



RESOLUTION No. 24-605

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT CANNABIS EQUITY GRANTS PROGRAM FOR LOCAL JURISDICTIONS FOR TYPE 2 FUNDING IN THE AMOUNT OF \$500,000 FOR FISCAL YEAR 2024/25

WHEREAS, the members of the California Legislature have recognized the need for cannabis equity grant funding; and

WHEREAS, funding has been provided to the Governor's Office of Business and Economic Development to provide grant funds to local governments; and

WHEREAS, the County of Nevada has adopted a local equity program for commercial cannabis activity; and

WHEREAS, County of Nevada has determined that it will use grant funds from the Governor's Office of Business and Economic Development to assist local equity applicants and licensees through its local equity program for commercial cannabis activity as described in its application for grant funds.

NOW, THEREFORE, BE IT RESOLVED that the Code and Cannabis Compliance Director is authorized to submit, on behalf of the County of Nevada, a grant application for the California Governor's Office of Business and Economic Development's Cannabis Equity Grants Program for local jurisdictions for Type 2 funding in the amount of \$500,000 for fiscal year 2024/25.

IT IS AGREED that any liability arising out of the performance of this grant agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorized agency. The Governor's Office of Business and Economic Development and the State of California disclaim responsibility for any such liability.

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 26th day of November 2024, by the following vote of said Board:

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

Noes: None.

Absent: Hardy Bullock.

Abstain: None.

Recuse: None.

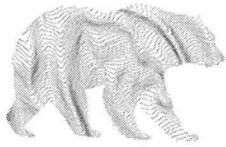
ATTEST:

TINE MATHIASSEN
Chief Deputy Clerk of the Board of Supervisors

By: _____




Heidi Hall, Vice Chair



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT
STATE OF CALIFORNIA • OFFICE OF GOVERNOR GAVIN NEWSOM

CANNABIS EQUITY GRANTS PROGRAM FOR LOCAL JURISDICTIONS

GRANT SOLICITATION

FISCAL YEAR 2024 - 2025

OCTOBER 2024

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INTRODUCTION

The Governor's Office of Business and Economic Development (GO-Biz) serves as the State of California's leader for job growth and economic development efforts. GO-Biz offers a range of services to business owners including: attraction, retention and expansion services, site selection, permit assistance, regulatory guidance, small business assistance, international trade development, assistance with state government, and much more.

BACKGROUND AND PROGRAM OVERVIEW

On November 8, 2016, California voters approved Proposition 64, the Control, Regulate, and Tax Adult Use of Marijuana Act (AUMA). In its statement of purpose and intent, AUMA calls for regulating cannabis in a way that "reduces barriers to entry into the legal, regulated market."

Cannabis prohibition and criminalization had a devastating impact on populations and communities across California. Individuals convicted of a cannabis offense and their families suffer the long-term consequences of prohibition and criminalization. These individuals have a more difficult time entering the newly created adult-use cannabis industry due, in part, to a lack of access to capital, business space, technical support, and regulatory compliance assistance.

During the era of cannabis prohibition in California, the burdens of arrest, convictions, and long-term collateral consequences arising from a conviction fell disproportionately on African American/Black and Latinx/Hispanic people, even though people of all races used and sold cannabis at nearly identical rates. The California Department of Justice data shows that from 2006 – 2015, inclusive, African American/Black Californians were two times more likely to be arrested for cannabis misdemeanors and five times more likely to be arrested for cannabis felonies than Caucasian/White Californians. During the same period, Latinx/Hispanic Californians were 35 percent more likely to be arrested for cannabis crimes than Caucasian/White Californians. The collateral consequences associated with cannabis law violations, coupled with generational poverty and lack of access to resources, make it extraordinarily difficult for persons with convictions to enter the newly regulated industry.¹²

GO-Biz administers the Cannabis Equity Grants Program for Local Jurisdictions to aid local equity program efforts to support equity applicants and equity licensees. Offering technical support, regulatory compliance assistance, and assistance with securing the capital necessary to begin a business will further the stated intent of the AUMA by reducing barriers to licensure and employment in the regulated industry. Offering these types of support will also aid the state in its goal of eliminating or reducing the illicit cannabis market by bringing more people into the legal marketplace.

PURPOSE

The purpose of the Cannabis Equity Grants Program for Local Jurisdictions is to advance economic justice for individuals most harmed by cannabis criminalization and poverty by

¹ Bureau of Criminal Statistics, California Department of Justice, "Crime in California 2010," (2011).

² AB 97, Stats. 2019, Ch. 40.

providing support to local jurisdictions as they promote equity and eliminate barriers to enter the newly regulated cannabis industry for equity program applicants and licensees.

The term “equity” recognizes that because different individuals or groups have different histories and circumstances, they have different needs and unequal starting points. Using an equity approach, individuals and groups receive different resources, opportunities, support, or treatment based on their specific needs. By providing what each individual or group needs, they can have equitable or fair outcomes. Therefore, cannabis equity programs should be distinct from other types of assistance programs by their focus and intentionality in understanding the specific systemic barriers and injustices different individuals or groups face when trying to access opportunity in the cannabis marketplace.

Local jurisdictions can help further the purpose and intent of the AUMA by fostering equitable access to licensure and business ownership in the regulated cannabis industry, ensuring that individuals most harmed and economically disadvantaged by cannabis criminalization are offered assistance, and priority licensing when possible, to enter the multibillion-dollar cannabis industry as entrepreneurs.

