

**Humboldt County Cannabis Micro-Grant & Loan Advisory Committee**  
**Meeting Agenda—June 2<sup>nd</sup>, 2020 2:00 pm – 4:00 pm**  
**Via Zoom Web Conferencing**

*Project Trellis was established to bolster the cannabis industry, protect future cannabis excise tax revenues by providing services to populations and communities in Humboldt who were adversely affected by the criminalization of cannabis, develop a framework for supportive programs designed to sustain and grow Humboldt's cannabis industry, and to assist cannabis businesses as they work to overcome the financial and logistical challenges of coming into compliance.*

*Join Zoom Meeting*

<https://us02web.zoom.us/j/87141419264?pwd=MkRYTEZ0eE5oTEtMWVUyZWVzYjRTQT09>

*Meeting ID: 871 4141 9264*

*Password: 683733*

*Dial by your location*

*+1 669 900 9128*

1. Open (2:00 pm)
  - a. Roll call
  - b. Public comment on non-agenda items
2. Approval of February 25<sup>th</sup>, 2020 Minutes with Modification (Attachment 1)
  - a. Discussion
  - b. Public Comment
  - c. Action
3. Approval of March 10<sup>th</sup>, 2020 Minutes (Attachment 2)
  - a. Discussion
  - b. Public Comment
  - c. Action
4. Discuss Changes to Micro-Grant Application and Micro-Grant Scoring and Ranking Guide (Attachment 3)
  - a. Discussion
  - b. Public Comment
5. Discuss the Creation of the Local Equity Program (LEP), Equity Application, and Equity Scoring and Ranking Guide
  - a. Discussion
  - b. Public Comment
6. Staff Updates
  - a. Discussion
  - b. Public Comment
7. Adjourn (4:00 pm)

Next Meeting: TBD



# Humboldt County Cannabis Micro-Grant & Loan Advisory Committee Grant Application Instructions

## Introduction

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The purpose of Project Trellis is, in part, to bolster the cannabis industry, and protect future cannabis excise tax revenues by providing services to populations and communities in Humboldt who were adversely affected by the criminalization of cannabis, to develop a framework for supportive programs designed to sustain and grow Humboldt's cannabis industry, and to assist cannabis businesses as they work to overcome the financial and logistical challenges of coming into compliance.

Funding for the program will come from local cannabis excise tax revenues, cannabis fines and fees, and state funding via SB 1294.

## Funding Focus

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The Project Trellis Micro-grant program is aimed at providing capital assistance and business resources to Humboldt County cannabis businesses.

## Detailed Project Application

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Applicants must provide a detailed project description for use of grant funds to include a description of business and activities; narrative of proposed project and use of funds; ownership or interest in project or site(s); proof of business or agency licensing; proof of regulatory compliance, any accompanying and supportive project documents such as site maps, equipment specifications, contractor bids and estimates.

**See Grant Application for detailed requirements**

## Funding Cycle & Amount

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The total allocation for the current year is \$180,000 which will be divided among selected project proposals. Individual applicants may apply for up to \$10,000; Co-Operatives and Associations may apply for up to \$50,000. **Applications will be accepted beginning October 14, 2019. The deadline for submitting applications is December 16, 2019**

## Funding Eligibility

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Applicant must be a Humboldt County based business, cooperative, road association, or nonprofit agency having 75% or more of its operations based in Humboldt County and must be licensed and registered to operate in Humboldt County, whose activities are specific to the



## Humboldt County Cannabis Micro-Grant & Loan Advisory Committee Grant Application Instructions

cultivation, processing, manufacturing, distribution or retail of cannabis, or whose organization provides support and/or services to the cannabis industry.

### **Detailed Budget**

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Applicants must provide a description of attempts to secure alternative funding sources, and a detailed operational budget of the project or grant request which shall include revenues and expenses. See Application Attachment 2 for more information.

