



June 20, 2023

Kimberly Parker
Program Manager
Economic Development Office
Nevada County

Subject: Department of Cannabis Control Retail Access Grant Award Letter Notice

Dear Kimberly Parker:

The Department of Cannabis Control (DCC) is pleased to inform you that your proposal, application number LJRAGAPP23-009, has been selected for a Retail Access Grant Award.

Local Jurisdiction: Nevada County
Award Total: \$275,000

DCC has reviewed your application and determined that it meets the requirements and is consistent with the grant program guidelines. DCC is in the process of developing a grant agreement that will serve as the contract between DCC and the grant award recipient. DCC may reach out if additional information is needed to complete the agreement. The agreement will include a cover letter with actions your contracting office will need to take to execute the agreement.

If you have any questions, please contact the Policy and Research Division at RetailAccessGrants@cannabis.ca.gov.

Sincerely,

Jacqueline Campion
Deputy Director, Policy & Research

cc: Nicole Elliott, DCC Director
Rasha Salama, DCC Chief Deputy Director
Melissa Eidson, DCC Administration Deputy Director
Laura Barlow, DCC Branch Chief, Operations



**Department of
Cannabis Control**
CALIFORNIA

Gavin Newsom
Governor

Nicole Elliott
Director

Marie Marcellana, DCC Procurement Section Manager
Devin Gray, DCC Policy and Research Specialist
Sara Banchemo, DCC Grants Manager

Application Cover Sheet

Applicant Information

Local jurisdiction name: Nevada County

Jurisdiction type (city or county): County

Federal employer identification number (FEIN): 94-6000526

Contact Information

Primary Contact:

Name: Kimberly Parker

Title: Program Manager

Department: Economic Development

Phone: 530-470-2795

Email: Kimberly.Parker@nevadacountyca.gov

Alternate Primary Contact (optional):

Name: Thomas Maioli

Title: Senior Cannabis Compliance Officer

Department: Community Development Agency

Phone: 530-470-2478

Email: Thomas.Maioli@nevadacountyca.gov

Person who will be responsible for development of the local cannabis retailer permitting program:

Name: Brian Foss

Title: Planning Director

Department: Planning Department

Phone: 530-265-1256

Email: Brian.Foss@nevadacountyca.gov

Requested Grant Funds

Eligible Phase I Funding Amounts

Population	Phase I Funding	Phase I Equity Bonus
0-14,999	\$100,000	\$15,000
15,000-29,999	\$125,000	\$30,000
30,000-44,999	\$150,000	\$45,000
45,000-59,999	\$175,000	\$60,000
60,000-74,999	\$200,000	\$75,000
75,000-89,999	\$225,000	\$90,000
90,000-104,999	\$250,000	\$105,000
105,000-119,999	\$275,000	\$120,000
120,000-134,999	\$300,000	\$135,000
135,000+	\$325,000	\$150,000

Requested Funding

Population of the jurisdiction: 90,000-104,999

Instructions: Use the California Department of Finance’s 2022 [Population Estimates for Cities, Counties, and the State \(E-1\)](#) to determine your jurisdiction’s population. County populations are determined by counting only the population in the unincorporated areas of the county, denoted on the spreadsheet as “Balance of County,” under each respective county name.

Requested Phase I Funding Amount: \$216,116

Does your jurisdiction plan to issue retail licenses to cannabis equity businesses?

- Yes. Requested Phase I Equity Bonus Amount: \$104,364
- No

Priority Review

If you believe you are eligible for priority review, mark the box(es) below to indicate which criteria you meet. You may be required to demonstrate your eligibility on the Attachment A: Permitting Plan form.

- Equity Licensing Opportunities:** The proposed retail licensing program contains provisions to assist equity applicants.
- Consumption Exceeding Retail Share:** The applicant jurisdiction is one of the following counties, or is a city located within one of the following counties: Amador, Butte, Contra Costa, Fresno, Glenn, Kern, Lassen, Madera, Orange, Placer, San Benito, San Diego, San Joaquin, San Mateo, Santa Clara, Sutter, Tehama, Yuba.

