



# RESOLUTION No. 21-471

## OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

### RESOLUTION AUTHORIZING APPLICATION FOR, AND RECEIPT OF, THE CALIFORNIA DEPARTMENT OF CANNABIS CONTROL LOCAL JURISDICTION ASSISTANCE GRANT FUNDS

WHEREAS, pursuant to the Budget Act of 2021, Item 1115-101-0001 – for local assistance, the California Department of Cannabis Control (Department) has issued a Notice of Funding Availability (NOFA) dated September 14, 2021, as part of the Local Jurisdiction Assistance Grant Fund Program; and

WHEREAS, the County Board of Supervisors of the County of Nevada (Applicant) desires to submit a Local Jurisdiction Assistance grant application package (“Application”), on the forms provided by the Department, for approval of grant funding to aid local jurisdictions and their provisional licensees in completing CEQA compliance requirements necessary to achieve annual licensure and the expeditious review of provisional licensee local requirements; and

WHEREAS, the Department opened the application submission period on October 8, 2021, in the amount of \$100,000,000 to aid local jurisdictions and their provisional licensees in completing CEQA compliance requirements necessary to achieve annual licensure and the expeditious review of provisional licensee local requirements; and

WHEREAS, the Applicant is a Local Jurisdiction eligible to apply for an allocation pursuant to the Budget Act of 2021, item 1115-101-0001 – for local assistance, to aid local jurisdictions and their provisional licensees in completing CEQA compliance requirements necessary to achieve annual licensure and the expeditious review of provisional licensee local requirements; and

WHEREAS, the Department shall approve the allocation request, subject to the terms and conditions of Eligibility, NOFA, which includes the guidelines and program requirements, and the Standard Agreement by and between the Department and Nevada County.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Nevada, State of California, that:

1. The County of Nevada is hereby authorized pursuant to the Budget Act of 2021, item 1115-101-0001 – for local assistance, and directs the Building Director to request an allocation pursuant to the Department’s assigned grant funding amount consistent with the grant program.
2. The Building Director is authorized to execute the Allocation Application, on behalf of the County of Nevada as required by the Department for receipt of Local Jurisdiction Assistance Grant funds by submitting the following information:
  - (a) An allocation budget for the funds provided pursuant to this section.

- (b) The amounts retained by the county.
  - (c) An explanation of how proposed uses will aid the review and completion of provisional licensee permit holders in completing CEQA compliance requirements necessary to achieve annual licensure and the expeditious review of provisional licensee local requirements.
3. When the County of Nevada receives its allocation of Local Jurisdiction Assistance Grant funds in the authorized maximum amount of \$1,221,188 from the Department pursuant to the above-referenced Allocation Application, it represents and certifies that it will use all such funds only for eligible activities as set forth in the Local Jurisdiction Assistance Grant Funds Program and the Budget Act of 2021, item 1115-101-0001 – for local assistance, as approved by the Department, all applicable state and federal statutes, rules, regulations, and the Standard Agreement executed by and between the Applicant County of Nevada and the Department.
  4. The Building Director is authorized to enter into, execute and deliver a State of California Standard Agreement for the maximum amount of \$1,221,188, and any and all other documents required or deemed necessary or appropriate to evidence and secure the Local Jurisdiction Assistance Grant fund allocation, the County of Nevada obligations related thereto and all amendments the Department deems necessary and in accordance with Local Jurisdiction Assistance Grant Fund Program.

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 9th day of November, 2021, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward Scofield, Dan Miller, Susan K. Hoek and Hardy Bullock.  
Noes: None.  
Absent: None.  
Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER  
Clerk of the Board of Supervisors

By: 

  
\_\_\_\_\_  
Dan Miller, Chair

11/9/2021 cc: Building\*  
AC\*



## Applicant Information

Local Jurisdiction Name (City, County, or City & County): Nevada County

Federal Tax ID Number: 94-6000526

Entity Submitting the Application

- Name: Nevada County Community Development Agency
- Address: 950 Maidu Avenue, PO Box 599002, Nevada City, CA 95959
- Phone: 530-265-1222
- Email: ComDevAgency@co.nevada.ca.us

Point of Contact – Grant lead who will engage with the DCC team on grant program questions and reporting

- Name: Craig Griesbach
- Title: Director of Building
- Address: 950 Maidu Avenue, Nevada City, CA 95959
- Phone: 530-265-1583
- Email: craig.griesbach@co.nevada.ca.us

Grant Funds Requested

- Designated Allocation: \$1,221,188
- Requested Amount: \$1,221,188

## Executive Summary

Provide a brief summary of the intended use of funds in non-technical language that describes the overall goals of this funding (not to exceed 300 words).