TIMELINE

Activity	Date
Grant Solicitation Release	October 1, 2024
Online Application Portal Available	October 8, 2024
Application Due Date	December 16, 2024 at 11:59 pm
Grant Evaluation and Award Announcement	December 17, 2024 – January 24, 2025
Grant Agreements Executed No Later Than	March 31, 2025
Grant Term	April 1, 2025 – October 31, 2026

FUNDING

A total of fifteen million dollars (\$15,000,000) is available for fiscal year 2024-2025³. There are two application types which are defined below. Applications for Funding Request Type 1 are subject to a maximum request of seventy-five thousand dollars (\$75,000) and the total amount available for this application type is one million dollars (\$1,000,000). In the event the total amount of funding requested in approved applications for Funding Request Type 1 exceeds the amount available for this application type, the grant amount allocated for each approved Funding Request Type 1 application shall be prorated.

Applications for Funding Request Type 2 are subject to a maximum request of three million five hundred thousand dollars (\$3,500,000) and will be allocated grant funds using a point-based scoring system and funding formula. The total amount available for Funding Request Type 2 applications will be the difference between the total amount of funding available for the fiscal year and the total amount approved for Funding Request Type 1 applications. If a Funding Request Type 2 applicant requests an amount less than it would be entitled to based on the

³ The total amount available for award is subject to revision due to a variety of factors, including differences between estimated and actual amounts allocated to GO-Biz for award, prior years' funds not awarded, and prior years' funds returned to GO-Biz after award.

point-based scoring system and funding formula, then the applicant will be awarded the lesser amount. Please refer to the Application Review and Scoring Criteria section of this document for a detailed description of the point-based scoring system and funding formula.

Grant funds may only be used for eligible activities and the amount awarded may only be expended during the grant term. Expenses incurred prior to the execution of the grant agreement and/or prior to the beginning of the grant term are not eligible costs.

As indicated in last year's Grant Solicitation, applications for Funding Request Type 2 are subject to the following funding match requirement:

- Funding Request Type 2 grant awards in excess of five hundred thousand dollars (\$500,000) will require 1:1 matching funds from the local jurisdiction during the grant term for the amount in excess of five hundred thousand dollars (\$500,000).
- Funding Request Type 2 grant awards of up to five hundred thousand dollars (\$500,000) will not require any matching funds from the local jurisdiction during the grant term.
- In-kind contributions may not be counted as matching funds, except for the value of the wages and benefits of local jurisdiction staff performing local equity program services. Wages and benefits of staff must be prorated unless 100 percent of the employee's time is dedicated to the jurisdiction's local equity program.
- Grant funds from GO-Biz, the Department of Cannabis Control, and any other California State Agency or Department may not be counted as matching funds.
- Local jurisdiction matching funds must be expended during the grant term for eligible Funding Request Type 2 activities and be documented in the jurisdiction's approved GO-Biz Matching Funds Budget Spreadsheet.

Examples: A Funding Request Type 2 grant award of \$900,000 will require \$400,000 in matching funds from the local jurisdiction. A Funding Request Type 2 grant award of \$2,000,000 will require \$1,500,000 in matching funds from the local jurisdiction. A Funding Request Type 2 grant award of \$450,000 will not require any matching funds from the local jurisdiction.

Local jurisdictions that include a matching funds commitment in their application must submit the GO-Biz Matching Funds Budget Spreadsheet with their application. A matching funds commitment in an application will be included as a contractual requirement in the jurisdiction's grant award agreement.

ELIGIBLE APPLICANTS

Only eligible local jurisdictions may apply for grant funds. "Eligible local jurisdiction" means a local jurisdiction (a city, county, or city and county) that demonstrates an intent to develop a cannabis equity program or that has adopted or operates a cannabis equity program.

In addition, grant applications from eligible local jurisdictions are subject to the following requirements:

- For Funding Request Type 2 applications, local jurisdictions must have established their local equity program eligibility criteria by the application due date and such criteria

should focus on individuals most harmed by cannabis criminalization and poverty. Local jurisdictions with local equity program eligibility criteria deemed by GO-Biz as overbroad may have contractual restrictions and limitations placed on grant funds provided by GO-Biz should applications from such jurisdictions score well enough to be awarded grant funds. Local jurisdictions may use the criteria established by the Department of Cannabis Control for its Equity Fee Relief Program, however, this criteria should not be expanded as it is the minimum criteria acceptable to GO-Biz.

- Local equity programs may not include eligibility criteria that violate the Equal Protection Clauses of the U.S. and California Constitutions, and Article 1, Section 31 of the California Constitution (Prop. 209) such as race, ethnicity, gender, sexual orientation, etc. **Local jurisdictions that include such eligibility criteria in their local equity programs will NOT be awarded grant funds.**
- Local jurisdictions that have been previously awarded a Cannabis Equity Grant from GO-Biz are eligible to apply for a subsequent grant only if they have expended at least 50 percent of any grant funds awarded more than 12 months ago (calculated from the date the grant agreement was fully executed to the application due date), and at least 80 percent of any grant funds awarded more than 18 months ago (calculated from the date the grant agreement was fully executed to the application due date), as evidenced by expenditures reported in the most recent progress report submitted to GO-Biz by the application due date.
- Local jurisdictions that have been previously awarded a Cannabis Equity Grant from GO-Biz and fail to submit all of the statutorily and contractually required annual report information to GO-Biz by the January 1, 2025, deadline may have their applications deemed ineligible for a grant award.

FUNDING CATEGORIES

Eligible local jurisdictions may submit only one type of application:

Funding Request Type 1: Assistance for Cannabis Equity Assessment/Program Development

- Assistance for the creation of a cannabis equity assessment and/or assistance for the development of a local equity program.