- Existing Business Licensing Pathways:** The proposed program would license cannabis retail businesses through the local jurisdiction’s existing non-cannabis-business license process.
- CEQA Exemptions:** The proposed program will license only cannabis retail business projects that are eligible for a categorical exemption under the California Environmental Quality Act (CEQA).

Local Jurisdiction Status

Does your jurisdiction currently have an ordinance, resolution, or regulation allowing the establishment of one or more cannabis retail businesses within the local jurisdiction?

- Yes
- No

Provide a link to any active local ordinances, resolutions or regulations related to commercial cannabis activity. If this information is not available online, attach a copy with your application.

3.30 Cannabis Zoning Code [Sec. L-II 3.30 Cannabis Cultivation \(qcode.us\)](#)

Does your jurisdiction currently have a program to license/permit a cannabis retail business within the jurisdiction)?

- Yes*
- No

Has your jurisdiction ever accepted applications for any local cannabis retailer licenses?

- Yes*
- No

Does your jurisdiction currently have any active local cannabis retailer licenses?

- Yes*
- No

**If your answer is “yes”, your jurisdiction is likely not eligible for the grant. If you still believe you are eligible, please explain:*

Click or tap here to enter text.

Application Checklist

Mark the boxes below to affirm that you have included all required application forms with your submission:

- Attachment A: Permitting Plan (DCC-2626)
- Attachment B: Budget Plan (DCC-2627)



Attachment A: Permitting Plan

The Permitting Plan (DCC-2626) describes the local jurisdiction’s plan to establish a cannabis retailer licensing program. If selected for a grant award, this Permitting Plan will be incorporated into the Grant Agreement as the Scope of Work.

Anticipated Local Cannabis Retail Licensing Program

What type(s) of cannabis retail activity will the jurisdiction allow? (Select all that apply)

- Retail Storefront
- Retail Non-storefront (Delivery)

Will the jurisdiction allow adult-use, medicinal, or both adult-use and medicinal commercial cannabis activities?

- Adult-use only
- Medicinal only
- Both adult-use and medicinal

How will the jurisdiction license cannabis retail businesses?

- Through the existing non-cannabis business license process (**eligible for priority review**)
- Through a new cannabis-specific licensing process

Will the jurisdiction limit the number of cannabis retail licenses available?

- Yes
- No

If the jurisdiction plans to limit the number of retail licenses available, approximately how many licenses will be made available? (*Please enter a whole number for each, not a range.*)

of storefront retail licenses: 3
of non-storefront (delivery) retail licenses: 3

If the jurisdiction plans to limit the number of retail licenses available, how do you propose to issue the licenses? (Select one)

- Competitive
- First-come, first-serve
- Lottery
- Other: [Click or tap here to enter text.](#)

Will your program license only cannabis retail business projects that are eligible for a categorical exemption under the California Environmental Quality Act (CEQA)?

- Yes (eligible for priority review)
- No

Anticipated Equity Program (If Applicable)

Will the jurisdiction's cannabis retail licensing program contain provisions to assist equity applicants?

- Yes (eligible for priority review)
- No

How will the jurisdiction assist equity businesses? (Select all that apply)

- Financial assistance
 - Application fee waivers
 - License fee waivers

Please describe: There will be retail sales application fee waivers for submittal by equity partners. The county will also assist with local and state applications or fees. Assistance will be offered for retail sales licensing applications with the DCC. Assistance will also be provided for building permit improvements and infrastructure and development improvement costs. In addition, assistance will be provided to help with project submittal application fees with the planning division, their annual cannabis compliance division inspection fees, associated environmental health division application and inspection fees, and costs associated with American Disability Act improvements.

- Technical assistance (*select one or more of the following*):
 - Legal guidance
 - Financial guidance
 - Assistance with local and state license applications
 - Compliance training
- Other: local Cannabis Alliance

How will "equity" be defined?

- The jurisdiction has already completed an equity assessment. Provide a link or attach a copy: <https://www.nevadacountyca.gov/DocumentCenter/View/47785/Nevada-County-Cannabis-Local-Equity-Assessment?bidId=>
- The jurisdiction will complete an equity assessment.
- The jurisdiction will adopt the state's definition of "qualified equity applicant or licensee" ([CCR Title 4, §15014.1\(a\)](#)).

Will the jurisdiction limit the number of equity licenses available to cannabis retail businesses?

