



# COUNTY OF HUMBOLDT

For the meeting of: 4/5/2022

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File #: 22-374

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**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Consent

**SUBJECT:**

Amendment to Standard Agreement Terms and Conditions Between the County Administrative Office-Economic Development Division and College of the Redwoods Adult and Community Education for the Project Trellis Local Equity Program

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve, and authorize the County Administrative Officer to execute, the attached Amendment to the Standard Agreement Terms and Conditions with the College of the Redwoods Adult and Community Education regarding the implementation of cannabis business courses and certification in the amount of \$64,000 for the period of August 11, 2021 through June 30, 2023;
2. Authorize the County Administrative Officer to execute any and all subsequent amendments to the attached Amendment to the Standard Agreement Terms and Conditions with the College of the Redwoods Adult and Community Education, after review and approval by County Counsel and Risk Management.

**SOURCE OF FUNDING:**

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 (EcDev) 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, EcDev has received four awards, \$1.3 million, \$2.4 million, \$1.05 million, and \$3.4 million.

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 a Standard Agreement Terms and Conditions (Agreement) with College of the Redwoods Adult and Community Education (CR) to provide cannabis small business education classes, to equity program participants, for costs associated with attending cannabis small business classes and certification, as defined in the Services section of the Manual.

Upon release of the first section for courses, demand for enrollment was significantly higher than anticipated. The Amendment to the Agreement before you today increases the amount the LEP will cover for equity participant enrollment and certification in the associated cannabis small business courses provided by CR, as well as, extends the term of the Agreement, from the date the original agreement was executed through June 30, 2023, to allow for future course scheduling.

Accordingly, Ec Dev recommends that the Board of Supervisors approve, and authorize the County Administrative Officer (CAO) to execute, the attached Amendment to the Agreement with the CR regarding instruction of cannabis business courses and certification for the period of August 11, 2021 and June 30, 2023. Staff also recommends that the Board authorize the COA to execute any and all subsequent amendments to the attached Agreement with the CR, after review and approval by County Counsel, Risk Management and the County Administrative Office, in order to avoid any unnecessary delays in the provision of needed implementation of cannabis business courses and certification.

**FINANCIAL IMPACT:**

The attached Amendment to the Standard Agreement Terms and Conditions has a total amount payable of \$64,000 for the period of August 11, 2021 to June 30, 2023. However, in the event state funding is reduced or eliminated, the County of Humboldt may reduce the above-referenced maximum amount payable or terminate the attached Standard Agreement Terms and Conditions with the College of the Redwoods Adult and Community Education.

Expenditure appropriations related to the attached agreement have been included in the approved 1120-275422 budget for fiscal year 2021-22 and will be included in the 1120-275422 budget for fiscal year 2022-23 for the County Administrative Office- Division of Economic Development. Funding for the attached Standard Agreement Terms and Conditions with the College of the Redwoods Adult and Community Education is available through Cannabis Equity Grant funding for the Governor's Office of Business and Economic Development. As a result, approval of the Standard Agreement Terms and Conditions 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:**

N/A

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

The Board could choose not to approve the agreement however, this alternative is not recommended as it will be detrimental to local cannabis businesses who rely on small business education programs through the Local Equity Program.

**ATTACHMENTS:**

1. Amendment to Standard Agreement Terms and Conditions
2. Standard Agreement Terms and Conditions
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