

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of January 12, 2021

RESOLUTION NO. 21-06

RESOLUTION OF THE BOARD OF THE COUNTY OF HUMBOLDT AMENDING RESOLUTIONS 19-45 AND 20-33 RELATED TO THE HUMBOLDT COUNTY CANNABIS MICRO-GRANT & LOAN ADVISORY COMMITTEE

WHEREAS, on March 12th of 2019 the County of Humboldt's Project Trellis initiative was adopted by the Humboldt County Board of Supervisors to bolster Humboldt County's cannabis industry and protect future cannabis excise tax revenues; and

WHEREAS, on May 28th of 2019, the Board of Supervisors adopted Resolution 19-45 forming the Humboldt County Cannabis Micro-Grant & Loan Advisory Committee (Committee) to implement components of the Project Trellis: Micro-grant, Marketing, and Local Equity Program; and

WHEREAS, Resolution 19-45 set forth that the purpose of the Committee was to review, rank, and select Project Trellis applications for micro-grant & loan monies, subject to Humboldt County Board of Supervisors approval; and

WHEREAS, Resolution 19-45 was amended on April 28, 2020, by Resolution 20-33 to reflect recommendations from staff to improve the grant-making process due to the COVID-19 pandemic; and

WHEREAS, to encourage participation in the Local Equity Program and protect the sensitive and confidential nature of applications which may be received for its funding, combined with state legislative directives to disburse state funding for the Local Equity Program in an expeditious manner; and improve efficiency by moving responsibilities for the Marketing initiative from the Ad Hoc Marketing Committee to the Committee, the Committee and staff have identified additional revisions to Resolution 19-45 necessary to improve the ability of the Committee to perform its duties, protect sensitive and confidential information submitted by Local Equity Program applicants, and improve the efficacy of Project Trellis programs; and

WHEREAS, the Committee and Staff recommends changing the name of the County of Humboldt Cannabis Micro-grant and Loan Advisory Committee to the County of Humboldt Project Trellis Committee. This change is to align with the common use of the Project Trellis Committee name by the public, the media, and Staff. It also better encompasses the above stated responsibilities of the Committee which touch on all three tiers of Project Trellis: Micro-grants, Equity and Marketing.

WHEREAS, this Resolution incorporates recommended revisions for the purpose of achieving the enumerated goals of Project Trellis.

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NOW, THEREFORE, the Board of Supervisors adopts the following;

SECTION 1. Section 1 of Resolution 19-45 shall be amended as follows:

Committee

~~The Humboldt County Cannabis Micro Grant & Loan Advisory Committee is hereby formed.~~ **[The name of the County of Humboldt's Cannabis Micro-Grant and Loan Committee is hereby changed to the Project Trellis Committee.]**

SECTION 2. Section 2 of Resolution 19-45, as revised by Resolution 20-33, is amended as follows:

Purpose

~~The purpose of the Humboldt County Cannabis Micro Grant and Loan Advisory Committee~~ **[County of Humboldt Project Trellis Committee]**(hereinafter the **[PTC, or]** Committee) is to **[assist Economic Development Staff (Staff) with the administration of Project Trellis initiatives as outlined in Section 3, Duties.]** ~~announce, review, and score applications for micro grant & loan monies. Project Trellis staff shall utilize the Committee's ranking and scores to prepare funding recommendations for the which shall be subject to Humboldt County Board of Supervisors approval, as defined under Project Trellis: The County of Humboldt Cannabis Micro grant, Marketing, and Local Equity Program.~~

In ~~ranking and scoring~~ applications for **[cannabis business]** micro-grants and loans the Committee shall take into consideration all applicable county and state cannabis funding sources and programs.

Upon adoption of criteria governing monies allocated to Project Trellis Cannabis Micro Grant & Loan Trust Fund; the Committee shall provide ~~ranking and scoring~~ based on the criteria to ~~Project Trellis[S]~~staff, which will rely on the Committee's ~~ranking and scoring~~ to **[prepare rankings for the Committee's review and approval, and then provide recommendations for grant awards]** to the Board of Supervisors.