### **Weighted Considerations**

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For Cannabis Business Grants and Loans, where numerous or competing applications exist, the Humboldt County Cannabis Micro Grant & Loan Advisory Committee shall give weighted consideration to applicants and applications whose operational activities:

- Are from Humboldt County residents, or whose businesses are majority owned by owners residing in Humboldt County.
- Consist of cultivating 10,000 square feet of cannabis or less (not to exclude co-ops and associations whose cumulative area may exceed 10,000 square feet); or
- Add to revenues collected through the Cannabis Excise Tax, or;
- Whose project and/or grant request will result in the creation and/or retention of jobs, or;
- Whose project and/or grant request adds to the sustainability of Humboldt County's cannabis industry;
- Where receipt of requested micro-grant or loan is needed to become solvent.

### **Required Application Components, Including Attachments**

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Required:

- Completed Application/Coversheet
- Project Narrative (see instructions Attachment 1)
- Project Budget (see sample, Attachment 2)
- Documentation certifying legal status of business
- Proof of business or agency licensing
- Proof of regulatory compliance
- Any accompanying and supportive project documents such as site maps, equipment specifications, contractor bids and estimates.



## Humboldt County Cannabis Micro-Grant & Loan Advisory Committee Grant Application Instructions

### Optional Attachments that may be Included:

- Timeline with expected project milestones and completion dates
- Letters of support attach documentation of collaboration and/or project need in the form of Letters of Support, Letters of Partner Commitment, and/or Memoranda of Understanding.
- Brief resumes of key personnel
- Market Analysis
- Business Plan
- Associated Research

Please minimize the length and number of attachments and make sure they are relevant to the grant application. Attachments may be shortened or left out of the grant packet at staff's discretion.

### Application Process

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Applications should be submitted electronically. However, hard copies are accepted if some documents are easier to submit in paper format. Mail or drop-off paper applications to: Project Trellis Grant and Loan Fund, 520 E Street, Eureka, CA 95501. Email electronic copy to [sadair@co.humboldt.ca.us](mailto:sadair@co.humboldt.ca.us).

All complete applications will be forwarded to the Humboldt County Cannabis Micro-Grant & Loan Advisory Committee (CMGLAC) for review. During the review process there may be a site visit or applicants may be contacted with questions. The Committee will review all eligible applications and determine award amounts. Some projects receive a lower amount than was requested. The Humboldt County Cannabis Micro-Grant & Loan Advisory Committee will recommend projects to the Humboldt County Board of Supervisors for approval. A typical approval process can take 60 or more days **from the application deadline**.

Applications are subject to public records acts and disclosure requirements.

### Grantee Obligations

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Grantees must sign a grant contract that will include a payment and report schedule, insurance requirements and monitoring requirements. Grantees must utilize Cannabis microgrant funds within 24 months of the execution of the grant contract. Exceptions to this policy will be considered for special project needs. Tribal entities will be required to sign a limited waiver of sovereign immunity as part of the contracting process.



## Humboldt County Cannabis Micro-Grant & Loan Advisory Committee Grant Application Instructions

At the close of the project, grantees will submit a final project report detailing expenditures, outcomes (quantitative and qualitative), and a project evaluation. Grantees also will provide the Humboldt County Cannabis Micro-Grant & Loan Advisory Committee with project and organizational information for the Fund's annual public report. Grantees must maintain records of all project costs that are claimed by the grantee as being covered by the Grant Fund and other funders. The grant contract may stipulate other monitoring and evaluation requirements as needed.

### **For More Information**

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For further information, updates, and application forms for the Grant Fund or the other programs of Project Trellis, please check our website at <https://humboldt.gov/2473/Project-Trellis>. With specific questions about your proposal, email [sadair@co.humboldt.ca.us](mailto:sadair@co.humboldt.ca.us) or call (707)445-7745.



## Humboldt County Cannabis Micro-Grant Application

Thank you for your interest in the Project Trellis Micro-grant program. As specified in Humboldt County resolution 19-45, the fund's purpose is to:

*Provide capital assistance and business resources to Humboldt County cannabis businesses.*

### **Eligibility**

Applicant must be a Humboldt County based business, cooperative, road association, or nonprofit agency having 75% or more of its operations based in Humboldt County and must be licensed and registered to operate in Humboldt County, whose activities are specific to the cultivation, processing, manufacturing, distribution or retail of cannabis, or whose organization provides support and/or services to the cannabis industry (per resolution 19-45)

### **Application Process**

Applications are due by December 16<sup>th</sup>, 2019 Only completed applications will be accepted for consideration

### **More information**

Funding for the current cycle is \$180,000. Applicants may apply for up to \$10,000 (individuals and up to \$50,000 (co-ops and associations); however, based on project and award amounts, multiple projects may be funded. The application form, instructions, and information on the Grant Fund may be found on at <https://humboldt.gov/2473/Project-Trellis>.

