



# COUNTY OF HUMBOLDT

For the meeting of: 12/9/2025

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File #: 25-1282

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**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Consent

**Vote Requirement:** Majority

**SUBJECT:**

Project Trellis Local Equity Program Manual Update

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve updates to the Project Trellis Local Equity Program Manual; and
2. Direct staff to implement these changes under the current Community Equity Grant 658 Agreement and apply them to all future State grant agreements; and
3. Direct staff to prioritize individuals who are current on county obligations as of December 31<sup>st</sup>.

**STRATEGIC PLAN:**

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Core Services/Other

Strategic Plan Category: 9999 - Core Services/Other

**DISCUSSION:**

On August 18, 2025, the Board moved to alter the program guidelines for the Project Trellis Local Equity Program (LEP) which is intended to provide assistance to individuals negatively impacted by the prohibition of cannabis to enter into or remain in the legal cannabis market.

The Board direction reduced service items to current year Department of Cannabis Control license fees, for those up to date on county obligations. For applicants with past due obligations services were limited to past due Measure S excise tax, property tax, and planning and building fees. Additionally, staff was directed to prioritize applicants who are current on all past due county obligations.

Following analysis of the impacts of these changes, staff discovered that about 1/3 of the funding would go to individuals who were current with the county, with an average award of approximately \$8,000, with a minimum award of \$500 and a maximum award of \$20,000. The remaining funding would go to individuals with past due obligations and maximum individual awards of \$65,000. These impacts are counter to your Board's intentions during the discussion and therefore staff are proposing to revise the LEP manual to the following effect:

- Reintroduce additional service items inline with the state reporting requirements.
- Direct the service item reintroduction begins with Cannabis Equity Grant 658.
- Prioritize individuals in queue who are current on county obligations as of December 31.

By approving these changes, the Board will ensure that funding is directed to individuals current on county obligations, establish a more equitable path to receiving assistance, and provide clearer guidelines for both staff and the public.

**SOURCE OF FUNDING:**

General Fund (1100)

Trellis Equity (1120-275422)

**FINANCIAL IMPACT:**

| <i>Expenditures (Fund, Budget Unit)</i>    | <b>FY25-26</b> |
|--------------------------------------------|----------------|
| <i>Community Equity Grant Expenditures</i> | <u>807,437</u> |
| <i>Total Expenditures</i>                  | <u>807,437</u> |

*\*Projected amounts are estimates and are subject to change.*

| <i>Funding Sources (Fund, Budget Unit)</i> | <b>FY25-26</b> |
|--------------------------------------------|----------------|
| <i>General Fund</i>                        | <u>100,000</u> |
| <i>Measure J</i>                           | <u>50,000</u>  |
| <i>State Funds</i>                         | <u>657,437</u> |
| <i>Total Funding Sources</i>               | <u>807,437</u> |

*\*Projected amounts are estimates and are subject to change.*

**Narrative Explanation of Financial Impact:**

The LEP is funded through a combination of the State Cannabis Equity Grant Funding and required local General Fund match in the Trellis Equity budget, 1120-275422. In fiscal year 2025-26 additional Measure J funding was allocated for ongoing administrative costs associated with the program. Any LEP modifications clarified by your Board today will determine priority and eligibility for allocation of LEP award round CEG-658 in the amount of \$657,437, less the allotted 10% for program administration.

**STAFFING IMPACT:**

This decision has no effect on staffing allocations. While additional staff time will be needed to accommodate the changes and prepare for lengthier subaward close out times, the upfront staff costs will be reduced. Staff anticipate little to no net impact to staffing time requirements.

**OTHER AGENCY INVOLVEMENT:**

Planning and Building Dept.

Treasurer Tax Collector

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

Your Board could choose to not approve the updates to the Project Trellis Local Equity Program Manual and explore an unlisted alternative. However, this is not recommended as additional edits will further delay payments. Also, further modifications will require state approval.

**ATTACHMENTS:**

1. Project Trellis Local Equity Program Manual - 11/18/25
2. Project Trellis Local Equity Program Manual - 11/18/25 with Track Changes

**PREVIOUS ACTION/REFERRAL:**

Meeting of: Aug. 26, 2025; May 28, 2019; Jan. 12, 2021; Feb. 1, 2022; March 8, 2022; June 14, 2022; May 16, 2023; Aug. 22, 2023; Oct. 22, 2024; Dec. 10, 2024; February 11, 2025; April 15, 2025

File No.: 25-919,19-633, 21-1859, 22-94, 22-225, 22-283, 23-190, 23-1089, 24-1469, 24-1597, 25-121, 25-316