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SECTION 3. Section 3 of Resolution 19-45, as revised by Resolution 20-33, is amended as follows:

Duties

The duties of the Committee shall include:

- A. **[Work with Staff to p]**Prepare formal draft bylaws to be adopted by the Committee;
- B. **[Work with Staff to p]**Prepare criteria governing the Community Reinvestment Fund (Fund No. 4215) to be adopted by the Board of Supervisors **[and established by the County's Auditor Controller]**, and in accord with the Board's direction for Project Trellis: Cannabis Micro-grant, Marketing, and Local Equity Program[.]; ~~the purpose of said fund to make disbursements for two (2) types of expenditures:~~
- ~~C. Micro-grants and loans to cannabis-centric businesses (hereinafter referred to as Cannabis Business Grants), and~~
- ~~D. Disbursements for grants under the County of Humboldt's Local Equity Program (hereinafter referred to as Local Equity Grants) in accord with Ordinance No. 2623, "URGENCY ORDINANCE ADOPTING CANNABIS LOCAL EQUITY PROGRAM FOR THE COUNTY OF HUMBOLDT."~~
- C. Maintain thorough records of its activities.
- D. Provide a forum for public expression of desires regarding expenditure of funds derived from the Community Reinvestment Fund.
- E. Work with the County Administrative Office Division of Economic Development and members of the public to address potential public concerns about the expenditure of funds derived from the Community Reinvestment Fund.
- F. Provide recommendations on ongoing sources of funding for the Community Reinvestment Fund.
- G. Provide recommendations to the Board of Supervisors for improvements, alterations and changes to Project Trellis: Cannabis Micro-grant and loans, Marketing, and Local Equity Program.
- H. ~~K. Assume responsibility for reviewing, ranking and scoring applications and submitting scores to Project Trellis staff, which will utilize the scores in~~ **[Work with Staff to make]** recommendations to the Board of Supervisors for expending monies in the form of micro-grants and loans from resources allocated to the Community Reinvestment Fund and pursuant to the criteria adopted by the Board of Supervisors.
- [I.] E.** Assume responsibility for reviewing, ~~ranking~~ and scoring micro-grant and loan applications utilizing the below criteria **[(L1.a-L2.a)]** to assist with evaluation of applications.

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- [J.] ~~M.~~ Work with Staff to [d]Develop an application form and submittal process for Cannabis Business Grants and Local Equity Grants.
- [K.] ~~N.~~ [Work with Staff to p] Publicize [and market] the availability of grants and the details of the application process for public benefit.
- [L.] ~~O. Annouee, r~~ [R]eview, rank and score applications for disbursement of Cannabis Business Grant, ~~and Local Equity Grant~~ monies from the Community Reinvestment Fund in accord with the following:
1. Cannabis Business Grants
 - a. **Eligibility**
 - i. Applicant must be a Humboldt County based business, cooperative, road association, or nonprofit agency having 75% or more of its operations based in Humboldt County and must be licensed and registered to operate in Humboldt County, whose activities are specific to the cultivation, processing, manufacturing, distribution or retail of cannabis, or whose organization provides support and/or services to the cannabis industry.
 2. **Detailed Project [D]escription to [I]nclude**
 - a. Applicants must provide a detailed project description for use of grant funds to include:
 - i. Description of business and activities; narrative of proposed project and use of funds; ownership or interest in project or site(s); proof of business or agency licensing; proof of regulatory compliance, any accompanying and supportive project documents such as site maps, equipment specifications, contractor bids and estimates.
 3. **Detailed Budget**
 - a. Applicants must provide a description of attempts to secure alternative funding sources, and a detailed operational budget of the project or grant request which shall include revenues and expenses.
 4. **Weighted [C]onsiderations**
 - a. For Cannabis Business Grants and Loans, where numerous or competing applications exist, the ~~Humboldt County Cannabis Micro Grant & Loan Advisory~~ Committee shall give weighted consideration to applicants and applications whose operational activities.
 - i. Are from Humboldt County residents, or whose businesses are majority owned by owners residing in Humboldt County.
 - ii. Consist of cultivating 10,000 square feet of cannabis or less (not to exclude co- ops and associations whose cumulative area may exceed

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- 10,000 square feet); or
- iii. Add to revenues collected through the Cannabis Excise Tax, or;
- iv. Whose project and/or grant request will result in the creation and/or retention of jobs, or;
- v. Whose project and/or grant request adds to the sustainability of Humboldt County's cannabis industry.
- vi. Where receipt of requested micro-grant or loan is needed to become solvent.

~~b. For Local Equity Program Grants, where numerous or competing applications exist, the Humboldt County Cannabis Micro Grant & Loan Advisory Committee shall give weighted consideration for Equity applicants who have been negatively or disproportionately impacted by cannabis criminalization.~~

5. Additional Considerations

- a. The ~~Humboldt County Cannabis Micro Grant & Loan Advisory~~ Committee may [**work with Staff to**] develop additional criteria for consideration when evaluating funding applications. These criteria will be reflected in the committee approved application, application instructions and/or developed selection criteria.

