



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



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 of 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.

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 moderate 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:
 - a. The applicant has obtained or applied for a cannabis cultivation, distribution, manufacturing, retail or other cannabis-related permit (either interim or permanent), and the permit is for a business located in a community defined by Humboldt County as having a poverty rate of 17% or above.



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- b. The applicant has engaged in or currently engages 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 10,000 square feet, or less.
 - c. The applicant is a woman, person of color, or LGBTQ individual who has worked or currently works in the cannabis industry.
 - d. The applicant has obtained or applied for a cannabis permit, or who has worked in or currently works in the cannabis industry, in Humboldt County, 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 experienced sexual assault, exploitation, domestic violence, and/or human trafficking as a result of participating in the cannabis industry.
 - f. The applicant was or is homeless or suffered a loss of housing as a result of marijuana enforcement.
3. **Secondary Program Eligibility:** For those who do not meet the primary program eligibility qualifications set forth above in Section A.2, individuals can become eligible for the LEP if **three (3)** of the following are applicable:
- a. The applicant is one of the following:
 - i. An individual permitted for, or seeking a permit for, a Humboldt County 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 a membership interest 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 County.
 - b. The applicant is seeking entry into the legal cannabis industry and has resided in Humboldt County for at least five years during the period 1971–2016;
 - 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](#);
 - d. The applicant is seeking support or services to aid in entering the cannabis industry in Humboldt County, with a parent, sibling, or child who was arrested for or convicted of the sale, possession, use, manufacture or cultivation of cannabis



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(including as a juvenile);

- e. The applicant is seeking support or services to aid in entering the cannabis industry in Humboldt County and can 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 which may be provided by the LEP may include, depending on need and availability of funds from grants or other sources:

1. Direct payment on the applicant's behalf of fees for Application Assistance Meetings for cannabis related permits, with the County of Humboldt Cannabis Services Division of the Department of Planning and Building.
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.
3. Direct payment on the applicant's behalf of fees by the County Agricultural Commissioner's Office for Weights and Measures, for sealing and annual registration of scales used in cannabis licensed businesses, or fees associate with Pesticide Applicator requirements.
4. Direct grants to applicants of up to \$10000 toward the equity applicant or equity licensee's annual fees and applicant or licensee's contribution toward RMA work for a Humboldt County 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.
5. 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 pursuant to California Business and Professions Code sections 26220 -26231.2, with majority membership comprised of Humboldt County cannabis permit applicants or licensees.
6. Direct grants to applicants, not to exceed \$10,000 per grant, for purposes of assuring compliance with regulatory requirements of the County or California permits or licenses, 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



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- 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.
- 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. Direct payment on the applicant's behalf of fees to agencies and/or professionals who offer cannabis small business development assistance, including but not limited to business planning, loan application preparation, site location services, human resource management, capital procurement services, bookkeeping and accounting practices and systems, for Humboldt County-based cannabis businesses.
- 8. Direct grants to applicants for fees for employment skill training for eligible equity participants and employees of their licensed cannabis operations in Humboldt County.
- 9. 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.
- 10. Direct payment on the applicant's behalf for the Equity Trade Certification mark and Equity Trade Certification (ETC) Programs through the Original Equity Group.

C. Program Administration

- 1. Administration and service coordination shall primarily be performed by Economic Development staff.
- 2. When possible, Economic Development staff will provide services to LEP applicants and licensees, with the intent to have the LEP reimburse the County for the cost of those services. If County staff is unable to provide services, refer to Section D, Provision of Services.
- 3. Economic Development staff shall monitor and report on all program services provided through the LEP, at least annually and more frequently as directed by funding agencies, 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. Economic Development staff shall receive and review all equity program applications.



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6. Economic Development staff shall administer awards to all equity program grantees.

D. Provision of Services

1. Economic Development staff serves as the liaison between LEP recipients and the agency(ies) providing eligible services. Agencies may include, but are not limited to:
 - a. Small business development organizations such as Redwood Region Economic Development Commission, Arcata Economic Development Commission.
 - b. County Planning & Building Department
 - c. County Department of Health & Human Services
 - d. Humboldt State University
 - e. College of the Redwoods
 - f. Workforce development agencies
 - g. Banking and financial institutions
 - h. Commercial real estate brokerages and associations
2. 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, and this Manual. These services include:
 - a. Small business support services, such as technical assistance, professional mentorship services.
 - b. Tiered fees or fee waivers of cannabis-related permits and licenses.
 - c. Assistance in paying state and regulatory and licensing and licensing fees.

E. Budget Allocation

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

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| Grants | 80% |
| Technical Assistance (not to exceed) | 10% |
| Administration (not to exceed) | 10% |