Please contact Scott Adair to discuss any questions about your application. Applications can be submitted electronically to [sadair@co.humboldt.ca.us](mailto:sadair@co.humboldt.ca.us) or delivered to County Economic Development, Attn: Scott Adair, 520 E Street, Eureka, CA 95501.

### **Application Packet Checklist**

#### **Required Attachments (per County Resolution 19-45)**

- Completed Application/Coversheet
- Project Narrative (see instructions Attachment 1)
- Project Budget that includes revenue and expenses (see sample, Attachment 2)
- Documentation certifying legal status of business
- Proof of business or agency licensing
- Proof of regulatory compliance
- Any accompanying and supportive project documents such as site maps, equipment specifications, contractor bids and estimates.



## Humboldt County Cannabis Micro-Grant Application

### Optional Attachments that may be Included:

- Timeline with expected project milestones and completion dates
- Letters of support: attach documentation of collaboration and/or project need in the form of Letters of Support, Letters of Partner Commitment, and/or Memoranda of Understanding
- Brief resumes of key personnel
- Market Analysis
- Business Plan
- Associated Research



## Humboldt County Cannabis Micro-Grant Application

### Application Coversheet

Date of application: \_\_\_\_\_

Organization/Business Name: \_\_\_\_\_

Applicant interest in project/site: \_\_\_\_\_

Is the business owned or majority-owned by Humboldt County residents? \_\_\_\_\_

Ownership Structure and Owners: \_\_\_\_\_

Applicant Name and Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Address: \_\_\_\_\_

# of FTE employees: \_\_\_\_\_

Summarize the organization's business and activities:

Project Name: \_\_\_\_\_

Amount requested: \_\_\_\_\_ Total project cost/funding Needed: \_\_\_\_\_

Additional source (s) of funding: \_\_\_\_\_

Type of project: \_\_\_\_\_ Planning \_\_\_\_\_ Implementation \_\_\_\_\_ Technical Assistance \_\_\_\_\_  
Capital investment \_\_\_\_\_ Other \_\_\_\_\_

Project Location: \_\_\_\_\_

Does the project/business consist of a qualified outdoor cultivating operation (as per Humboldt County Land Use Ordinance) that produces less than 10,000 sq. ft. of cannabis (not including co-ops and associations whose cumulative area may exceed 10,000 square feet)? **Yes/ No**



**Explanation of Narrative Questions**

Please provide a narrative (attachment) that should be limited to 5 pages. Typed answers should be in 12-point font with 1” margins. Handwritten responses will also be accepted.

The narrative *must* include a description of:

- The proposed project and anticipated use of requested funds
- Attempts to secure alternative funding

When appropriate, the narrative should also address the following:

**Revenue Contribution:** Describe how operations are expected to add to revenues collected through the Cannabis Excise Tax. \*

**Job Creation or Retention:** Describe how the project and/or grant request will result in the creation and/or retention of jobs. \*

**Adds to industry:** Describe how project and/or grant request will add to the sustainability of Humboldt County's cannabis industry. \*

**Solvency:** Describe how the requested micro-grant is needed to become solvent. \*

**Meeting Objectives:** Describe how funding will help applicant meet clearly stated objectives and outcomes can be measured/demonstrated.

**Readiness:** Describe how applicant has or will secure the necessary resources (skilled personnel skills, plan, business structure, etc.) needed to achieve desired outcomes.

**Preparedness:** Describe activities/work already conducted toward meeting objectives (i.e. prior research, planning, permitting, investment).

**Long-term sustainability:** Describe how the applicant will use funding to increase long-term sustainability.

**Economy:** Describe how the project supports industry growth and development and will enhance the County’s competitive edge.