The goals of this funding will contribute to the review, technical support, and certification of commercial cannabis applications. This will include assistance and preparation of environmental documents for compliance with CEQA, implementation of mitigation measures for environmental compliance, including water conservation and other environmental protection measures. Funding will contribute directly to provisional licensees to assist in meeting annual license requirements. This may include the hiring of consultants to assess environmental impacts associated with water, sensitive resources, vegetation, and other environmental features.



Funding may be used to hire additional temporary, and/or contract staffing to review, process, and approve commercial cannabis applications for CEQA and other environmental compliance standards. Costs of preparing information, reports, manuals, and/or other publications that further the review and processing of commercial cannabis permits associated with environmental compliance. Funding may be used for staff training related to the review of commercial cannabis permit applications related to environmental compliance.

## **Application Narrative**

### **Program Description**

Provide a brief description of the current cannabis permitting process in your jurisdiction, including the following:

1. Identify the necessary requirements for a local permit for commercial cannabis activity to be issued. Describe or attach a visual of your permitting process. Clearly identify when site-specific CEQA is conducted.

Nevada County currently permits commercial cannabis cultivation licenses/permits in accordance with local ordinances and state laws. There are two types of cannabis cultivation permits that an applicant can apply for dependent on cultivation canopy sizes. Applicants with canopy sizes 2,500sqft and less apply for a Commercial Cannabis Permit (CCP). Reference the attached "CCP Cannabis Application Packet" for an overview of this process on the cover sheet as well as an application checklist on page 2 of this document. Applicants cultivating between 2,501-10,000sqft of canopy apply for a Cannabis Administrative Development Permit (ADP). Reference the attached "ADP Cannabis Application Packet" for an overview of this process on the cover sheet as well as an application checklist starting on page 3 of this document.

The Nevada County Board of Supervisors adopted Resolution 19-199 adopting the Nevada County Commercial Cannabis Cultivation Environmental Impact Report (EIR) providing detailed information about the environmental impacts related to cannabis cultivation activities as well as mitigation measures regarding cannabis cultivation activities in the County of Nevada. Overall CEQA review is completed concurrently by the Planning Department while all other departments and agencies are reviewing the commercial cannabis application. Upon final review of the application the CEQA checklist is completed in accordance with the programmatic EIR and associated environmental regulations certifying the application and deeming it complete.

2. Describe the applicable environmental review process relevant to the cannabis permits that you allow for in your jurisdiction.



The Nevada County Board of Supervisors adopted Resolution 19-199 adopting the Nevada County Commercial Cannabis Cultivation Environmental Impact Report (EIR) providing detailed information about the environmental impacts related to cannabis cultivation activities as well as mitigation measures regarding cannabis cultivation activities in the County of Nevada. Staff complete the adopted CEQA Checklist (attached) associated with this EIR and related environmental regulations for each commercial cannabis application. Other related environmental reviews are completed specific to the application related to local ordinances and state regulations such as steep slopes, management plans, setbacks to sensitive resources, and other mitigation measures associated with specific site environmental impacts. Reference the attached "CCP Cannabis Application Packet" and "ADP Cannabis Application Packet" for more detailed checklists and requirements associated with the environmental review of projects.

3. Identify what requirements must be met by your permittee when providing the state with local authorization response for each of the following:
  - a. "In compliance"
  - b. "Compliance under way"
  - c. "Not in compliance"

**In Compliance:** An applicant has successfully submitted a complete permit application package for a local commercial cannabis permit to the Nevada County Community Development Agency. This cannabis land use permit has been reviewed by all applicable departments/agencies and deemed complete/approved.

**Compliance Under Way:** An applicant has successfully submitted a complete permit application package for a commercial cannabis permit to the Nevada County Community Development Agency.

**Not in Compliance:** The applicant has not submitted a complete permit application package for a local commercial cannabis permit to the Nevada County Community Development Agency.

### **Statement of Needs/Problem Statement**

1. Describe the challenges in the local jurisdiction permitting process that impede the timely transition of your permittees' license from a provisional license to an annual license.