Funding Request Type 2: Assistance for Cannabis Equity Program Applicants and Licensees

- Assistance for cannabis equity program applicants and licensees to gain entry to, and to successfully operate in, the state's regulated cannabis marketplace. An eligible local jurisdiction may not apply for Funding Request Type 2 unless:
 - The jurisdiction has already conducted a cannabis equity assessment by the application due date; and
 - The jurisdiction has adopted or operates a local equity program by the application due date; and
 - The jurisdiction has established its local equity program eligibility criteria by the application due date.

ELIGIBLE USES OF FUNDING

Applicants for Funding Request Type 1: Assistance for Cannabis Equity Assessment/Program Development may use funding solely for the purpose of conducting an equity assessment and/or developing a local equity program. Applications for Funding Request Type 1 may request up to seventy-five thousand dollars (\$75,000). Grant funds for Funding Request Type 1 are subject to the following requirements:

- An eligible local jurisdiction that receives a grant for Funding Request Type 1 may use no more than forty thousand dollars (\$40,000) to conduct its cannabis equity assessment.
- Eligible costs related to conducting a cannabis equity assessment include staff time to conduct the analysis and compile the report, or contracting with a consultant to conduct necessary research, etc.
- Eligible costs related to program development include staff or consultant time, and other necessary and reasonable expenses to adopt a local equity program, and/or design and prepare to implement any new component(s) of an existing local equity program which are not already operational.
- Funds requested to assist with the development of a local equity program may not include any costs associated with acquiring and/or improving land or buildings.
- An eligible local jurisdiction may receive Type 1 funding for the purpose of conducting a cannabis equity assessment only once and may receive Type 1 funding for the purpose of program development only once, and in no case may receive more than seventy-five thousand dollars (\$75,000) total in Type 1 funding.

Applicants for Funding Request Type 2: Assistance for Cannabis Equity Program Applicants and Licensees may use funding to assist the jurisdiction's equity applicants and equity licensees to gain entry to, and to successfully operate in, the state's regulated cannabis marketplace.

Applications for Funding Request Type 2 may request up to three million five hundred thousand dollars (\$3,500,000). Grant funds for Funding Request Type 2 may only be used as follows:

- To provide grants, no-interest loans, or low-interest loans to the jurisdiction's local equity applicants and/or local equity licensees to assist with startup and ongoing costs.
- To provide or fund direct technical assistance to the jurisdiction's local equity applicants and/or local equity licensees. No more than 10 percent of the grant award may be used for direct technical assistance. Any amount of grant funds for direct technical assistance that the jurisdiction will subcontract with another entity or person to provide must be identified as a subcontracted cost in the GO-Biz Budget Spreadsheet.
- To assist in the administration of the jurisdiction's local equity program. No more than 10 percent of the grant award may be used for administration, which includes the following:
 - Employing staff or hiring consultants to administer the jurisdiction's local equity program, including administering loans and grants.
 - The jurisdiction's costs associated with its efforts to provide sources of capital to

its local equity applicants and local equity licensees.

DEFINITIONS

“Direct Technical Assistance” refers to support to help cannabis equity applicants and licensees acquire the knowledge and/or skills necessary in order to gain entry to, and to successfully operate in, the regulated cannabis marketplace. Direct technical assistance includes:

- One-on-one consulting and training, including direct interactions in group settings, to provide equity applicants and licensees the technical knowledge and expertise necessary to facilitate business ownership and employment in the cannabis industry.
- Small business support services, professional mentorship services, training and education regarding state cannabis licensing and regulatory requirements, manufacturing assistance, financial management, and business resilience such as emergency preparedness.

“Eligible Local Jurisdiction” means a local jurisdiction that demonstrates an intent to develop a local equity program or that has adopted or operates a local equity program.

“Equity Assessment” or **“Cannabis Equity Assessment”** means an assessment, in a written narrative format, conducted by the local jurisdiction that was used to inform the creation or revision of its local equity program, and that assessment may include the following:

- Reference to local historical rates of arrests or convictions for cannabis law violations.
- Identification of the impacts that cannabis-related policies have had historically on communities and populations within that local jurisdiction.
- Other information that demonstrates how individuals and communities within the local jurisdiction have been disproportionately or negatively impacted by the War on Drugs.

“Local Equity Applicant” means an applicant who has submitted, or will submit, an application to a local jurisdiction to engage in commercial cannabis activity within the jurisdictional boundaries of that jurisdiction and who meets the requirements of that jurisdiction’s local equity program but has NOT been issued a local license, permit, or other authorization by the local jurisdiction to engage in commercial cannabis activity.

“Local Equity Licensee” means a person who has obtained a license, permit, or other authorization from a local jurisdiction to engage in commercial cannabis activity within the jurisdictional boundaries of that jurisdiction and who meets the requirements of that jurisdiction’s local equity program.

“Local Jurisdiction” means a city, county, or city and county, within California.

“Local Equity Program” or **“Cannabis Equity Program”** means a program adopted or operated by a local jurisdiction that focuses on inclusion and support of individuals and communities in California’s cannabis industry who are linked to populations or neighborhoods that were negatively or disproportionately impacted by cannabis criminalization as evidenced by the local jurisdiction’s equity assessment. Local equity programs may include, but are not limited to, the following types of services:

1. Small business support services offering technical assistance or professional and mentorship services to those persons from economically disadvantaged communities that experienced high rates of poverty and/or communities most harmed by cannabis prohibition, determined by historically high rates of arrests or convictions for cannabis law violations.
2. Tiered fees or fee waivers for cannabis-related permits and licenses.
3. Assistance in paying state regulatory and licensing fees.
4. Assistance securing business locations prior to or during the application process.
5. Assistance securing capital investments or direct access to capital.
6. Assistance with regulatory compliance.
7. Assistance in recruitment, training, and retention of a qualified and diverse workforce, including transitional workers.

