



COUNTY OF HUMBOLDT

For the meeting of: 4/5/2022

File #: 22-351

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Consent

SUBJECT:

Restated Memorandum of Understanding between the County Administrative Office, Economic Development Division and the Department of Planning and Building for the Project Trellis Local Equity Program

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the County Administrative Officer and Director of Planning and Building, or a designee thereof, to execute, the attached Restated Memorandum of Understanding (MOU) between the County Administrative Office, Economic Development Division and the Department of Planning and Building for the Project Trellis Local Equity Program; and
2. Authorize the County Administrative Officer and Director of Planning and Building, or a designee thereof, to execute any and all subsequent amendments to the attached Restated MOU, after review and approval by County Counsel and Risk Management.

SOURCE OF FUNDING:

Economic Development, Project Trellis Equity (1120-275422)
Governor's Office of Business and Economic Development

DISCUSSION:

On March 19, 2019, your Board adopted Resolution No. 19-24 adopting the Humboldt County Cannabis Local Equity Program Manual for the operation of the County of Humboldt Local Equity Program (LEP), in response to Senate Bill (SB) 1294: the California Cannabis Equity Act of 2018. The Humboldt County Local Equity Program Manual (Manual) focuses on inclusion and support of individuals and communities in Humboldt's cannabis industry who are linked to populations or neighborhoods that were negatively or disproportionately impacted by cannabis criminalization.

With the adoption of the Manual, your Board also authorized the County of Humboldt's Economic Development Division (Ec Dev) to apply for Cannabis Equity Grant (CEG) funding for the maximum amount of funding available, based on criteria and allocation formula set forth in the Program

Guidelines.

Since the adoption of the Manual and LEP, Ec Dev has received four awards, \$1.3 million dollars, \$2.4 million dollars, \$1.05 million dollars, and \$3.4 million dollars.

Under supervision of GO-Biz the CEG funding and the funded jurisdiction's LEPs received further clarification regarding use of funds. The associated modifications to the Manual were approved by your Board on June 29, 2021.

The adopted modifications included:

- Adding clarification to the Manual under section "B. Services" updating language to clarify how services are delivered, either through direct payment on the applicant's behalf, or direct grants to applicants.
- Adding clarification to the Manual under section "D. Provision of Services" updating language to clarify administration of the LEP services.

In response to these modifications Ec Dev entered into a MOU with the Department of Planning and Building to provide payment, on behalf of equity participants, for costs associated with cannabis planning meetings and cannabis permits, as defined in the Services section of the Manual. The Restated MOU before you today provides for continuation of that agreement.

Accordingly, the County Administrative Office, Economic Development Division recommends that the Board of Supervisors approve and authorize the County Administrative Officer and Director of Planning and Building, or a designee thereof, to execute, the attached Restated MOU between the County Administrative Office, Economic Development Division the Department of Planning and Building regarding the provision of fees associated with cannabis planning meetings and cannabis permits for the period of April 15, 2022 through Dec. 31, 2022.

Staff also recommends that the Board authorize the County Administrative Officer and Director of Planning and Building to execute any and all subsequent amendments to the attached Restated MOU between the County Administrative Office, Economic Development Division the Department of Planning and Building after review and approval by County Counsel and Risk Management, in order to avoid any unnecessary delays in the provision of needed fees associated with cannabis planning meetings and cannabis permits.

"Restated" versus amended is a legal term often used when a document being presented for change is done so in its entirety (i.e., instead of only presenting the revisions for that document). Restated, therefore, means a complete document into which one or more changes have been incorporated. Submitting this MOU to your Board as restated instead of amended was the preferred course of action for this particular item as the preexisting MOU had already expired and an expired document cannot be amended.

FINANCIAL IMPACT:

The attached Restated MOU between the County Administrative Office, Economic Development Division and the Department of Planning and Building has a total amount payable of \$300,000 for the period of April 15, 2022, through Dec 31, 2022.

Expenditures related to the attached agreement have been included in the approved fiscal year (FY) 2021-22 budget and will be included in the FY 2022-23 budget for the County Administrative Office, Economic Development Division, Project Trellis Local Equity Program (1120-275422). Approval of the Restated MOU will not impact the General Fund.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by supporting business, workforce development and creation of private-sector jobs.

OTHER AGENCY INVOLVEMENT:

Department of Planning and Building

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the Restated MOU however, this is not recommended as it will impact equity participants through the potential for increased tax burden and a less streamlined process.

ATTACHMENTS:

1. Restated Memorandum of Understanding
2. Memorandum of Understanding
3. Local Equity Program Manual

PREVIOUS ACTION/REFERRAL:

Board Order No.: I:1, D:15

Meeting of: March 19, 2019, June 29, 2021

File No.: 19-406, 21-666