Many of Nevada County's legacy cultivators as well as many of the County's prospective equity applicants have many arduous challenges associated with environmental/CEQA compliance. A majority of legacy cultivators have many site aspects that need to employ mitigation measures for environmental compliance due to years of noncompliance and unpermitted development due to the fear of engaging local and state entities due to past criminalization. These preexisting conditions create many site challenges where creative solutions are needed that typically take longer to resolve. This also can take longer to design and present challenges for environmental



consultants when creating associated environmental documents to demonstrate CEQA compliance. Nevada County has seen this with many management plans, steep slope remediation measures, timber harvest conversations/permits, and several other required environmental documents.

Associated front and back-end costs also continue to be a big barrier to entry into the local and state cannabis market. The cost to pay for consultants to complete required environmental investigations and required reports is hard for many cultivators to afford. Implementing the required site mitigation measures also can be very costly.

2. If you have an equity program, describe any additional challenges in implementing the equity program in your local jurisdiction and/or challenges faced by equity applicants in receiving local permits and annual state licenses.

The Nevada County Board of Supervisors adopted Resolution 21-431 on September 28, 2021, adopting the Nevada County Cannabis Local Equity Assessment (LEA), Nevada County Local Equity Program (LEP) Manual, and establishing a Nevada County Local Equity Program. Nevada County will be implementing this program over this next year in collaboration with the community, stakeholders, and our legacy cannabis cultivators.

Prospective cannabis equity cultivators have many arduous challenges associated to environmental/CEQA compliance. A majority of legacy cultivators have many site aspects that need to employ mitigation measures for environmental compliance due to years of noncompliance and unpermitted development due to the fear of engaging local and state entities due to past criminalization. These preexisting conditions create many site challenges where creative solutions are needed that typically take longer to resolve. This also can take longer to design and present challenges for environmental consultants when creating associated environmental documents to demonstrate CEQA compliance. Nevada County has seen this with many management plans, steep slope remediation measures, timber harvest conversations/permits, and several other required environmental documents.

Associated upfront and back-end costs also continue to be a big barrier to entry into the local and state cannabis market. The cost to pay for consultants to complete required environmental investigations and required reports is hard for many cultivators to afford. Implementing the required site mitigation measures also can be very costly. Cost is a primary challenge for cannabis equity applicants.

### **Goals and Intended Outcomes**



1. List the goals and intended outcomes of this funding opportunity.

Goals should explain how funding will be utilized to impact the issue areas stated in the problem statement. Outcomes should describe specific change(s) or result(s) when the goal is achieved.

At a minimum, the following should be addressed:

- How CEQA compliance will be achieved
- How obstacles will be removed from the permitting process, including opportunities to reduce time to permit issuance.
- How these goals will align with the statutory deadlines mandated for maintenance of a provisional license.
- Local coordination necessary to reach specific outcomes, if multiple departments, divisions, or offices are involved.

Use the format below:

**Goal:** Our primary goals are related to improving the successful completion of permitting and review of commercial cannabis projects in conformance with local and state environmental compliance requirements. One aspect of this goal will be to increase staffing to complete commercial cannabis permit reviews more expeditiously, answer customer service inquiries for commercial cannabis projects, provide technical support, and partner with these customers to help ensure their successful completion of permitting. This will include additional staffing in the Nevada County Community Development Agency. The addition of staffing will also result in the need for improved functional workspace 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.

An additional strategy for these goals is to provide grant funding opportunities for legacy cultivators and equity applicants with provisional licenses to help fund the completion and preparation of environmental documents in compliance with CEQA for permits. This would include the costs associated with hiring a licensed consultant to assess environmental impacts. Also, grant opportunities will be available for employing mitigation measures for site environmental compliance, including water conservation and protection measures. This will allow for legacy cultivators and equity applicants with provisional licenses to get across the commercial cannabis permitting finish line.

<b>Action</b>	<b>Intended Outcome</b>
Addition of Staffing	Expeditious review of permits and improved technical support to



	improve completion of cannabis annual licensing.
Grants for Environmental Consulting – Investigations/Documentation	Expeditious completion of required environmental investigations and document preparation meeting CEQA and associated environmental regulations. This Will result in complete application submittals and project approvals for annual licenses.
Grants for Environmental Consulting – Site Mitigation Measures	Expeditious completion of required site-specific environmental mitigation measures such as water conservation and protection measures. This will result in complete project sites to qualify for annual licenses.

