

**Project Trellis Committee Meeting Minutes**  
**April 7, 2021 - 12:30-2:30 PM**  
 Remote Zoom Meeting

*In accordance with Gov. Newsom’s Executive Order N-29-20 (March 17th, 2020), all Humboldt County Cannabis Micro-Grant & Loan Advisory Committee meetings will be held virtually until further notice.*

*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.*

<b>Item #</b>	<b>Description</b>	<b>Action</b>
1	Approval of 03/03/21 meeting minutes	Pass
2	Award the full amount to applicant #53 provided that they agree to their grant agreement stipulation	Pass
3	Prioritize the local equity program topic on the agenda for the full committee and that an ad hoc committee be identified and on stand-by as needed	Pass

**1. Opening (12:30)**

a. Roll Call –

Committee members:

- Thomas Mulder, Chair – present
- Sarah Balster - present
- Richard Marks - present
- *At-Large - vacant position*
- Hannah Joy, Vice Chair - present
- Mario Fernandez - present
- Dylan Mattole – present

Alternate:

Tom Handwerker - *present*

*Vacant position*

Staff in Attendance:

Scott Adair, Peggy Murphy, Stephanie Souter, and Cris Plocher

b. Approval of 03-03-2021 meeting minutes- (Attachment 1)

- Committee member Marks moved to approve the meeting minutes for March 3, 2021. Vice Chair Joy seconded. Motion carried unanimously.

c. Public Comment on Non-Agenda Items

- No public comment.

- d. Report out on meetings attended and community feedback received concerning Micro-Grant program
- Committee Member Balster participated in the CDFW Cannabis Restoration Grant public scoping meeting to see if program can augment for technical assistance, but it will require more work moving forward. Also, participants were interested in knowing status of Measure S lawsuit.
  - Committee Member Fernandez mentioned that through his work as a union researcher/organizer for the United Food and Commercial Workers organization there were some conversations with the Humboldt Growers Association, centered around labor place agreements and workforce development to bridge gaps in what needs to be developed in the cannabis industry in general and resources available throughout the state, such as workforce development grants.

**2. Committee to receive report from staff concerning application #2021-Trellis-53 - (Attachment 2)**

a. Discussion

- Peggy Murphy noted that upon review in preparing to take the final grant funding slate to the Board of Supervisors, application #2021-Trellis-53 is not yet a fully formed road maintenance association (RMA). The project itself involves completing work needed to have an RMA. She mentioned all applicants have been notified that they need to have formed an RMA by the time they apply and are awarded grant funding. So this matter is being brought to the Committee for review, discussion and recommendations on how to proceed and keeping in mind the decision that the Committee makes may set a precedence on future grant funding decision making regarding this eligibility criteria. If the Committee chooses to not move forward with application #53 (County Line Creek Road Association), then that would move application #56 (Larabee Creek Road Association) onto the grant funding list, which does have a road maintenance association.
- Committee Member Balster mentioned she brought up this topic before and that she was under the impression that the intent of the grant funding was to assist businesses and help them get their RMA going as long as they showed good faith effort in working toward RMA development. Chair Mulder and Committee Members Fernandez and Member Mattole concur with Member Balster that he had the same understanding of the interpretation.
- Committee Member Fernandez realized that the issue involves who would the grant fund check go to if the association is not fully formed and inquired whether the check could be held (either by consultant or other designated entity) until the RMA is formed. Scott Adair said this could be a possibility where these specifications could be written in the grant award agreement. Chair Mulder would be comfortable with this, otherwise he would have some reservations. Committee Members Mattole and Handwerker also agreed that he would like to ensure accountability in the contract that the grant funds would be used for the RMA and would like to see the grant check written to the licensee of the road association instead of a consultant.
- Chair Mulder asked whether just the amount needed to form the RMA could be awarded to applicant #53 and the rest would go to the next applicant in line (#56). Scott Adair confirmed

this was within the purview of the Committee. Chair Mulder also asked that since the RMA is not formed yet, would that make it a single member application that would be capped at \$10,000. Peggy Murphy confirmed that would be the case. Committee Member Balster liked the idea of the Committee being able to partially fund the project. Discussion about how much it would cost to create an RMA.

