



County of Monterey

Item No.34

Board Report

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

Legistar File Number: 25-293

May 13, 2025

Introduced: 5/2/2025

Current Status: General Government -
Consent

Version: 1

Matter Type: General Agenda Item

Authorize and direct the Auditor-Controller to amend the FY 2024-25 adopted budget for County Administrative Office - Cannabis (001-1050-CAO004-8533), increasing appropriations and estimated revenue by \$315,447, funded from the Department of Cannabis Control through the Local Jurisdiction Assistance Grant program (4/5ths vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize and direct the Auditor-Controller to amend the FY 2024-25 adopted budget for County Administrative Office - Cannabis (001-1050-CAO004-8533), increasing appropriations and estimated revenue by \$315,447, funded from the Department of Cannabis Control through the Local Jurisdiction Assistance Grant program (4/5ths vote required).

SUMMARY:

Department of Cannabis Control, Local Jurisdiction Assistance Grant (LJAG) is not a newly awarded grant. The recommended action will fully appropriate the remaining portion of grant funds unspent in previous fiscal years. The LJAG award was accepted and presented to the Board of Supervisors on January 11, 2022, on Resolution 22-005. This item was approved during the March 17, 2025, Budget Committee special meeting.

DISCUSSION:

LJAG provides funding to local jurisdictions to assist commercial cannabis operators with transitioning from provisional to annual state licensure. On November 10, 2021, the County of Monterey Cannabis Program (Program) submitted a LJAG application and received an award amount of \$1,737,025 to be expended January 1, 2022, through June 30, 2025. Although the term of the LJAG grant agreement runs through 6/30/2025, grant funds must be expended during the grant funding expenditure period that runs through March 31, 2025.

LJAG funding provides capacity for the Program to administer pass-through funds to qualified provisional licensees to assist in meeting local jurisdiction requirements and become eligible for a state annual commercial cannabis license. In addition, LJAG funds allowed for payment/reimbursement of Mitigation Measures TRA-1 and TRA-2; related to the Mitigated Negative Declaration approved by the Board of Supervisors in December of 2020. In 2024, the Program requested a LJAG contract amendment to increase the amount of pass-through funds to qualified provisional licenses and develop

a cannabis module within Accela Automation through outside agreements with TruePoint Solutions and Visionary Integration Professionals.

OTHER AGENCY INVOLVEMENT:

The grant award was presented to and accepted by the Board of Supervisors on January 11, 2022. The Budget Committee approved this item during the March 17, 2025, special meeting.

FINANCING:

The recommended action has no impact on the general fund. The recommended action intends to increase appropriations financed by grant revenues to fully appropriate the remaining balance and spend down the grant award.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Mark a check to the related Board of Supervisors Strategic Initiatives

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

Prepared by: Michelle House

Approved by: