



STAFF REPORT
2/14/2024

TO: Honorable Mayor and City Council Members

FROM: Celina Jimenez, Director of Economic Development

SUBJECT: Adopt Resolution No. 2024-05 Authorizing State of California Cannabis Equity Act Grant Funding

STAFF RECOMMENDATION:

Staff recommends that the City Council consider adopting Resolution No. 2024-05 authorizing the City Manager to execute any and all necessary documentation, including a standard agreement to accept the Office of the Governor's Business and Economic Development's (Go-Biz) Equity Grant for Local Jurisdictions in the amount of \$350,000.

BACKGROUND:

In 2019, the City of Coachella Cannabis Equity Program was established to support equitable opportunities in the local cannabis industry by making legal cannabis business ownership and employment opportunities more accessible to individuals negatively impacted by the prior criminalization of cannabis in Long Beach. This support includes access to resources such as direct technical assistance and grants, expedited application review, and priority consideration in the licensing process for Local Equity Applicants/Licensees. GO-Biz, in accordance with the California Cannabis Equity Act, administers the Cannabis Equity Grants Program for Local Jurisdictions to aid local equity program efforts to support equity applicants. GO-Biz requires 80 percent of the City's total grant award to be redistributed to equity applicants in the form of direct grants. The remaining 20 percent is split evenly between administrative costs and direct technical assistant costs.

DISCUSSION/ANALYSIS:

The latest grant award will be utilized to assist equity applicants with ongoing and startup costs including rent/lease payments, local licensing and regulatory fees, legal assistance, regulatory compliance, capital improvements, furniture, fixtures, and equipment. In addition, the grant award will help to continue to fund two (2) full-time employees responsible for administering the program, and direct technical assistance vendors who provide educational resources and one-on-one advisory services in the areas of site location and lease negotiation, financial assistance, and regulatory compliance.

ALTERNATIVES:

1. Adopt Resolution No. 2024-05 Authorizing State of California Cannabis Equity Act Grant Funding
2. Not Adopt Resolution No. 2024-05 Authorizing State of California Cannabis Equity Act Grant Funding

FISCAL IMPACT:

The City will receive a grant award in the amount of \$350,000 from GO-Biz for the grant term beginning April 1, 2024 and ending October 31, 2025 to support the Cannabis Equity Program. An appropriation in the amount of \$350,000 is requested in the General Grants Fund, offset by grant revenues. The grant has no required match or in-kind service mandate. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This recommendation will result in the continued employment of City staff funded through this grant who help administer the Cannabis Equity Program in the Development Services Department.

ATTACHMENT:

Resolution No. 2024-05