



County of Humboldt ~~Humboldt County~~
Project Trellis
Cannabis Local Equity Program Manual
V2.0 (2021)



In 2019 Humboldt County's County Administrative Office, Office of Economic Development (Economic Development) contracted with Humboldt State University's California Center for Rural Policy (CCRP) to perform a comprehensive analysis of the impact or cannabis criminalization on Humboldt County. This analysis, known as the Humboldt County Cannabis Equity Assessment (CEA) (2019) established that certain persons and neighborhoods in Humboldt County (County) have been substantially and adversely impacted by the criminalization of cannabis. The CEA further identified that a targeted, data-driven and well-funded equity program was needed to help impacted populations and neighborhoods, particularly small growers and those impacted from past policies that may be left behind, obtain the support and services that they need in order to gain a footing in the legal cannabis market.

The purpose of this Cannabis Local Equity Program Manual (Manual) is to describe the qualifications for, and services to be provided by, the County of Humboldt's Cannabis Local Equity Program (LEP). The LEP is informed by findings in the CEA, which itself is a living document and subject to change. This Manual is therefore subject to updates and revisions in accord with the CEA, as approved by the County Board of Supervisors.

The Humboldt County Cannabis Equity Assessment (2019) established that Humboldt has been hit hard by the criminalization of cannabis, and a targeted, data-driven and well-funded equity program can help certain populations and neighborhoods, particularly small growers and those impacted from past policies that may be left behind, into a legal, sustainable economic future.

The purpose of this manual is to describe the qualifications for, and services to be provided by, the Humboldt County Cannabis Local Equity Program (LEP).

A. Qualifications

1. Initial Program Eligibility: To be considered for LEP eligibility, applicants must meet all of the following qualifications:

- a. The applicant's household is at or below the median income level based on 2020 Department of Housing and Urban Development (HUD) Income Limits (ILs) for Humboldt County.
- b. The applicant is a Humboldt County resident.
- c. The applicant is a shareholder or has at least 20% ownership interest in a cannabis business, such as cultivation, distribution, manufacturing, retail, testing, laboratory, or micro-business.

2. Primary Program Eligibility: To be considered for LEP eligibility, in addition to the criteria in Section 1 above, applicants must meet **any one** of the following qualifications:



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~~Those who meet any of the following qualifications shall therefore meet the qualifications for Humboldt County's LEP and become eligible for consideration for funding and services provided therefrom~~

- a. ~~The applicant~~ Any individual and/or entity that has obtained or applied for a cannabis cultivation, distribution, manufacturing, retail or other cannabis-related permit (either temporary or permanent), and the permit is for a business located in an area in Humboldt County with a poverty rate of 17% or above.
- b. ~~The applicant has~~ Have engaged in or are currently engaged in small-scale cultivation of cannabis on property in Humboldt County owned, leased, or with the express permission of the owner, with a cultivation area ~~less than of~~ 10,000 square feet, or less.;
- c. ~~The applicant is a~~ Any woman, person of color, or LGBTQ individual who has or worked in, or currently works in the cannabis industry in Humboldt County.
- d. ~~The applicant~~ Any individual who has obtained or applied for a cannabis permit in Humboldt County, or who has worked in or currently works in the cannabis industry, and was arrested and/or convicted of a non-violent cannabis-related offense, or was subject to asset forfeiture arising from a cannabis-related event;
- e. ~~The applicant~~ Are a person who experienced sexual assault, exploitation, domestic violence, and/or human trafficking ~~while as a result of~~ participating in the cannabis industry
- f. ~~The applicant~~ Have become ~~was or is~~ homeless or suffered a loss of housing as a result of marijuana enforcement.