*Repeat the format above to list additional goals. Add additional rows to the chart as necessary.*

2. For those jurisdictions that have been identified as eligible to receive additional funding due to the status of the local equity program, address the following in your goal(s):
  - a. How this funding, particularly the dollars provided due to local equity program status will:
    - i. Support local equity applicants in entering the regulated cannabis industry;
    - ii. Allow local equity applicants to receive cannabis permits and annual licenses more quickly; and
    - iii. Further support local and/improve equity program implementation.

N/A

3. If your local jurisdiction has not adopted or is not operating a local equity program, please indicate whether the local jurisdiction is considering adopting a local equity program, including a potential timeline for this decision.

The Nevada County Board of Supervisors adopted Resolution 21-431 on September 28, 2021, adopting the Nevada County Cannabis Local Equity Assessment (LEA), Nevada County Local Equity Program (LEP) Manual, and establishing a Nevada County Local Equity Program. Nevada County will be implementing this program over this next year in collaboration with the community, stakeholders, and our legacy cannabis cultivators.



Department of  
Cannabis Control  
CALIFORNIA

**Local Jurisdiction Assistance Grant Program  
Attachment 1: Application Form**

## Allowable Cannabis Activities

		Is this an allowable commercial activity in your jurisdiction? (Yes/No)
<b>Cultivation</b>		
Type 3A	Medium Indoor	No
Type 3B	Medium Mixed-Light Tier 1	No
	Medium Mixed-Light Tier 2	No
Type 3	Medium Outdoor	No
Type 4	Nursery	Yes
	Processor	Yes
Type 2A	Small Indoor	Yes
Type 2B	Small Mixed-Light Tier 1	Yes
	Small Mixed-Light Tier 2	Yes
Type 2	Small Outdoor	Yes
Type 1C	Specialty Cottage Indoor	Yes
	Specialty Cottage Mixed-Light Tier 1	Yes
	Specialty Cottage Mixed-Light Tier 2	Yes
	Specialty Cottage Outdoor	Yes
Type 1A	Specialty Indoor	Yes
Type 1B	Specialty Mixed-Light Tier 1	Yes
	Specialty Mixed-Light Tier 2	Yes
Type 1	Specialty Outdoor	Yes
<b>Distribution</b>		
Type 11	Distributor	No
Type 13	Distributor Transport Only	Yes
<b>Manufacturing</b>		
Type 7	Volatile Solvent Manufacturing	No
Type 6	Non-Volatile Solvent Manufacturing	No
Type N	Infusion	No
Type P	Packaging and Labeling	No
Type S	Shared-Use Facility	No
<b>Retail</b>		
Type 9	Retail Nonstorefront	No
Type 10	Retail	No
<b>Testing</b>		
Type 8	Testing Laboratory	No
<b>Events</b>		
Type 14	Cannabis Event Organizer	No
	Temporary Cannabis Event	No
<b>Microbusiness</b>		
Type 12	Microbusiness	No

Is there a maximum number of permits that can be issued for this activity in your jurisdiction? If yes, insert the number and if no, type N/A

**Application Budget**

<b>Jurisdiction Name</b>	
<b>Total Grant Amount Requested:</b>	

**A. Direct Personnel**

Personnel that will provide direct technical assistance to support the intent of the grant

Personnel Classification		Role in Grant Program
<i>Example</i>	<i>Local Planner</i>	<i>Reviews CEQA documentation provided by applicants.</i>
A1	Cannabis Division Senior Permit Technician	Reviews CEQA documentation provided by applicants
A2	Planning Dept Senior Permit Technician	Reviews CEQA documentation provided by applicants
A3	Environmental Health Dept Senior Permit Technician	Reviews compliance with water, septic, and hazardous material management regulations related to cannabis cultivation applications
A4	Agricultural Dept Biologist	Pesticide review for environmental compliance provided by applicants
A5		
A6		
A7		
A8		
A9		
A10		
A11		
A12		

**B. Indirect Personnel**

Items that provide direct technical assistance to support the intent of the grant

Cost Category / Service or Vendor (if known)		Description
<i>Example</i>	<i>Contractual / Environment Consultants</i>	<i>Contractor to assist with the development of a PEIR for the county.</i>
B1	Contractual / Environment Consultants	Contractor/consulting costs for environmental requirements to assist with local license requirements such as biological reports, mitigation plans, etc.