“Outcomes” refers to the overall results or effects that are caused by the local jurisdiction’s cannabis equity program’s outputs, i.e., the level of ownership and employment among equity applicants in the regulated cannabis industry.

“Outputs” refers to the measurable actions or activities that are performed or funded by the local jurisdiction’s cannabis equity program. For example: number of grants or loans provided, direct technical assistance services delivered, number of program participants, or dollars spent.

“State Commercial Cannabis License” means a license issued pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act by the Department of Cannabis Control (or as applicable, the California Bureau of Cannabis Control, the California Department of Public Health, or the California Department of Food and Agriculture).

“Transitional Worker” means a person who, at the time of starting employment, resides in a Zip Code or census tract area with higher than average unemployment, crime, or child death rates, and faces at least one of the following barriers to employment: a) is homeless; b) is a custodial single parent; c) is receiving public assistance; d) lacks a GED or high school diploma; has a criminal record or other involvement with the criminal justice system; f) suffers from chronic unemployment; g) is emancipated from the foster care system; h) is a veteran; or i) is over 65 years of age and is financially compromised.

APPLICATION SUBMISSION PROCESS

Applications must be submitted electronically using the GO-Biz online Cannabis Equity Grants portal which can be accessed via a link at www.business.ca.gov/CEG. Users of the portal will first need to create an account.

All applications must be submitted by the deadline and the online application portal will automatically close once the application deadline has passed. There are no exceptions or extensions of this deadline. Any technology challenges or inability of an applicant to submit an application by the deadline for any reason shall not be grounds for an extension of the deadline. Applicants are encouraged to submit their application before the deadline in the event technical assistance is required. For help applying, please send an email to

CEG@gobiz.ca.gov with the subject line: Cannabis Equity Grant Online Help or call (916) 322-2683.

REQUIRED/SUPPORTING DOCUMENTS

All applicants must upload the following documents to their application:

- Government Agency Taxpayer ID form – download this form at www.business.ca.gov/CEG.
- GO-Biz Budget Spreadsheet – download the budget template at www.business.ca.gov/CEG.

Applicants for Funding Request Type 2: Assistance for Cannabis Equity Program Applicants and Licensees must upload the following additional documents to their application:

- A copy of the jurisdiction's cannabis equity assessment (must be in a written narrative format).
- A copy of the jurisdiction's local equity ordinance, resolution, regulation, or code that establishes its local equity program.
- A copy of the jurisdiction's local equity program eligibility criteria as it appears in its local equity ordinance, regulation, code or program manual.
- Itemized list of the jurisdiction's investment in its local equity program for calendar year 2024 to date and calendar year 2023.
- GO-Biz Licensing Detail Template – download this template at www.business.ca.gov/CEG.
- GO-Biz Matching Funds Budget Spreadsheet (only required if the jurisdiction will be providing matching funds) – download this spreadsheet at www.business.ca.gov/CEG.

AWARD PROCESS

Once applications have been reviewed and a funding determination has been made by GO-Biz, a grant agreement will be sent to the local jurisdiction, directed to the individual designated as the authorized signer by the applicant through GO-Biz's electronic signature platform, which is currently DocuSign. All grant agreements must be signed by the local jurisdiction through this platform.

To receive grant funding, a resolution is required from the local jurisdiction's governing body authorizing the local jurisdiction to enter into the grant agreement with GO-Biz and designating by title the individual who is authorized to sign the agreement on behalf of the local jurisdiction. Once notified of a grant award, it is important that the local jurisdiction place a resolution request on the governing body's agenda immediately to avoid funding delays. A sample resolution is available at www.business.ca.gov/CEG. The resolution must contain all of the components found in the sample resolution.

Each local jurisdiction must sign their grant agreement through GO-Biz's electronic signature platform. If a local jurisdiction selected for funding fails to provide the required resolution by the date indicated by GO-Biz or fails to electronically sign the grant agreement in the form and manner prescribed by GO-Biz before the deadline, GO-Biz in its sole discretion may determine that the local jurisdiction is no longer eligible for the grant funds.

GO-Biz's determination as to eligibility for grant funding, or the amount of grant funding awarded, is not subject to appeal. GO-Biz reserves the ability to modify proposed budgets if included costs are deemed ineligible. A local jurisdiction selected for funding will be required to be in compliance with the Drug-Free Workplace Certification and Nondiscrimination Compliance Statement as required by state law. All grant funds must be expended within the grant term. Awards for Funding Request Type 1 will be issued to the jurisdiction in one disbursement. Awards for Funding Request Type 2 will be issued as follows:

- 25 percent of the award will be issued to the jurisdiction after execution of the grant agreement by all parties.
- The second 25 percent of the award will be issued after the jurisdiction provides documentation that the initial disbursement was expended in accordance with the grant agreement and the approved budget.
- The third 25 percent of the award will be issued after jurisdiction provides documentation that the second disbursement was expended in accordance with the grant agreement and the approved budget.
- The final 25 percent of the award will be issued on a reimbursement basis after the jurisdiction provides documentation that the third disbursement and the remaining amount of the award was expended in accordance with the grant agreement and approved budget, along with documentation substantiating expenditures in the matching funds budget (if applicable).