Yes

No

If the jurisdiction plans to limit the number of equity licenses available, approximately how many licenses will be made available? (*Please enter a whole number for each, not a range.*)

of storefront retail licenses: 3

of non-storefront (delivery) retail licenses: 3

Local Cannabis Retail Permitting Plan

Completed Efforts

What steps have already been taken, if any, to develop a local cannabis retail licensing program?

It is the mission of the Cannabis Compliance Division to work in partnership with the community to permit and maintain a safe and environmentally responsible cannabis industry. Cannabis is a high priority under Nevada County's Economic Development initiative to "Support high potential growth sectors." The legalization of cannabis creates remarkable future business opportunities, however not everyone who has made a living in the past is currently able to thrive in the legal industry. In addition, access to safe regulated adult-use or recreational-use cannabis is limited in unincorporated Nevada County. Given the limitations for citizens of Nevada County to access a safe regulated cannabis product, the following steps have been taken to develop a local cannabis retail licensing program. The Nevada County Board of Supervisors directed Planning Division staff to assess and develop an ordinance to allow retail store front sales dispensaries and mobile retail sales delivery in existing commercial and industrial districts. The direction by the Board of Supervisors came after multiple discussions with staff at a January 28, 2023, Board workshop. The intent of the Board of Supervisors is to allow citizens to access retail cannabis products in locations that can be easily accessed and are near retail goods and services location that they already patronize. Nevada County plans to develop a draft ordinance identifying the allowance of retail store front sales dispensaries and mobile retail sales delivery in commercial and industrial zoning districts. The proposed draft ordinance will: 1) be circulated for public comment and will then be brought to the Planning Commission, and to the Board of Supervisors for adoption, 2) will develop necessary materials, including initial zoning clearance, application materials, and a competitive application review process, and 3) will develop the framework for a competitive review panel and a third party consultant selection process to administer and distribute equity grant funding. The Nevada County Board of Supervisors recently adopted Ordinance 2516 which became operative on February 9, 2023. This ordinance allows for retail sales and mobile delivery sales with an Administrative Development Permit or a Use Permit from sites that have licensed cultivation occurring. To date, the Planning Division has not had an application submitted or held an applicant planning consultation appointment. Significant limitations in the development of retail sales and mobile delivery sales have prevented applicants from submitting applications. A reason for this is the fact Nevada County's rural location and remote cultivation sites are not near urban centers. Additionally, because cultivation sites are often accessed by dirt and unimproved roads, accessibility for the consumer is limited due to commute time and road surfaces only allowing access by vehicles designed to travel rough terrain. The decline in the cannabis market prices has limited funds from potential applicants to expand from cultivation into the sales market. Exacerbating the decline in market conditions, development costs associated with expanding into the sales marketplace are a significant deterrent currently. There isn't one simple formula that holds the secrets of success for cannabis, but there are things that may provide an advantage. As the Cannabis Division continues to build its program, we can expect more consistency and structure in retail offerings. The goal of the Cannabis Division is to follow best practices in cultivation, compliance, processing, and distribution ensuring



the full scale of services are available for Nevada County that ensures the cannabis industry can scale and flourish.

New Activities: Program Development

Will the establishment of a local cannabis retail licensing program require the adoption of a new ordinance or a change to existing ordinances?

Yes. Has an ordinance already been drafted? Yes No

No.

What specific steps will you take to establish a local cannabis retailer licensing program? (Select all that you plan to do)

- Draft an ordinance, resolution, or regulations allowing the establishment of cannabis retail businesses within the jurisdictional boundaries of the jurisdiction
- Adopt an ordinance, resolution, or regulations allowing the establishment of cannabis retail businesses within the jurisdictional boundaries of the jurisdiction
- Hire staff and/or contractors
- Hold community outreach meetings and engagement events
- Conduct surveys or otherwise solicit input
- Form a stakeholder workgroup or technical advisory committee
- Consult local jurisdictions with existing cannabis programs
- Conduct economic studies
- Conduct environmental reviews
- Develop application forms and/or an online application portal
- Other: [Click or tap here to enter text.](#)

Estimated Timeline

Utilize the chart below to provide an estimated timeline for the steps that you anticipate taking to establish the local cannabis retailer licensing program. The established timeline should include the steps marked in the question above and, if applicable, the establishment of the equity program.

