



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 23-752

September 26, 2023

Introduced: 9/15/2023

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve a letter of support requesting that the Governor's Office of Business and Economic Development reconsider an extension to the existing grant agreement related to the Growing Equity Together Program.

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Approve a letter of support requesting that the Governor's Office of Business and Economic Development reconsider an extension to the existing grant agreement related to the Growing Equity Together Program.

DISCUSSION/SUMMARY:

On September 6, 2023, the Cannabis Program (Program) presented a request to the Board Cannabis Committee (Committee) for the Board of Supervisors (Board) to sign a letter of support to the Governor's Office of Business and Economic Development (GO-Biz) requesting an extension to the existing grant agreement. The Committee recommended the Board sign a letter of support and include relevant information on the delays the Growing Equity Together (GET) participants have faced to be able to utilize these grant dollars. If the extension is not approved, there will be approximately \$400,000 that will need to be returned to the state.

As a recap, in December 2021, the Board of Supervisors (Board) adopted a resolution to authorize the creation and implementation of the GET Program, whose funding was contingent upon grant funding. Program staff applied for Type 2 funding through the Cannabis Equity Grants Program for Local Jurisdictions offered by GO-Biz and was awarded \$550k to assist with the implementation of a local equity program. The GET Program and its accompanying funding was intended to provide those disproportionately harmed by the War on Drugs with the opportunity to participate in the licensed commercial cannabis industry.

Program staff have assisted applicants in identifying properties eligible for their proposed commercial cannabis activities and have coordinated meetings to discuss application requirements. Despite these efforts, just 3 of the 14 verified equity applicants have submitted applications for the land use entitlement and cannabis business permit. Considering this progress, staff identified that an extension request was needed.

The term of the grant agreement expires October 31, 2023. On June 23, 2023, staff submitted a request to GO-Biz to extend the grant term to December 31, 2024. GO-Biz staff requested a detailed

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timeline of anticipated expenditures on August 25, 2023. Staff responded with the requested information on August 29, 2023. GO-Biz management responded that “management has reviewed Monterey County’s request for an extension and has decided to not approve it because the County has not made sufficient progress towards expending the funds within the grant period to warrant an extension.”

Attached is the Program’s extension request that substantiates the reasons and factors of delays in utilizing the grant dollars to date.

OTHER AGENCY INVOLVEMENT:

The Cannabis Program prepared this report with input from the County Administrative Office and the Office of the County Counsel.

FINANCING:

Monterey County’s Cannabis Program is funded in County Administrative Office - Department 1050, Intergovernmental and Legislative Affairs Division - Unit 8533, Cannabis. The approval of this report will not have any budgetary impacts.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Monterey County Cannabis Program addresses each of the Strategic Initiative Policy Areas that promote the growth of a responsible and legal Monterey County cannabis industry.

Mark a check to the related Board of Supervisors Strategic Initiatives

- X Economic Development
- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

Prepared by: Joann Iwamoto, Cannabis Program Manager

Approved by: Nicholas E. Chiulos, Chief Assistant CAO

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Nick Chiulos
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Attachment A: Draft letter of support

9/18/2023 | 9:27 AM PDT