Note: Interest earned on any portion of the grant award disbursed to a jurisdiction shall be deemed grant funds and must be used for the same purposes as the grant award or returned to GO-Biz.

APPLICATION REVIEW AND SCORING CRITERIA

Application Review

GO-Biz will utilize the following application review process:

1. Technical review – applications will be verified for eligibility and completeness, including any required documents uploaded to the application.
2. Disqualifications – GO-Biz may disqualify applicants or deny applications for the following reasons:
 - Incomplete application
 - Ineligible applicant
 - Ineligible services
 - Local jurisdictions with local equity program eligibility criteria that violate the Equal Protection Clauses of the U.S. and California Constitutions, and Article 1, Section 31 of the California Constitution (Prop. 209) such as race, ethnicity, gender, sexual orientation, etc.
 - Local jurisdictions that have been previously awarded a Cannabis Equity Grant from GO-Biz and fail to submit all of the statutorily and contractually required annual report information to GO-Biz by the January 1, 2025, deadline.

3. Application evaluation and scoring.

Scoring Criteria

This section provides the application questions, scoring point scale, funding formula, and defines the scoring criteria applicable to each Funding Request Type.

Funding Request Type 1: Assistance for Cannabis Equity Assessment/Program Development

Applicants requesting funds to conduct a cannabis equity assessment and/or assistance for the development of a local equity program must answer the following questions in the online application. Applicants will be evaluated and approved for funding based on providing acceptable responses to each question. Acceptable responses shall adequately address all components of each question⁴.

Assistance for Cannabis Equity Assessment/Program Development Application Questions	
1. Total Amount Requested (\$)	
2. Executive Summary: Please describe your proposal in 3-5 sentences. (Max 1750 characters)	
3. Describe the local jurisdiction's interest in supporting equity in the cannabis industry by completing an equity assessment and/or developing a cannabis equity program. (Max 1750 characters)	
4. Who will be responsible for conducting the cannabis equity assessment and/or developing the local equity program and please describe their experience performing similar studies, and/or program development? (Max 1750 characters)	
5. How does the jurisdiction intend to use its cannabis equity assessment to inform the creation, revision, and/or development of its local equity program? (Max 1750 characters)	
6. Please provide a timeline and specific activities for the completion of the cannabis equity assessment and/or local equity program development. (Max 1750 characters)	
7. Describe your anticipated expenses (budget narrative) as listed in the budget spreadsheet. (Max 3500 characters)	

Funding Request Type 2: Assistance for Cannabis Equity Program Applicants and Licensees

Application Section	Points Possible		Total Points Available
	Criteria A	Criteria B	
Local Equity Assessment Information	10		
Local Equity Program Outputs and Outcomes	5		

⁴ The online application includes one required technical question found in the Applicant Information section. This question must be completed but is for informational purposes only. Response will not impact applicant's approval for funding.

- Does the jurisdiction have a culture or perspective on equity, including policies, programs, and/or practices that address social equity and justice? If yes, please describe.

Local Equity Program Regulatory Framework	50		
Local Equity Program Expected Outputs and Outcomes	5		
Local Jurisdiction Population Size		25	
Local Equity Program Components		65	
Financial Questions		40	
	70	130	200

Applications for Funding Request Type 2: Assistance for Cannabis Equity Program Applicants and Licensees will be reviewed in the following two phases:

Phase 1: Initial Review	Criteria A responses will be scored, and applicants must achieve a score of at least 40 points in order to proceed to Phase 2. Applicants that do not achieve a score of at least 40 points for Criteria A responses will not be awarded grant funds.
Phase 2: Funding Formula⁵	Criteria B responses will be scored, and the final grant award amount will be based on the total remaining amount available for this application type and the following formula: (Total Points for the local jurisdiction for both Criteria A & B) divided by (Total Points for all local jurisdictions for both Criteria A & B, excluding any applicants that did not achieve a score of at least 50 points for Criteria A). However, the amount awarded to a local jurisdiction shall be subject to the following limitations: <ul style="list-style-type: none"> • The amount awarded shall not exceed \$500,000 unless the local jurisdiction provides matching funds for the amount in excess \$500,000, as specified in the Funding section⁶. • The amount awarded shall not be greater than the product of \$50,000 and the total number of verified local equity applicants and licensees in the jurisdiction. If a local jurisdiction has fewer than six total verified local equity applicants and licensees, and GO-Biz determines it is due to the local jurisdiction recently implementing its local equity program, then GO-Biz may offer the jurisdiction an award not to exceed \$250,000.

Applicants for Funding Request Type 2: Assistance for Cannabis Equity Program Applicants and Licensees must answer the following questions in the online application.

⁵ If an applicant requests an amount less than it would be entitled to based on the funding formula, then the applicant will be awarded the lesser amount.

⁶ In the event there is remaining grant funding available after application of this requirement, then notwithstanding the requirement, the remaining funds available shall be allocated on a pro rata basis using the jurisdiction's matching funds commitment compared to the total amount of all jurisdictions' matching funds commitments.

Scoring Criteria A Questions (70 points possible)

Local Equity Assessment Information

Scoring Criteria A (10 points possible)

1. Describe the communities and populations within the local jurisdiction that have been negatively or disproportionately impacted by cannabis criminalization. (Max 3500 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) Minimal/limited description of impacted communities and populations.
- (3-4 Points) Adequate description of impacted communities and populations reflecting well-researched understanding of data on cannabis criminalization.
- (5 Points) Description of impacted communities and populations is clear and comprehensive. Reflects a thorough understanding of, and commitment to address, past harms and injustices resulting from cannabis criminalization. Includes demographic and geographic data by: Zip Codes, census tracts, precincts, or other categories relevant to identifying the impacted communities and populations within the jurisdiction.