Date	Event
June 30, 2023	Notice of awarded grant funding.
July 11, 2023	Resolution approved by the County of Nevada Board of Supervisors to accept the grant funds.
July 2023	Preparation of draft ordinance for off-site/mobile retail sales (Dispensaries).



August 2023	Selection/contract with consultant (competitive review process, equity review).
November 2023	Planning Commission public hearing of draft ordinance and recommendation.
December 2023	County of Nevada, Board of Supervisors Public Hearing/adoption.
December 2023	Consultant application preparation/release.
January 2024	County staff pre-application review period.
February 2024	Consultant competitive application review period.
February 2024	Consultant selection of applicant/announcement.
<u>Equity funding would include:</u>	
January 2024	Selection/contract with consultant for administrative grant funds management.
February – and beyond	Coordinate with selected cannabis applicates to review budgets, business plans, etc. and award appropriate funding.
	Technical consulting by County staff.

When do you anticipate accepting your first cannabis retail license/permit application?

Date: Fall 2023

How long do you expect it will take to process each license application, from application submission to license issuance?

Proposed timeline in months: 30 Days

When do you anticipate issuing your first cannabis retail business license within your jurisdiction?

Date: Late Fall 2023

Staffing and Resources

Will you utilize existing staff, hire new staff, or use a contractor/consultant to operate your cannabis retail licensing program? (Select all that apply & enter the number of anticipated full-time equivalent positions for each)

- Utilize existing staff – # of positions: 4
- Hire new staff (permanent) – # of positions: [Click or tap here to enter text.](#)
- Hire new staff (temporary) – # of positions: [Click or tap here to enter text.](#)
- Use a contractor/consultant – # of positions: 2

How many staff members, including contractors, will you need to operate your cannabis retail licensing program on an ongoing basis?

Total number of full-time equivalent positions: 4



Department of Cannabis Control, Retail Access Grant Program
Attachment B - Budget Form (DCC-2627)

Jurisdiction Name:	Nevada County
Requested Phase I Funding Amount:	\$216,116
Requested Phase I Equity Bonus Amount:	\$104,364

Total Amount Requested:	\$ 320,480.41
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Program Development Costs

Personnel Classification	Role in Project	Annual Salary & Benefits	Percentage of Time	Year(s)	Total	Explanation of Cost
Economic Development Program Manager	Grant management and Administrator	\$ 222,208.00	0.05	1.00	\$ 11,110.40	Responsibilities include: oversight of the grant, management of the consultant contract, support of public outreach, and reporting
Planning Director	Lead Project Manager	\$ 300,000.00	0.10	1.00	\$ 30,000.00	Responsibilities include: ordinance preparation and research and CEQA compliance process
Associate Planner	Research and Drafter	\$ 140,000.00	0.20	1.00	\$ 28,000.00	Responsibilities include: research and ordinance preparation
Cannabis Director	Co-Project Manger	\$ 255,000.00	0.10	1.00	\$ 25,500.00	Responsibilities include: ordinance preparation and research and CEQA compliance process
Senior Cannabis Compliance Officer	Co-Project Manger	\$ 143,286.00	0.05	1.00	\$ 7,164.30	Responsibilities include: draft Ordinance oversite with assistance regarding cannabis licensing and permitting.
Civil Attorney III	Legal Oversight of the Cannabis Retail Ordinance	\$264,190.00	0.05	1.00	\$ 13,341.60	Responsibilities include: direct communication and assistance regarding cannabis licensing and permitting. Work with Code Compliance and attend meetings. Contribute to publications and outreach

Description of Other Costs	Amount	Explanation of Cost
Public Outreach	\$ 20,000.00	Noticing, mailings, newspaper advertisements, public meetings, etc.
Consultant	\$ 20,000.00	Advisory on CEQA process/review for Ordinance
Supplies/materials, etc.	\$ 1,000.00	Cost of supplies for meetings, printers, etc.
Technical support for applicants and licensees (6)	\$ 60,000.00	Support for applicants to engage consultants, etc. for technical and licensing support

Program Development Costs Total:	\$ 216,116.30
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Equity Program Costs (if applicable)

