The purpose of this manual is to describe the requirements for licensees of, or those seeking to apply to the Humboldt County Cannabis Local Equity Program (CLEP). This manual also describes the types of services to be provided by the CLEP, and program administration.

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

Those applying for, or who are licensee of, the Humboldt County Cannabis Local Equity Program shall:

- 1. Apply as a person, not an entity Program Eligibility: 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
- 2. Be one of the following:
 - a. An individual licensed for, seeking a license for, or employment in a Humboldt County licensed cannabis business a. Any individual and/or entity that has obtained or applied for a 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 business owner 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 10,000 square feet;
 - Own at least 40% of the business and be the CEO Any woman, person of color, or LGBTQ individual who has or worked in, or currently works in the cannabis industry in Humboldt County
 - d. Own at least 51% of the business 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. A board member of a non-profit cannabis business where most of the board also quality as equity applicants Are a person who experienced sexual assault, exploitation, domestic violence, and/or human trafficking while participating in the cannabis industry
 - f. Have a membership interest in a cannabis business formed as a cooperative per B&P Code section 26220 26231.2. Have become homeless or suffered a loss of housing as a result of marijuana enforcement.
 - g. An employee of, or seeking employment with, a Humboldt County licensed cannabis business.

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- 2. Alternate qualifications: For those who do not meet qualifications set forth above in Section A.1, individuals and/or entities can become eligible for the Humboldt County LEP if they meet three (3) of the following conditions:
 - a. Be one of the following:
 - i. An individual permitted for, seeking a permit for or employment in a Humboldt County permitted cannabis business;
 - ii. A board member of a non-profit cannabis business;
 - iii. Have a membership interest in a cannabis business formed as a cooperative per B&P Code section 26220 26231.2.
 - b. Have resided in Humboldt County for at least five years during the period 1971 2016;
 - Have obtained or applied for, or intend to apply for, a permit or zoning clearance for commercial cannabis activities in Humboldt County;
- 3. Have resided in Humboldt County at least five years during the period 1971 2016.
- 4. Have obtained or applied for a permit or zoning clearance for, be employed in or seeking employment in commercial cannabis activities in Humboldt County, or shall apply for a permit or zoning clearance for commercial cannabis activities from Humboldt County, or shall seek employment in connection with the services and assistance to be provided by the Humboldt County Cannabis Equity Program.
- 5. Meet at least one of the following equity conditions:
 - a. Household income below 80% of median for Humboldt County in year submitting CLEP application.
 - b. Have been arrested for or convicted of the sale, possession, use, manufacture or cultivation of cannabis (including as a juvenile), or been subject to asset forfeiture from 1971 to 2015;
 - c. 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) from 1971 to 2015;
 - d. Have lived within a five 5 -mile radius of the location of raids conducted by the Campaign Against Marijuana Planting (CAMP) program during the period from 1971 to 2015:
 - e. Have engaged in cultivation of cannabis on property in Humboldt County owned, leased, or with the express permission of the owner, with a cultivation area less than 10,000 square feet for a period of at least 2 years during the period from 1971—2015. Household income below the California poverty level;
 - f. Be a member of an ethnic, racial or other disadvantaged community, including but not limited to LGBTQ persons. 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);
 - g. Have become homeless or suffered a loss of housing as a result of marijuana enforcement during the period from 1971 2015. 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).



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B. Services

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

- 1. <u>Tiered fees or Waiver of fees for Application Assistance Meetings of up to four hours, with the Cannabis Services Division of the Department of Planning and Building;</u>
- 2. Cannabis <u>and Small</u> Business Development Assistance from the Office of Economic Development, including business planning, loan application preparation, <u>site location</u> <u>services</u>, human resource management, <u>capital procurement services</u>, bookkeeping and accounting practices and systems, etc.;
- 3. Deferral of payment of Application Fees for Cannabis Activity Zoning Clearance Certificates or Special Permit or Use Permit for a period not to exceed three (3) years;
- 4. 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;
- Waiver or deferral of fees for training and certification by the Agricultural Commissioner's
 office for Weights and Measures and Pesticide Applicators requirements or certification of
 scales used in cannabis licensed businesses in Humboldt County;
- 6. 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.
- 7. Loans or Grants for purposes of assuring compliance with regulatory requirements of local or state permits or licenses that mitigate adverse environmental effects 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.
- 8. Employment skill training for eligible equity participants employed or seeking employment in licensed cannabis operations in Humboldt County

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;
- Principal Administration and Coordination of Services shall be administered by the County
 Administrative Office Economic Development Team (Economic Development) for
 determination of eligibility; performed by the Cannabis Microgrant and Loan Advisory
 Committee and assisted by the County Administrative Office Economic Development
 Team (Economic Development);
- 3. Economic Development-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. To the maximum extent feasible, Where possible, county staff will provide existing services to CLEP applicants and licensees, with the intent to have Equity Program funding pay for the cost of those services. Such funding will be provided either through the administration portion of the CLEP or eligible services described in Section B above;
- 5. Economic Development shall monitor and report on all program services provided through the CLEP, at least annually and more frequently as directed by the Board of Supervisors, state law or regulation;
- 6. Economic Development Cannabis Microgrant and Loan Advisory Committee shall receive and process all applications to determine eligibility of equity program participants;

D. Budget Allocation

D. Provision of Services

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

<u>i. Small business development organizations such as Redwood Region Economic</u> Development Commission, Arcata Economic Development Commission.

ii. Planning & Building Department

iii. Department of Health & Human Services iv. Humboldt State University

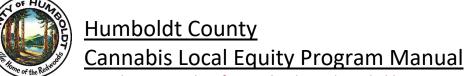
v. College of the Redwoods

vi. Workforce development agencies

vii. Banking and financial institutions viii.

Commercial real estate brokerages and associations

b. 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 Manual. These services include:

- <u>i. Small business support services, such as technical assistance, professional mentorship services.</u>
- ii. Tiered fees or fee waivers of cannabis-related permits and licenses.
- iii. Assistance in paying state and regulatory and licensing fee

D. Budget Allocation

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

Loans and Grants 60%

Technical Assistance, Training, waivers and fee reductions 30%

Administration (not to exceed) 10%