



# COUNTY OF HUMBOLDT

For the meeting of: 2/4/2020

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File #: 19-1789

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**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Consent

**SUBJECT:**

Headwaters Fund Board's Recommended Grant Fund Award to Traditional Farmers Foundation, and Supplemental Budget Request (4/5 Vote Required)

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Review and Approve the Headwaters Fund Board (HFB) recommended Grant Fund Competitive Award of \$27,250 to Traditional Farmers Foundation (TFF), doing business as (dba) International Cannabis Farmers Association (ICFA). Application is attached (Attachment 1); and
2. Approve the supplemental budget request of \$66,234 (Attachment 2) for Headwaters in Fund 1120, Budget Unit 286, for grants awarded in excess of the original competitive grant fund round (4/5 vote required).

**SOURCE OF FUNDING:**

Headwaters Funds Fund-3847 and Fund-3848

**DISCUSSION:**

In June 2019, the Headwaters Fund Board recommended five (5) grant awards to your Board for the competitive grant round for Fiscal Year (FY) 2018-19. One application, for the Traditional Farmers Association, dba ICFA, was withdrawn by the Headwaters Fund Executive Director and returned to the Headwaters Fund Board for further consideration. That application was reconsidered and approved by the Headwaters Fund Board at its December 10, 2019 board meeting. The HFB approved the revised application for recommendation to your Board to be funded in the amount of \$27,250.

The FY 2018-19 grant round received nearly \$400,000 in applications. The original amount available for the FY 2018-19 round was \$130,000. The Headwaters Fund Board recommended increasing total funding to \$196,234 to fund five grants. The total increase in awards, including this award to TFF/ICFA, is \$66,234.

Headwaters Fund staff held off on processing the supplemental budget request until the full amount of

the grant round was known. The contracts for the first four grants approved in FY 2018-19 were signed in June 2019. There were ample appropriations remaining in the FY 2018-19 budget at that time to cover the \$168,984 for the four approved grants should they request funding in 2018-19, none did.

Now that the full amount for the FY 2018-19 grant round is known, staff is requesting a supplemental budget to allocate the amount in excess of \$130,000. The FY 2019-20 budget only included the carryforward of \$130,000 from FY 2018-19, this was due to the budget having been prepared prior to the HWF Board making the decision to recommend increasing the round.

The Traditional Farmers Foundation plans to use the award primarily for the purchase of equipment necessary to collect data in preparation for establishing a cannabis appellation in Humboldt County. Data collected will be available to the public in addition to the TFF's members.

**FINANCIAL IMPACT:**

There is no impact on the county General Fund. The Headwaters Fund Spending Plan for FY 2019-20, recommended to your board and approved as part of the FY 2019-20 Adopted Budget, includes funding for previously approved grants of \$130,000 that had not yet been drawn down and for a new round of funding in FY 2019-20 of \$347,217, bringing the total allocation for grant funding to \$477,217 (Fund-3848). This new request of \$66,234 will be added to the current allocation for a revised total of \$543,451.

**STRATEGIC FRAMEWORK:**

This action supports your Board's Strategic Framework by supporting business, workforce development and creation of private-sector jobs .

**OTHER AGENCY INVOLVEMENT:**

None.

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

Your board could choose not to accept the Headwaters Fund Board recommendation, this is not recommended.

**ATTACHMENTS:**

Attachment - 1 TFF/ICFA Headwaters Fund Grant Application  
Attachment - 2 Supplemental Budget Request Form

**PREVIOUS ACTION/REFERRAL:**

Board Order No.: 19-747  
Meeting of: June 18, 2019  
File No.: N/A