



Mendocino County

Legislation Text

File #: 21-0846, **Version:** 1

To: Board of Supervisors

From: Cannabis Program

Meeting Date: July 20, 2021

Department Contact: Kristin Nevedal

Phone: 234-6680

Item Type: Regular Agenda

Time Allocated for Item: 60 minutes

Agenda Title:

Discussion and Possible Action Including Direction to Staff to Amend the County of Mendocino Cannabis Equity Program Including, But Not Limited To, Increasing the Income Threshold Associated with the Cannabis Equity Program's Eligibility Criteria, Simplifying the Grant Application Process, and Increasing the Amount of Funding Available Through the Direct Grant Program
(Sponsor: Cannabis Program)

Recommended Action/Motion:

Direct staff to amend the County of Mendocino Cannabis Equity Program including but not limited to increasing the income threshold associated with the grant program's eligibility criteria, simplifying the grant applications, and increasing the amount of grant funding available through the direct grant program.

Previous Board/Board Committee Actions:

On February 4, 2020 the Board approved an allocation of \$25,000 for a Cannabis Equity Assessment and directed staff to utilize the California Center for Rural Policy at Humboldt State University to complete the Cannabis Equity Assessment.

On February 25, 2020 the Board adopted Resolution No. 20-020 which approved the Mendocino County Cannabis Equity Assessment, adopted the Mendocino County Local Equity Program and Program Manual; and authorized the Chief Executive Officer or designee to submit a grant application to the Governor's Office of Business and Economic Development for purposes of funding the Mendocino County Local Equity program; and allocated \$100,000.00 of Cannabis Business Tax in FY 2020-2021 as a Grant Match.

On August 25, 2020, PBS released a Request of Proposal for services related to Cannabis Equity Grant Administration, which was awarded to 4Front Partners with contract terms established through August 21, 2021 which was the original slated end for the allocation of grant funding.

On January 26, 2021, the Board adopted Resolution No. 21-010, authorizing the Chief Executive Officer or designee to submit a grant application to the Governor's Office of Business and Economic Development for the Cannabis Equity Grants Program for local Jurisdictions fiscal year 2020-2021, and approved the reallocation of \$5,000 from the Cannabis Program budget as a grant match investment to Mendocino County Cannabis Local Equity Program.

Summary of Request:

Over the last two years, the County of Mendocino has been awarded \$2.7 million from the Cannabis Equity Grants Program for Local Jurisdictions, administered by the Governor's Office of Business and Economic Development (GO-Biz). With this fund, the County developed the Local Equity Entrepreneur Program (LEEP) and in February 2021, opened the application for eligibility. To date LEEP has received thirty (30) complete eligibility applications. Eleven (11) persons have been determined to be eligible for the grant program, and thirteen (13) eligibility applications are still under review. Three (3) persons have been told they will need to reapply due to exceeding the income thresholds which are currently set at 'extremely low' to 'very low'.

Persons Per Household	1	2	3	4	5	6	7	8
Extremely Low Income	15200	17420	21960	26500	31040	35580	40120	44660
Very Low Income	25350	28950	32550	36150	39050	41950	44850	47750
Low Income	40500	46300	52100	57850	62500	67150	71750	76400
Median Income	49500	56550	63650	70700	76350	82000	87650	93300
Moderate Income	59400	67900	76350	84850	91650	98450	105200	112000

Mendocino Cannabis Program Staff have held a number of informational workshops in an effort to increase eligibility applications. During these workshops and through other lines of communication, staff has received feedback that the current income threshold is a primary deterrent for applicants as many report exceeding the established threshold. In an effort to assist the County additional time to allocate the grant funding, GO-Biz granted the County an extension on the allocation of funds, through the end of February 2022. Any funds not allocated by the end of February will need to be returned to the State.

To make the LEEP more accessible to those persons disproportionately impacted by the War on Drugs, staff would like direction to increase the income thresholds. Additionally, to help expedite the process of allocating the funds to eligible equity applicants, staff would like direction to simplify the grant application process, and to increase the amount available from the direct grant program.

Alternative Action/Motion:

Provide Staff with Alternate Direction

How Does This Item Support the General Plan? Not Applicable

Supervisory District: All

vote requirement: Choose an item.

Supplemental Information Available Online At: N/A

Fiscal Details:

source of funding: n/a

current f/y cost: n/a

annual recurring cost: n/a

budget clarification: n/a

budgeted in current f/y: N/A

if no, please describe:

revenue agreement: N/A

Agreement/Resolution/Ordinance Approved by County Counsel: N/A

CEO Liaison: Executive Office

CEO Review: Yes

CEO Comments:

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Executed By: Atlas Pearson, Deputy Clerk I

Final Status: Direction Given to Staff

Date: July 22, 2021

