee Waiver Grants

- Cannabis Related County Fees Such as: Building Permits, Use Permits, Septic Permits, Cannabis Cultivation Renewal/Issuance related fees
- Grant Budget Allocated: \$700,000.00

2. Direct Grants

- Regulatory Compliance to assure local/State compliance with a focus to mitigate adverse environmental effects, capital improvements, fixtures/equipment, and workforce training.
- Grant Budget Allocated: \$1,096,579.91

3. Direct Technical Assistance

- Business Development Assistance
- Grant Budget Allocated: \$224,526.58 – Only 10% allowed under Grant Provisions

RFP – Contracted Assistance Update

- RFP Procurement Process is currently in Progress for Administrative Assistance Consultant for Grant Management and a Consultant(s) to Provide Direct Technical Assistance to Equity Applicants
- Grant allows for 10% or \$224,526.58 to be used toward the Administrative Costs associated with Grant Management
- The Contracts for both RFPs should come back to the Board for approval by November 3rd
- Cannabis Program has hired XH Dept. Analyst to assist in the Administrative Process with selected Contractor from the RFP process

Progress on Launch

- Goal: Launch the Program Criteria, Public Outreach, Website Updates, Eligibility Application and Subsequent Grant Applications in November/December 2020.
- Grant Funds Disbursement Deadline for Grant period is August 2021.
- Limited time for the Grant Period makes these Cannabis Local Equity Program Manual Changes critical for grant funding to be disbursed efficiently

Proposed \$100,000 Allocation

Grant Match Upon Award

- During the 2/25/20 Board Meeting Adopting the Equity Assessment and Mendocino County Local Equity Program Manual, the recommendation was to have the board consider reinvesting a portion of Cannabis Business Tax towards the equity program. The Directed Action was to allocated \$100,000 of the Cannabis Business Tax in FY 2020-2021 as a Grant match Upon Grant Award.
- \$100k needs to be transferred, and will be included in 1st Quarter
- Flexibility on how the Board wishes to allocate use

Questions

- Board Questions for Staff / Comments/ Direction