6. Local Equity Program Grants

- a. All Local Equity Grants will be made in accord with the County of Humboldt Cannabis Local Equity Program Manual as adopted and defined in Resolution 19-24, "Resolution 19-24, "RESOLUTION ADOPTING HUMBOLDT COUNTY CANNABIS LOCAL EQUITY PROGRAM MANUAL FOR OPERATION OF THE COUNTY OF HUMBOLDT LOCAL EQUITY PROGRAM, PURSUANT TO THE CALIFORNIA CANNABIS EQUITY ACT OF 2018"

M. [**Work with Staff to market, publicize and review (but not select) RFPs and contracts for the Trellis marketing program.**]

N. [**Work with Staff to market, publicize and review (but not select) contracts related to Equity services.**]

SECTION 4. Section 4 of Resolution 19-45 shall be amended as follows:

Membership

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The Humboldt County Cannabis Micro-Grant & Loan Advisory Committee shall be composed of five (5) voting members, two (2) at-large voting members, and two (2) alternates who shall be appointed by the Board of Supervisors as follows:

One member from each Supervisorial District, appointed by the Supervisor thereof with notice to his/her fellow Supervisors, and two at-large members to be appointed by the Board of Supervisors, for a total of seven members. One at-large member shall serve as a representative of the cannabis industry, and one shall serve as a representative of an industry that ~~is lateral~~ **[has precise expertise from an industry not directly related, but which may be ancillary,]** to the cannabis industry, such as finance or banking.

SECTION 5. Section 7 of Resolution 19-45, as revised by Resolution 20-33, is amended as follows:

Meetings

The Committee shall ~~hold a total of three (3)~~ **[a maximum of twelve (12)]** regular **[, monthly]** meetings per-year, ~~and during a period not to exceed ninety (90) days,~~ at such time and place as shall be agreed upon by the Committee, ~~the purpose of which shall be as follows:~~

~~1st Meeting: Committee business & announcement of applications.~~

~~2nd Meeting: Application presentations and review.~~

~~3rd Meeting: Application rankings and scoring.~~

The Committee may hold special meetings as shall be required from time to time. Special meetings shall be called by the Chair or, in his/her absence from the County, by the Vice Chair. Special meetings shall be effective for the transaction of business only if notice has been given to each member at least forty-eight (48) hours in advance of the special meeting, and the notice shall contain the subject of the special meeting. No action taken at either regular or special meetings shall be valid unless approved by a majority of the members of the Committee present and voting, and unless a quorum is present.

A quorum shall consist of four (4) members of the Committee. In the event that fewer than four (4) of the designated voting members of the Committee are present, either or both of the alternates may be counted in determining the presence of a quorum. **[In the event that an Alternate is counted toward a quorum the method used to pick between the two Alternates shall be up to the Chair or, in his/her absence, the Vice Chair.]** In any case in which an alternate is used to determine the presence of a quorum, he/she shall have a vote on

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any business to come before the Committee until he/she is no longer needed to determine a quorum.

SECTION 6. Section 9 of Resolution 19-45 shall be amended as follows:

Open Meeting Requirement

The ~~Humboldt County Cannabis Micro Grant & Loan Advisory Committee~~ **[Project Trellis Committee]** meetings shall be open to the public and subject to the Ralph M. Brown Act (Government Code commencing with Section 54950). The ~~Humboldt County Cannabis Micro Grant & Loan Advisory Committee~~ shall carry out its functions in accordance with procedures established by the Board of Supervisors, or in the absence of such procedures, shall establish its own procedures consistent with State and local law and ~~Rosenberg's~~ **[Robert's]** Rules of Order. The Committee shall obtain input and advice from appropriate County staff in carrying out its duties.

SECTION 7. Effective Date

This Resolution shall be effective upon adoption.

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Dated: January 12, 2021


Virginia Bass, Chair
Humboldt County Board of Supervisors


Adopted on motion by Supervisor Wilson, seconded by Supervisor Bushnell, and the following vote:

AYES: Supervisors Bohn, Bass, Wilson, Madrone, Bushnell
NAYS: Supervisors --
ABSENT: Supervisors --
ABSTAIN: Supervisors --

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.


Ryan Sharp
Deputy Clerk of the Board of Supervisors
of the County of Humboldt, State of California