- Vice Chair Joy reviewed the written Notice of Funding Available (NOFA) online (page 2) and noted she would like to make it more clear in the future to reduce confusion once Committee decides what precedence it would like to set. She also mentioned that she thinks applicant #53 has identified good intention to complete the RMA and may get the work done in time for the award check so she is inclined to see the applicant receive the full amount. Peggy Murphy will refine the written NOFA to make it more clear once the Committee agrees upon what precedence it would like to set for all various cannabis industry sectors (e.g. cultivators, retailers, as well as cannabis support businesses, non-profits and RMAs).

b. Public Comment

- No public comment.

c. Action

- Vice Chair Joy moved to award the full amount to applicant #53 provided that they agree to their grant agreement stipulation that the applicant would receive initially a certain amount to cover the completion of the RMA, and the applicant will be asked to submit a revised budget that specifically identifies what amount is needed to complete the RMA. Then the rest of the funds would be released to the RMA after it is created. It was later amended by Vice Chair Joy for staff to identify the estimated cost of forming the RMA and award that amount initially to the applicant. Chair Mulder seconded the motion. Roll call was made and motion passed by all except Committee Member Balster abstained.

**3. Committee to create local equity program ad hoc:**

a. Discussion

- Peggy Murphy mentioned staff is seeking committee member involvement and feedback on the local equity program, so would like to recommend creating an Equity Program Ad Hoc Committee. This provides opportunity for staff to educate the committee members on the local equity program so committee members can best speak to the public about the program and provide a platform for public feedback back to staff through the committee members.
- Vice Chair Joy said she is excited about this effort but it is a big task. She feels there also needs to be county administrative and marketing activities dedicated to this task. Peggy Murphy said that an ad hoc committee would be just one part of the multi-faceted efforts to provide education/outreach to the community. Other efforts would consist of increased marketing efforts and public town hall events.
- Chair Mulder said he thinks the equity piece will be very challenging since there are many diverse ideas of how to go about it. He personally wishes he could expand more direct

services to displaced/disadvantaged workers, such as transportation vouchers or gas cards. Peggy Murphy said there is room for public groups to provide suggestions for improvements.

- Vice Chair Joy said she would like to see an all-hands-on-deck type effort by the full committee. Peggy Murphy said it is the intent to not overload the full committee members and spur more conversation among a smaller group initially. Committee Member Balster thinks this is a larger issue that requires more community discussion and would like to search for other forums for discussion on this type of topic. Committee Member Fernandez concurred that he understands the full committee would like to be involved on this topic as a whole group. Scott Adair said one of the advantages of an ad hoc committee is that it is not restricted by the Brown Act rules, which requires public posting of meetings and public oversight, but it is the prerogative of the Committee what route it wants to take. Vice Chair Joy would like to see the full committee get started on this topic with public involvement and then if an ad hoc is seen as needed it can be done. Scott Adair said the member limit on an ad hoc committee is limited to less than a quorum on the full committee, which requires ad hoc to be limited to three members.

b. Public Comment

- No public comment.

c. Action

- Vice Chair Joy made motion to prioritize the local equity program topic on the agenda for the full committee and that an ad hoc committee be identified and on stand-by as needed, with Mario Fernandez leading the ad hoc committee and two other Committee Members Balster and Mattole. Committee Member Fernandez seconded the motion. Motion carried unanimously.

#### 4. Staff Updates

a. Discussion

- Peggy Murphy said the Treasurer's report is still on the staff to-do list, however due to multitude of other priorities and deadlines there has been no time to work on it yet but hopefully soon.
- Loan conversation needs more looking into and is not ready yet to be placed on the agenda. Hopefully for next meeting.
- Good news is that Stephanie Souter will be assigned part-time staff to work on Project Trellis related work activities.
- Staff is preparing a Request for Qualification (RFQ) for consultants to assist with the equity program, which the full Committee will be reviewing in the future per the by-laws.
- Policies and Procedure Manual ad hoc committee has been determining a schedule that will be identified soon.
- Based on Governor's plans to reopen the state around mid-June, there is county leadership expectation the committee meetings will be meeting in-person again at some time in the

future. Vice Chair Joy inquired whether it is mandatory to have in-person meetings since she very much likes virtual meetings. Peggy Murphy will look into the options available for this.

- Staff is in process of vetting 201 applications for the first round of the equity program, of which about 80 have been reviewed so far. The first round that applied in February has received responses, of which two-thirds of applicants were qualified.
- The micro grant funding award slate is being reviewed by the Board of Supervisors on April 13<sup>th</sup>.

b. Public Comment

- None

**5. Future Agenda Items**

- Vice Chair Joy mentioned that her equity questions mentioned earlier to be placed on the agenda.
- Vice Chair Joy asked if an update from the Policies and Procedures Manual ad hoc committee could be placed on the next agenda.

**6. Adjourn**

Chair Mulder, seeing no further agenda items or discussion, moved to adjourn at 1:37 PM.

Next meeting is May 5, 2021.