**Environment:** Describe how the project will a positive effect on the environment and long-term sustainability focused on one or more of the following:

- Restoration
- Pollution prevention or mitigation of environmental damage
- Resource conservation
- The application of alternative energy
- The use of recycled materials
- Other environmental enhancement, such as utilizing regenerative farming practices

*\*Weighted Considerations*

**Sample Project Budget Format**

**Applicants must provide a description of attempts to secure alternative funding sources, and a detailed operational budget of the project or grant request that includes revenue and expense.**

Applicants may use the following or a similar format for your project budget submittal. For major expenses, please be specific.

<i><b>Project Expense Item</b></i>	<b>Total Cost (\$)</b>	<b>Requested Amount from Project Trellis Grant Fund</b>	<b>Amount of other funding</b>	<b>Source of Other Funds</b>
Example: Travel	5,000	2,000	3,000	Owner
Direct Salaries & Wages (breakdown by individual position & indicate full or part-time; list indirect staff costs in "Overhead-staff related" section below)				
Staff 1				
Staff 2:... etc.				
Sub-total: all Direct Salaries & Wages				
Benefits & Payroll Taxes				
Consultant & professional fees (specify)				
Travel (describe)				
Equipment (specify)				
Overhead- non-staff related				
Overhead- staff related (breakdown by individual position; include payroll taxes and fringe benefits)				
All Overhead Costs as % of Total Project Cost				
Total Project Cost				

Note 1: "Overhead- non-staff related" includes office supplies, printing, telephone/fax, postage, rent, and utilities.

Note 2: "Overhead- staff related" is comprised of indirect staff costs (e.g. bookkeeper).



## Humboldt County Cannabis Micro-Grant & Loan Advisory Committee Grant Committee Score Sheet

Applicant Project ID# \_\_\_\_\_ Project Title: \_\_\_\_\_

Reviewer's Signature \_\_\_\_\_

Criteria	Score (0-5)
1 <b>Humboldt County Origin:</b> Applicants are Humboldt County residents or business is majority owned by owners residing in Humboldt County	
2 <b>Operation Size:</b> Operation is less than 10,000 sq.ft. of cultivation (exception: co-ops and associations)	
3 <b>Revenue Contribution:</b> Operations expected to add to county tax revenues.	
4 <b>Job Creation or Retention:</b> Project will result in job creation and/or retention.	
5 <b>Adds to Industry Sustainability:</b> Project and/or grant request will add to the sustainability of Humboldt County's cannabis industry.	
6 <b>Solvency:</b> Receipt of requested micro-grant is needed to become solvent.	
7 <b>Meeting Objectives:</b> Funding will help applicant meet clearly stated objectives and outcomes can be measured/demonstrated.	
8 <b>Readiness:</b> Applicant has the resources (skilled personnel skills, plan, business structure, etc.) needed to achieve desired outcomes.	
9 <b>Preparedness:</b> Applicant has already conducted work toward meeting objectives (i.e. prior research, planning, permitting, investment).	
10 <b>Long-Term Sustainability:</b> The applicant is using funding to increase long-term sustainability.	
11 <b>Economy:</b> Project supports industry growth and development and enhances the County's competitive edge.	
12 <b>Positive Effect on Environment Restoration:</b> Project has a positive effect on the environment and long-term sustainability focusing on restoration.	
13 <b>Prevention or Mitigation of Environmental Damage:</b> Project has a positive effect on the environment and long-term sustainability focusing on pollution prevention or mitigation of environmental damage.	
14 <b>Demonstrated Resource Conservation:</b> Project has a positive effect on the environment and long-term sustainability focusing on resource conservation.	
15 <b>Alternative Energy:</b> Project has a positive effect on the environment and long-term sustainability focusing on the application of alternative energy.	
16 <b>Recycled Materials:</b> Project has a positive effect on the environment and long-term sustainability focusing on the use of recycled materials.	
17 <b>Other Environmental Enhancements:</b> Project has a positive effect on the environment and long-term sustainability focusing on other environmental enhancement, such as utilizing regenerative farming practices.	
18 <b>Outdoor Cultivation:</b> The project can be considered an outdoor operation as defined under Humboldt County's Land Use ordinance.	
<b>Total</b>	