



Legislation Text

File #: 22-651, **Version:** 1

Memorandum

Date: June 21, 2022

To: The Honorable Lake County Board of Supervisors

From: Susan Parker, County Administrative Officer

Subject: Consideration of Cannabis Equity Grant Applications Processing

Executive Summary:

On January 28, 2022, the Governor's Office of Business and Economic Development (GO-Biz) announced its intent to award \$1,941,121.72 after completing the review of the County's Cannabis Equity Grant application submitted in December. This is Type II funding to implement the Cannabis Local Equity Plan (LEP). It is eligible for use as direct grants to qualified cannabis related applicants and licensees. This is in addition to the \$888,173.18 awarded last year, providing a total of \$2,829,294.90 for program funding.

On May 27, 2022, the County's first local grant application period closed. Staff received approximately 49 applications. Given the timeframes involved, and the complexities in payment processing experienced by other jurisdictions, staff recommends that the focus be on paying County related taxes and fees. These can be paid directly to the applicable department through the grant funds, which helps ensure both the verification and payment process are streamlined. If your Board agrees with this assessment, staff can return to GO-Biz and request a modification to allow this, which they have indicated an openness to in past discussion.

In previous discussions with your Board, staff indicated that the maximum initial award would be \$25,000. Given the number of applications and amount of funds now available, staff would recommend your Board consider that initial awards be up to \$50,000 depending upon need.

A second consideration is that permit revocation proceedings could potentially be initiated against a permit holder this year for failure to pay taxes. Your Board may wish to prevent any such action while an equity grant application is pending review.

Staff recommends your Board provide direction.

If not budgeted, fill in the blanks below only:

Estimated Cost: _____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Consistency with Vision 2028 (check all that apply):

☐ Not applicable

- ☒ Well-being of Residents
- ☒ Economic Development
- ☒ Community Collaboration

- ☐ Public Safety
- ☐ Infrastructure
- ☒ Business Process Efficiency

- ☐ Disaster Prevention, Preparedness, Recovery
- ☐ County Workforce
- ☐ Clear Lake

Recommended Action: Direct staff to permit initial awards up to \$50,000 and request budget modification with GO-Biz. Direct staff to take necessary steps to ensure no permit revocation action is initiated against a pending applicant for failure to pay a tax bill.