2. How did the local jurisdiction identify the impacted communities and populations(Source/Process)? (Max 3500 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) Minimal/limited description of research, sources, and processes used to complete the jurisdiction's equity assessment and inform the creation or revision of its local equity program.
- (3-4 Points) Adequate description of research, sources and processes used to complete the jurisdiction's equity assessment and inform the creation or revision of its local equity program. Sources and processes identified the impacted communities and populations by evaluation of local historical rates of arrests or convictions for cannabis law violations, the impacts that cannabis-related policies have had historically on communities and populations within the local jurisdiction, and other information that demonstrates how individuals and communities within the local jurisdiction have been disproportionately or negatively impacted by cannabis criminalization.
- (5 Points) Clear and comprehensive description of research, sources, and processes used to complete the jurisdiction's equity assessment and inform the creation or revision of its local equity program. Answer meets the 3-4 points criteria above, and additionally explains the role of stakeholder input, includes critique identifying any limitations of its research, sources, and processes along with the need for further research, etc.

Local Equity Program Outputs and Outcomes

Scoring Criteria A (5 points possible)

3. Describe the outputs and outcomes of the jurisdiction's local equity program elements to date. (Max 3500 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) Limited/minimal outputs and outcomes and evaluation related to each local equity program element.
- (3-4 Points) Adequate outputs and outcomes and evaluation related to each local equity program element. For example, the number of individuals who have participated in each local equity program element (i.e., individuals that have attended application workshops and received resources to successfully complete the cannabis business application and licensing process.)
- (5 Points) Clear and comprehensive outputs and outcomes and evaluation related to each local equity program element. Includes actual data on program outputs and outcomes. Answer meets the 3-4 points criteria above, and acknowledges any significant examples of where program outputs and outcomes have fallen short and lessons learned. Describes the ways in which the local equity program ensures quality services and equity program participant satisfaction.

Local Equity Program Regulatory Framework

Scoring Criteria A (50 points possible)

4. Explain how the jurisdiction's local equity program and regulatory framework facilitate an equitable and economically just industry for the communities and populations identified in its equity assessment. (Max 3500 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) Minimal/limited explanation of how the jurisdiction's local equity program and regulatory framework facilitate an equitable and economically just industry.
- (3-4 Points) Adequate explanation of how the jurisdiction's local equity program and regulatory framework facilitate an equitable and economically just industry in light of past harms and injustices resulting from cannabis criminalization.
- (5 Points) Clear and compelling explanation of how equity and economic justice inform the local equity program design, implementation, and evaluation. Local equity program and regulatory framework maximize access and success for local equity applicants and licensees.

5. Describe the eligibility criteria used to determine who qualifies for participation in the jurisdiction's local equity program. (Max 7000 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-4 Points) Minimal/limited explanation of the eligibility criteria, and/or includes several eligibility criteria not sufficiently focused on individuals most harmed by cannabis criminalization and poverty.
- (5-10 Points) Eligibility criteria includes some elements that are adequately focused on individuals most harmed by cannabis criminalization and poverty. However, some eligibility criteria may be too broadly defined and fail to exclude a majority of

the individuals not harmed by cannabis criminalization.

- (11-15 Points) Eligibility criteria is very focused on individuals most harmed by cannabis criminalization and poverty. Eligibility criteria includes few to no elements that are too broadly defined and fail to exclude a majority of individuals not harmed by cannabis criminalization.
- (16-20 Points) Eligibility criteria is exceptionally focused on individuals most harmed by cannabis criminalization and poverty. Eligibility criteria effectively identify and include a majority of individuals who a) were negatively or disproportionately harmed by cannabis criminalization, and b) are in need of assistance to enter and succeed in the regulated cannabis marketplace (i.e., a defined low-income status or wealth limit). In addition, eligibility is not defined so broadly that it may include those who were not impacted by cannabis criminalization and are not in need of assistance. Eligibility criteria may include defined geographic areas or Zip Codes for individuals negatively or disproportionately harmed by cannabis criminalization, a defined low-income status, certain prior cannabis convictions, or other relevant eligibility factors.

6. Does the jurisdiction's local equity program have any shareholder or ownership requirements If yes, please describe. (Max 3500 characters)

- (0 Points) The program does not have any minimum shareholder or ownership requirements.
- (1-4 Points) There are minimal/limited requirements for shareholders or ownership interest. The local equity program requires minimal disclosure from shareholders and may not require disclosure of other ownership interests. There is no minimum amount of equity an equity applicant/licensee must own in their business or the amount is less than 20%.
- (5-8 Points) There are adequate requirements for shareholder or ownership interest. The equity applicant/licensee has a minimum amount of equity that cannot be reduced below 20% in their business. Applicants may be required to sign a document acknowledging their rights before receiving a license to allow applicants to make informed decisions about their equity and rights as an equity license holder.
- (9-10 Points) There are clear and compelling requirements for shareholder or ownership interests. Equity applicants/licensees are required to have a minimum amount of equity in their business that cannot be reduced below 51%. Applicants must sign a document acknowledging their rights before receiving a license to allow applicants to make informed decisions about their equity and rights as an equity license holder.