2-3. ~~Alternate qualifications~~ Secondary Program Eligibility: For those who do not meet the primary program eligibility qualifications set forth above in Section A.24, individuals can become eligible for the ~~Humboldt County~~ LEP if ~~they meet~~ **three (3)** of the following ~~conditions are applicable~~:

- a. ~~The applicant is~~ Be one of the following:
 - i. An individual permitted for, or seeking a permit for, ~~or employment in~~ a Humboldt County ~~permitted~~ cannabis business; or
 - ii. A board member of a non-profit cannabis business which is located, or has 75% or more of operations occurring, in Humboldt County; or
 - iii. An individual with ~~Have~~ a membership interest in in an incorporated cooperative, such as an Agricultural Cooperative established pursuant to California Business and Professions Code section 26220 - 26231.2, which is located, or which has 75% or more of operations, in Humboldt



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- ~~b. a cannabis business formed as a cooperative per B&P Code section 26220 - 26231.2.~~
- ~~e.b.~~ The applicant is seeking entry into the legal cannabis industry and has~~Have~~ resided in Humboldt County for at least five years during the period 1971 – 2016;
- ~~d. Have obtained or applied for, or intend to apply for, a permit or zoning clearance for commercial cannabis activities in Humboldt County;~~
- ~~e. Have lived within a 5-mile radius of the location of raids conducted by the Campaign Against Marijuana Planting (CAMP) program~~
- c. The applicant is seeking support or services to aid in entering the cannabis industry with a household income below the very low income level based on the 2020 Department of Housing and Urban Development (HUD) Income Limits (ILs) for Humboldt County;
- ~~f. Household income below the California poverty level;~~
- ~~g-d.~~ The applicant is seeking support or services to aid in entering the cannabis industry in Humboldt County, with ~~Have~~ a parent, sibling or child who was arrested for or convicted of the sale, possession, use, manufacture or cultivation of cannabis (including as a juvenile);
- ~~h-e.~~ The applicant is seeking support or services to aid in entering the cannabis industry in Humboldt County, and c~~C~~an reasonably demonstrate that, on the basis of equity, applicant was adversely impacted as a result of the criminalization of cannabis (i.e. the War on Drugs).

B. Services

Services to be provided by the LEP Humboldt County Cannabis Equity Program may include, depending on need and the availability of funds from grants or other sources:

- ~~4-1.~~ 1. Direct payment on the applicant's behalf of fees ~~Tiered fees or Waiver of fees~~ for Application Assistance Meetings for cannabis related permit~~of up to four hours~~, with the Humboldt County Cannabis Services Division of the Department of Planning and Building;
- ~~2-2.~~ 2. Direct payment on the applicant's behalf of deposits and permitting fees for Humboldt County Cannabis Activity Zoning Clearance Certificate, Special Permit, Conditional Use Permit, or Coastal Development Permit. ~~Deferral of payment of~~



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- ~~Application Fees for Cannabis Activity Zoning Clearance Certificates or Special Permit or Use Permit for a period not to exceed three (3) years;~~
- ~~3. 3. Technical Assistance for the formation and administration of Road Maintenance Associations~~ for public and private road networks providing access to cannabis activity operations by eligible cannabis equity program applicants or licensees, where such road networks may adversely impact watersheds providing habitat for threatened or endangered species;
- ~~4. Direct payment on the applicant's behalf of fees Waiver or deferral of fees for training and certification~~ by the Agricultural Commissioner's Office for Weights and, for sealing and annual registration of scales used in cannabis licensed businesses, or fees associate with Pesticide Applicator requirements. Measures and Pesticide Applicators requirements or certification of scales used in cannabis licensed businesses in Humboldt County;
- ~~5.4. Direct payment on the applicant's behalf of fees to agencies and/or professionals offering technical assistance for the formation of an incorporated cooperative, such as an Agricultural Cooperative or Cannabis Cooperative Association Technical Assistance for the formation of cannabis cooperative associations~~ pursuant to Business and Professions Code sections 26220 -26231.2 the majority membership of which is comprised of cannabis equity program applicants or licensees.
- ~~6.5. Direct grants to applicants, not to exceed \$10,000 per grant, Loans or Grants~~ for purposes of assuring compliance with regulatory requirements of ~~local County~~ or California State permits or licenses, that mitigating adverse environmental effects, or ensuring financial solvency of cannabis cultivation or other activities including, but not limited to:
- a. Water storage for irrigation during forbearance periods of surface water diversion required by state or local regulations;
 - b. Remediation and relocation of cannabis facilities located within streamside setbacks required by state or local regulation;
 - c. Installation of solar electrical systems to replace diesel or gasoline generator power for off-grid cannabis facilities where connecting to the grid is economically infeasible.
 - ~~e.d.~~ Rent for facilities where the above activity is occurring with documented consent of facility owner(s) of the cannabis cultivation and related activities.
- ~~7.6. Direct payment on the applicant's behalf of fees to agencies and/or professionals who offer cCannabis and sSmall bBusiness dDevelopment aAssistance, from the Office of Economic Development,~~ including but not limited to business planning,