Personnel Classification	Role in Project	Annual Salary & Benefits	Percentage of Time	Year(s)	Total	Explanation of Cost
Assistant Planner	Advisory to equity applicants	\$ 125,000.00	0.05	1.00	\$ 6,250.00	Responsibilities include: meet with perspective applicants to advise them on the necessary permits and special studies
Economic Development Program Manager	Grant mgmt & Administrator	\$ 222,208.00	0.03	1.00	\$ 6,666.24	Responsibilities include: handle grant oversight, manage consultant contracts, ensure proper reporting.
Senior Cannabis Compliance Officer	Co-Project Manager	\$ 143,286.00	0.05	1.00	\$ 6,447.87	Responsibilities include: direct communication and assistance to equity applicants/licencees regarding cannabis licensing and permitting.
		\$ -			\$ -	
		\$ -			\$ -	
		\$ -			\$ -	

Description of Other Equity Program Costs	Amount	Explanation of Cost
Consultant	\$ 15,000.00	Technical assistance includeing assistance with regulatory and licensing.
Equity Applicant Support (6)	\$ 70,000.00	Direct financial assistance for infrastructure.
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	

Equity Program Costs Total:	\$ 104,364.11
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Grand Total:	\$ 320,480.41
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RESOLUTION No. 23-152

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION AUTHORIZING THE NEVADA COUNTY ECONOMIC DEVELOPMENT OFFICE, OR THEIR DESIGNEE, TO SUBMIT A GRANT APPLICATION FOR UP TO \$320,500.11 TO THE CALIFORNIA DEPARTMENT OF CANNABIS CONTROL FOR THE CANNABIS LOCAL JURISDICTION RETAIL ACCESS GRANT PROGRAM

WHEREAS, the Nevada County Board of Supervisors met on January 25 through 27, 2023 and developed the Board's 2023 Objectives for Nevada County that were adopted by Resolution 23-068; and

WHEREAS, Resolution 23-068 established cannabis under the Economic Development Objective initiative "Support potential high growth sector development"; and

WHEREAS, the Nevada County Board of Supervisions on January 28, 2023, directed staff to initiate and address future ordinance amendments to identify and include the allowance of retail store front sales dispensaries and mobile retail sales delivery in commercial and industrial zoning districts; and

WHEREAS, pursuant to the Budget Act of 2022, California Department of Cannabis Control's (CDCC), issued a Notice of Funding Availability (NOFA) on March 10, 2023, for the Cannabis Local Jurisdiction Retail Access Grant Program; and

WHEREAS, the Nevada County Economic Development Office, with direction from the Community Development Agency, Planning Division and Cannabis Compliance, is seeking funding to develop and implement a local cannabis retailer licensing program in the unincorporated areas of Nevada County; and

WHEREAS, the Board of Supervisors of the County of Nevada (Applicant) supports the submission of a Cannabis Local Jurisdiction Retail Access Grant application package (Application) on the forms provided by the CDCC; and

WHEREAS, successful applicants may be eligible for an additional Phase I Equity Bonus; and

WHEREAS, grant objectives include the development of a retail licensing program within the county's unincorporated areas, provisions to assist equity applicants, allowances for retail storefront dispensaries and non-retail storefronts delivery, allowances for adult-use and medicinal commercial cannabis access.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Nevada, State of California, that the Board of Supervisors hereby approves and authorizes the Economic Development Program Manager or their designee to submit a grant application to the California Department of Cannabis Control (CDCC), Cannabis Local Jurisdiction Retail Access Grant for up to \$320,500.11 (up to \$216,136) PHASE I with potential for (\$104,364.11) Phase I Equity Bonus).

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 18th day of April, 2023, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward C. Scofield, Lisa Swarthout, Susan Hoek and Hardy Bullock.

Noes: None.

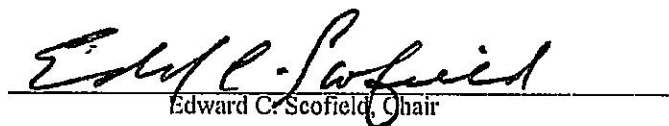
Absent: None.

Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Supervisors

By: 


Edward C. Scofield, Chair

4/18/2023 cc: CDA*
AC*