7. Does the jurisdiction's local equity program provide preferential licensing for local equity applicants? If yes, please describe. (Max 1750 characters)

- (0 Points) Jurisdiction does not provide preferential licensing for local equity applicants. Jurisdiction does not require proportional allocation or ratios of licenses for equity applicants compared to non-equity applicants. If the local jurisdiction has licensing caps or limitations for commercial cannabis, there are no differences in access to licenses for equity applicants.
- (1-2 Points) Jurisdiction provides minimal preferential licensing for local equity

applicants. The jurisdiction does not meet at least a 1:1 ratio of equity to non-equity licenses. The jurisdiction does not plan on modifying licensing caps or limitations for equity licensees. Jurisdiction's licensing caps or limitations were determined without input from a Department of Race and Equity or similarly equity-focused entity.

- (3-4 Points) Jurisdiction provides adequate preferential licensing for local equity applicants. Jurisdiction adequately ensures that equity applicants are reserved a proportionate share of local licenses. If the local jurisdiction has licensing caps or limitations for commercial cannabis, the jurisdiction meets a 1:1 allocation of equity to non-equity licenses. The jurisdiction plans on expanding licensing caps or removing limitations for equity licensees. The local jurisdiction's licensing caps or limitations were determined with input from a Department of Race and Equity or similarly equity-focused entity.
- (5 Points) Jurisdiction provides clear and compelling preferential licensing for local equity applicants. For all license types, the local equity program ensures proportionate representation from equity applicants. If the local jurisdiction has licensing caps or limitations for commercial cannabis, the jurisdiction meets a 2:1 allocation or more of equity to non-equity licenses. After this initial number is reached, the local equity program monitors the market situation and continues to ensure proportionate representation of equity licenses. The jurisdiction has comprehensively expanded licensing caps or removed limitations for equity licensees. The local jurisdiction's licensing caps or limitations were determined with input from a Department of Race and Equity or similarly equity-focused entity.

8. How does the jurisdiction ensure eligible communities and populations are made aware of the benefits offered by its local equity program? (Max 1750 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) Jurisdiction provides limited outreach and awareness-raising efforts. Minimal thought is given to which techniques, media channels, messages, and messengers are most appropriate/effective in reaching and informing the eligible population.
- (3-4 Points) Jurisdiction provides adequate outreach and awareness-raising efforts. Includes some community engagement techniques, media channels, messages, and messengers which effectively reach and inform the eligible population.
- (5 Points) Jurisdiction provides robust outreach and engagement efforts that cultivate trust and respect in partnership with the eligible population and communities. Communication techniques, media channels, messages, and messengers are carefully selected and/or tailored to effectively reach and inform the eligible population and communities. Workshops, trainings, and outreach activities occur/take place in the impacted neighborhoods.

9. How does the jurisdiction collect and address feedback from communities and populations eligible for its local equity program? (Max 1750 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) The local equity program's process and responsiveness to challenges

- and complaints is limited/minimal.
- (3-4 Points) The local equity program has an adequate system to receive and address feedback.
- (5 Points) The local equity program provides a clear and comprehensive process to receive and address feedback.

Local Equity Program Expected Outputs and Outcomes

Scoring Criteria A (5 points possible)

10. If the requested funds are awarded, what are the expected outputs and outcomes of the jurisdiction's local equity program? (Max 3500 characters)

- (0 Points) Answer does not minimally address the question; or Applicant did not provide an answer to the question.
- (1-2 Points) Limited expected outputs and outcomes and minimal description of how the program will benefit, serve, and involve the eligible populations and communities.
- (3-4 Points) Adequate expected outputs and outcomes and acceptable description of how the program will benefit, serve, and involve the eligible populations and communities.
- (5 Points) Robust expected outputs and outcomes and clear and comprehensive description of how the program will benefit, serve, and involve the eligible populations and communities.

Scoring Criteria B Questions (130 points possible)

Local Jurisdiction Population Size

Scoring Criteria B (25 points possible)

1. What was the local jurisdiction's population size as of January 1, 2024, as published on the Department of Finance's (DOF) website?

- Local jurisdictions with less than 100,000 residents (4 points).
- Local jurisdictions with 100,000-399,999 residents (7 points).
- Local jurisdictions with 400,000-999,999 residents (10 points).
- Local jurisdictions with 1,000,000-1,999,999 residents (15 points).
- Local jurisdictions with 2,000,000-2,999,999 residents (20 Points).
- Local jurisdictions with 3 million or more residents (25 points).

Local Equity Program Components

Scoring Criteria B (65 points possible)

2. When was the jurisdiction's local equity program adopted?⁷ (mm/dd/yyyy)

- Fewer than 6 months in existence (0 points).
- 6 months to less than 1 year in existence (1 point).
- 1 year to less than 2 years in existence (3 points).
- 2 years to less than 3 years in existence (5 points).

⁷ Determined by using the date the applicant jurisdiction's equity program was adopted, to the date indicated as the deadline to submit the grant application.