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loan application preparation, site location services, human resource management, capital procurement services, bookkeeping and accounting practices and systems, ~~etc.;~~for Humboldt County-based cannabis businesses.

7. Direct payment on the applicant's behalf of fees for eEemployment skill training for eligible equity participants and employees of their licensed cannabis operations in Humboldt County.~~employed or seeking employment in~~ licensed cannabis operations in Humboldt County.
8. Expungement services, as handled by the District Attorney's office, for cannabis-related convictions if eligible. Economic Development staff will assist applicants seeking information about expungement of cannabis-related convictions, and direct them to the District Attorney's Office for expedited review.



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C. Program Administration:

- ~~1. No more than ten percent (10%) of Bureau of Cannabis Control Local Equity Program Grant Funds may be utilized for program administration;~~
- ~~2.1. Principal Administration and service cCoordination of Services shall be performed by the Cannabis Microgrant and Loan Advisory Committee and assisted by the County Administrative Office Economic Development Staff Team (Economic Development);~~
- ~~3. The Project Trellis Citizens' Advisory Committee shall promulgate any policies, procedures, and forms necessary for program administration and submit them to the Board of Supervisors for review and approval.~~
- ~~4.2. , Where possible, Economic Development county staff will provide existing services to LEP applicants and licensees, with the intent to have the LEP reimburse the County for the cost of those services, refer to Section D. Provision of Services. Equity Program funding pay for the cost of those services. Such funding will be provided either through the administration portion of the LEP or eligible services described in Section B above;~~
- ~~5.3. Economic Development shall monitor and report on all program services provided through the LEP, at least annually and more frequently as directed by the Board of Supervisors, state law or regulation;~~
4. Economic Development staff shall receive and review all eligibility verification documents of potential LEP participants.
5. Cannabis Microgrant and Loan Advisory Committee Economic Development staff shall receive and process review all applications to determine eligibility of equity program participants applications.
6. Economic Development staff shall administer awards to all equity program grantees.

D. Provision of Services

~~a.1. Economic Development staff Staff in the County Administrative Office Economic Development Division serves as the liaison between equity LEP recipients licensees who receive grant funding and the selected agency(ies) that provides an eligible services. Agencies include, but are not limited to:~~

- a. i. Small business development organizations such as Redwood Region Economic Development Commission, Arcata Economic Development Commission.



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- ~~b.ii.~~ County Planning & Building Department
- ~~iii.c.~~ County Department of Health & Human Services
- ~~iv.d.~~ Humboldt State University
- ~~v.e.~~ College of the Redwoods
- ~~vif.~~ Workforce development agencies
- ~~vii.g.~~ Banking and financial institutions
- ~~viii.h.~~

Commercial real estate brokerages and associations

~~b2.~~ Economic Development may enter into an interagency agreement, on behalf of the County, with qualifying internal or external agencies capable of providing the services described in SB 1294, ~~business and professional codes and Humboldt County Local Equity Program and this~~ Manual. These services include:

- ~~ia.~~ Small business support services, such as technical assistance, professional mentorship services.
- ~~ib.~~ Tiered fees or fee waivers of cannabis-related permits and licenses.
- ~~ic.~~ Assistance in paying state and regulatory and licensing fee

E. Budget Allocation

Available Program funds shall be allocated for Program Services specified in Section B., above, as follows:

Loans and Grants	86 <u>86</u> %
Technical Assistance, Training, waivers and fee reductions	13 <u>13</u> %
Administration (not to exceed)	10%