



**COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY**

Building – Cannabis Division

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617
(530) 265-1222 FAX (530) 265-9851 <http://mynevadacounty.com>

Trisha Tillotson
Community Development Agency Director

Craig Griesbach
Building Director

**NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo**

MEETING DATE: November 9, 2021

TO: Board of Supervisors

FROM: Craig Griesbach, Building Director

SUBJECT: Resolution authorizing application for, and receipt of, the California Department of Cannabis Control Local Jurisdiction Assistance Grant Funds

RECOMMENDATION: Adopt the resolution authorizing the California Department of Cannabis Control Local Jurisdiction Assistance Grant application executed by the Community Development Agency.

FUNDING: This resolution reflects the intent to apply for and receive grant funds. A resolution for FY 21-22 contract expenses and offsetting grant revenues will come back to the Board with a request for a budget amendment.

ATTACHMENTS:

- Resolution Authorizing Submittal of the California Department of Cannabis Control Local Jurisdiction Assistance Grant Application
- California Department of Cannabis Control Local Jurisdiction Assistance Grant Application
- California Department of Cannabis Control Local Jurisdiction Assistance Grant Permitting and Licensing Metrics
- California Department of Cannabis Control Local Jurisdiction Assistance Grant Application Budget
- Government Agency Tax ID Form

BACKGROUND: On October 1, 2021, the California Department of Cannabis Control (Department) released grant guidelines for the Local Jurisdictions Assistance Grant Program. Only local jurisdictions (cities and counties) shown in the grant guidelines qualify for available grant funding. Nevada County is eligible for a maximum grant

funding amount of \$1,221,188. Grant applications shall be submitted by email to the California Department of Cannabis Control Grants Unit by November 15, 2021 at 11:59p.m. PT.

The Grant Program is allocating \$100 million on a one-time basis to aid local jurisdictions and their provisional licensees in completing CEQA compliance requirements necessary to achieve annual licensure. Grant Program funds may also be used to aid local jurisdictions in more expeditiously reviewing provisional licensee local requirements. Allowable uses are intended to encourage local jurisdictions to administer grant funds in ways that allow the Department to transition provisional licenses to annual licenses more quickly without sacrificing California's environmental commitments. Local jurisdictions eligible to receive grant funding represent those with significant numbers of provisional licenses who are legacy and equity applicants, and provisional licensees that are more likely to have arduous environmental compliance requirements associated with CEQA.

Under the Medicinal and Adult-Use Cannabis Regulations and Safety Act, the California Department of Cannabis Control licenses and regulates cannabis businesses. Annual licenses are issued by the Department once an applicant or licensee meets all requirements for annual licensure. The Department may issue a provisional license if the applicant has submitted a completed license application that confirms compliance with the California Environmental Quality Act (CEQA) and local ordinances is underway.

The Act contains specific timelines for when the Department can no longer issue or renew provisional licenses. Therefore, provisional license holders must complete the annual license process by certain dates or face a potential gap in licensure. Currently, approximately 75 percent of California's commercial cannabis licenses are provisionally licensed.

The Community Development Agency plans to use the \$1,221,188 grant allocation to meet this mission of improved commercial cannabis permitting and CEQA/ environmental compliance. The potential funding is planned to be allocated in the following manner:

1. Additional Staffing Resources/Space Planning - \$480,368.59
Improved staffing will help complete commercial cannabis permit reviews more expeditiously, answer customer service inquires for commercial cannabis projects, provide technical support, and partner with customers to help ensure their successful completion of permitting. The addition of staffing will also result in the need for improved space planning to improve overall efficiencies and to house these staff members. This will result in more expeditiously approved projects with better environmental outcomes for our legacy cultivators.
2. Environmental Consultants - \$336,960

Grants for the hiring of consultants for the completion and preparation of environmental documents in compliance with CEQA and related environmental regulations.

3. Environmental Site Development - \$336,960

Grants for employing mitigation measures for site environmental compliance, including water conservation and protection measures.

4. Grant Administration - \$66,899.41

Salary and benefit costs of staffing administering the grant and completing grant reporting requirements.

SUMMARY:

In summary, the application and award of these grant funds will provide direct funding to support staffing needs and funding to applicants seeking local and state commercial cannabis permits. This will help support our local legacy cultivators in getting to the permitting finish line and into the legal market. This will also continue to support the mission of the cannabis program to work in partnership with the community to promote and maintain a safe and environmentally responsible cannabis industry.

Item Initiated and Approved By:

Craig Griesbach, Building Director

Submitted:

October 25, 2021