<ul style="list-style-type: none"> • 3 years to 4 years in existence (7 points). • More than four years in existence (9 points).
<p>3. Which of the following program elements does the jurisdiction's local equity program include? Check all that apply as of the application due date. (0.5 point each, 4 points max)</p> <ul style="list-style-type: none"> • Small business support services including technical assistance or professional and mentorship services. • Tiered fees or fee waivers for cannabis-related permits and licenses. • Assistance in paying state regulatory and licensing fees. • Assistance securing business locations prior to or during the application process. • Assistance securing capital investments or direct access to capital. • Assistance with regulatory compliance. • Assistance in recruitment, training, and retention of a qualified and diverse workforce, including transitional workers. • Low-interest or no-interest loans or grants to local equity applicants or local equity licensees to assist with startup and ongoing costs.
<p>4. How many verified local equity applicants does the local jurisdiction currently have? (Note: Only include individuals that the jurisdiction has confirmed their eligibility for the local equity program AND that have submitted, or will submit, an application for a local license, permit, or other authorization by the local jurisdiction to engage in commercial cannabis activity, but have NOT been issued a local license, permit, or other authorization by the local jurisdiction to engage in commercial cannabis activity. Exclude any verified local equity applicants for license types that will not likely be obtainable in the next 12 months due to the jurisdiction's licensing cap.)</p> <ul style="list-style-type: none"> • 0 equity applicants (0 points). • 1-20 equity applicants (5 points). • 21-100 equity applicants (10 points). • 101-150 equity applicants (15 points). • 151-200 equity applicants (20 points). • 201-300 equity applicants (25 points). • 301-500 equity applicants (30 points). • More than 500 equity applicants (35 points).
<p>5. How many verified local equity license holders does the local jurisdiction currently have? (Note: Only include individuals that the jurisdiction has confirmed their eligibility for the local equity program AND that have been issued a local license, permit, or other authorization by the local jurisdiction to engage in commercial cannabis activity.)</p> <ul style="list-style-type: none"> • 0 equity license holders (0 points). • 1-4 equity license holders (2 points). • 5-20 equity license holders (5 points). • 21-50 equity license holders (7 points). • 51-80 equity license holders (9 points). • 81-120 equity license holders (11 points). • 121-160 equity license holders (13 points). • 161-200 equity license holders (15 points).

- More than 200 equity license holders (17 points).

Financial Questions

Scoring Criteria B (40 points possible)

- 6. What was the jurisdiction's investment in its local equity program in calendar year 2023?** (Exclude any grant funds provided by the State of California, the Department of Cannabis Control, GO-Biz, and any other California State Agency or Department)
 - Investment between \$0-\$249,999.99 (0 points).
 - Investment between \$250,000-\$999,999.99 (5 points).
 - Investment between \$1,000,000-\$1,499,999.99 (10 points).
 - Investment between \$1,500,000-\$1,999,999.99 (15 points).
 - Investment of \$2 million or greater (20 points).
- 7. What is the jurisdiction's investment in its local equity program in calendar year 2024 to date?** (Exclude any grant funds provided by the State of California, the Department of Cannabis Control, GO-Biz and any other California State Agency or Department)
 - Investment between \$0-\$249,999.99 (0 points).
 - Investment between \$250,000-\$999,999.99 (5 points).
 - Investment between \$1,000,000-\$1,499,999.99 (10 points).
 - Investment between \$1,500,000-\$1,999,999.99 (15 points).
 - Investment of \$2 million or greater (20 points).
- 8. What will the jurisdiction contribute to its local equity program as matching funds from April 1, 2025, through October 31, 2026?** (Exclude any grant funds provided by the State of California, the Department of Cannabis Control, GO-Biz and any other California State Agency or Department) [No points allocated]

Technical Questions⁸ (not scored)

- 1. Total Amount Requested (\$)**
- 2. Executive Summary: Please describe the proposal in 3-5 sentences.** (Max 1750 characters)
- 3. How many local equity applicants does the jurisdiction intend to serve with the requested funds?**
- 4. How many local equity licensees does the jurisdiction intend to serve with the requested funds?**
- 5. For each budget line item and activity identified in the budget spreadsheet, describe how the jurisdiction will use the requested funding to assist its local equity program's applicants and licensees.** (Max 3500 characters)
- 6. Does the local jurisdiction have a culture or perspective on equity, including policies, programs, and/or practices that address social equity and justice? If yes, please describe.** (Max 1750 characters)

⁸ These questions must be completed but are for informational purposes only. Responses will not impact applicant's score. The first five questions can be found in the Proposal section of the online application, and the last technical question can be found in the Applicant Information section.

NOTICE TO APPLICANTS

All materials submitted in response to a GO-Biz grant solicitation will become the property of GO-Biz and as such, are subject to the California Public Records Act (Government Code Section 6250 et seq.).

VERIFICATION OF APPLICANT INFORMATION

By submitting an application, applicants authorize GO-Biz to verify any and all information submitted in the application. GO-Biz may request additional documentation to clarify or validate any information provided in the application and/or budget.

POST-AWARD REPORTING REQUIREMENTS

An eligible local jurisdiction that receives a grant shall submit periodic progress reports to GO-Biz documenting expenditures and progress toward deliverables, and on or before January 1 of the year following receipt of the grant and annually thereafter for each year that grant funds are expended, submit an annual report to GO-Biz that includes all the following information:

1. How the local jurisdiction disbursed the funds.
2. How the local jurisdiction identified local equity applicants or local equity licensees, including how the local jurisdiction determines who qualifies as a local equity applicant or local equity licensee.
3. The number of local equity applicants and local equity licensees that were served by the grant funds.
4. Aggregate demographic data on equity applicants, equity licensees, and all other applicants and licensees in the jurisdiction, including, but not limited to, race, ethnicity, gender, sexual orientation, income level, education level, prior convictions, and veteran status. This information will be consolidated and reported without the individual's identifying information.
5. If the local jurisdiction requires equity applicants to become eligible through specific ownership percentages, a breakdown of equity applicants' and equity licensees' business ownership types and percentages of ownership.
6. At least one success story that describes an equity applicant and/or equity licensee that was assisted as a result of the funding provided by GO-Biz.
7. Any other information specified in the grant agreement.