



RESOLUTION No. 22-579

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION OF THE COUNTY OF NEVADA AUTHORIZING STATE OF CALIFORNIA CANNABIS EQUITY ACT GRANT FUNDING FOR FISCAL YEAR 2022/23

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, the 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 HEREBY RESOLVED, that the Community Development Agency Director is authorized to execute by electronic signature on behalf of the County of Nevada the grant agreement with the Governor's Office of Business and Economic Development, including any extensions or amendments thereof and any subsequent grant agreement with the Governor's Office of Business and Economic Development in relation thereto.

BE IT FURTHER RESOLVED THAT 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 6th day of December, 2022, 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: 


Susan K. Hoek, Chair

12/6/2022 cc: DPW*
AC*



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 2022 - 2023

OCTOBER 2022

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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 populations and communities harmed by cannabis prohibition and the War

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

² AB 97, Stats. 2019, Ch. 40.

on Drugs (WoD) by 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. By issuing these grants to local jurisdictions, GO-Biz aims to advance the well-being of populations and communities that have been negatively or disproportionately impacted by cannabis prohibition and the WoD.

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 persons 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 3, 2022
Application Due Date	December 14, 2022 at 11:59 pm
Grant Evaluation and Award Announcement	December 15, 2022 – January 20, 2023
Grant Agreements Executed No Later Than	March 31, 2023
Grant Term	April 1, 2023 – October 31, 2024

FUNDING

A total of fifteen million dollars (\$15,000,000) is available for fiscal year 2022-2023. 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 two million dollars (\$2,000,000). 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 five million dollars (\$5,000,000) 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 point-based scoring system and funding formula, then the applicant will be awarded the lesser amount. Please refer