

Attachment 1 Cultivator Support

As a reminder, your Board has taken quick and decisive action and made substantial investments to provide aid to the local cannabis industry.

1. On Dec. 24, 2021, the Humboldt County Planning and Building Department was notified that it was approved for an \$18.6 million grant to assist Cannabis License holders in transitioning from provisional licensing to annual licensing. The grant will provide cultivators with information and tools to mitigate impacts to the county's 12 watersheds, funding for water use forbearance and water conservation and investment in renewable energy to assist licensed cultivators in replacing fuel electric generators and pumps with renewable systems consistent with the 2023 state transition requirements.
2. On Oct. 5, 2021, your Board directed the Treasurer-Tax Collector to not assess fees for any late 2020 tax payment due in October 2021 and the 2021 tax payments due in April 2022, so long as all taxes were paid by May 31, 2022. Foregoing late fee assessments reduced collections from July 1, 2021, to December 31, 2021, by nearly 300% or \$4.5 million.
3. On Sept. 21, 2021, your Board approved a \$1 million emergency micro-grant program for cultivators, funded by contingencies in the General Fund. To date 112 applications have been received and an estimated 70 businesses are slated for funding in the following allocations:
 - 11 cultivators are to receive \$25,000 each
 - 27 cultivators are to receive \$13,000 each
 - 32 cultivators are to receive \$10,000 each
4. The county has and continues to fund representation and advocacy at the state capitol with the interests of the Humboldt County cannabis industry as one of its priority legislative platforms.
5. Under the \$1.1 million settlement with the Friends of the Eel River, the county committed to financing culvert replacement and road repairs in the Redwood Creek and Sprowel Creek watersheds for roads serving cannabis cultivation sites through grants to fund to public and private road improvement projects.
6. Project Trellis, a cannabis business support program, funded through Measure S was established in 2019. Since inception, the program has funded over

200 projects for the cannabis community, totaling approximately \$4.1 million in awards for grants.

7. In order to accommodate the cannabis industry, in Mar, 2018, your Board amended the tax ordinance to: collect the tax on a calendar year; reduce tax penalties for unpaid cultivation excise taxes; and authorized the Treasure-Tax Collector to waive or cancel penalties resulting from nonpayment where circumstances were beyond the taxpayer's control. In Mar. 2019, the Board responded to the cannabis industry by amending the billing cycle so bills would be sent out in January and due in two installments on Mar 15 and October 15; changed the date the tax became effective from the date the permit was issued to the date plants are onsite; provided flexibility to the Planning and Building Department to determine request for reduction of square footage; and directed staff to develop tax incentives for water storage, solar and clean renewable energy.