B2	Contractual / Environment Consultants	Contractor/consulting costs related to site improvements and development that mitigate environmental impacts such as mitigation measures
B3		
B4		
B5		
B6		
B7		

To provide or fund administrative assistance to support the intent o		
Personnel Classification		Role in Grant Program
<i>Example</i>	<i>Accounting Analyst</i>	<i>To track expenditures associated with the grant.</i>
C1	Acctg Tech	Track expenditures associated with the grant.
C2	Admin Analyst	Review and approve grant reimb documentation
C3		
C4		
C5		
C6		
C7		
C8		
C9		
C10		
C11		
C12		

Items that provide administrat		
Cost Category / Service or Vendor (if known)		Description
<i>EX</i>	<i>Facilities / Headquarters</i>	<i>Costs associated with office space for direct technical assistance staff.</i>
D1	Office	Cost associated with office space planning
D2		
D3		
D4		
D5		
D6		

D7		
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**Direct Technical Assistance Costs - Personnel**

Direct technical assistance costs for personnel in the grant program. Include the cost of salary and benefits for time spent in the grant jurisdiction.

Annual Salary & Benefits	FY 21-22 Percentage of Time	FY 22-23 Percentage of Time
\$ 150,000.00	0.50	0.75
\$ 106,570.00	0.25	0.50
\$ 106,570.00		0.50
\$ 106,570.00		0.25
\$ 104,627.00	0.05	0.10

**Direct Technical Assistance Costs - Other**

Direct technical assistance costs for other direct benefits to the intent of the grant program.

Annual Cost	FY 21-22 Percentage of Costs	FY 22-23 Percentage of Costs
\$ 500,000.00	1.00	0.50
\$ 112,320.00	0.50	1.00

\$ 112,320.00	0.50	1.00

**C. Indirect/Administrative - Personnel**

of the grant program. Cost of salary and wages for time spent supp

Annual Salary & Benefits	FY 21-22 Percentage of Time	FY 22-23 Percentage of Time
\$ 89,000.00	0.25	0.25
\$ 86,359.00	0.10	0.10
\$ 161,791.00	0.05	0.05

**D. Indirect/Administrative - Other**

ive or indirect support to the intent of the grant program.

Annual Cost	FY 21-22 Percentage of Costs	FY 22-23 Percentage of Costs
\$ 1,250,000.00	0.02	0.02
\$ 60,000.00	1.00	

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<b>E. TOTALS</b>
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working on the grant by the employees of the		TOTAL
FY 23-24 Percentage of Time	FY 24-25 Percentage of Time	
<i>1.00</i>	<i>1.00</i>	\$ <i>487,500.00</i>
0.50	0.50	\$ <i>186,497.50</i>
0.50	0.25	\$ <i>133,212.50</i>
0.25	0.15	\$ <i>69,270.50</i>
0.10	0.05	\$ <i>31,388.10</i>
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
<b>Direct Technical Assistance Costs - Personnel</b>		\$ <i>420,368.59</i>

		TOTAL
FY 23-24 Percentage of Costs	FY 24-25 Percentage of Costs	
<i>0.50</i>	<i>0.50</i>	\$ <i>1,250,000.00</i>
1.00	0.50	\$ <i>336,960.00</i>

1.00	0.50	\$ 336,960.00
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
<b>Direct Technical Assistance Costs - Other</b>		\$ 673,920.00

Supporting the work of the grant.		TOTAL
FY 23-24 Percentage of Time	FY 24-25 Percentage of Time	
0.25	0.25	\$ 89,000.00
0.10	0.10	\$ 34,543.41
0.05	0.05	\$ 32,356.00
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -
<b>Indirect/Administrative Costs - Personnel</b>		\$ 66,899.41

FY 23-24 Percentage of Costs	FY 24-25 Percentage of Costs	TOTAL
0.02	0.01	\$ 81,250.00
		\$ 60,000.00
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -

		\$	-
<b>Direct Technical Assistance Costs - Other</b>		\$	60,000.00

<b><i>Direct Technical Assistance Costs - TOTAL</i></b>		\$	<b>1,094,288.59</b>
<b><i>Indirect/Administrative Costs - TOTAL</i></b>		\$	<b>126,899.41</b>
<b><i>GRAND TOTAL</i></b>		\$	<b>1,221,188.00</b>