

MEETING DATE: November 16, 2023

AGENDA ITEM: B

TO: BSCC Chair and Members

FROM: Helene Zentner, Field Representative, helene.zentner@bscc.ca.gov

SUBJECT: Proposition 64 Public Health & Safety Grant, Cohort 2 - Six-Month No-Cost Extension: **Requesting Approval**

Summary

This agenda item requests Board approval for a six-month contract extension for the Proposition 64 Public Health and Safety (Prop. 64 PH&S) Cohort 2 grantees that did not apply for or receive additional funding through the Cohort 3 Request for Proposals (RFP). The Prop. 64 PH&S Grant is funded by an ongoing portion of tax revenue generated from the cultivation and retail sale of legal, adult-use cannabis or cannabis products in California.

Background

The Prop. 64 PH&S Grant was established in November 2016 as part of a voter-approved initiative: The Control, Regulate and Tax Adult Use of Marijuana Act (AUMA). This initiative legalized the recreational use of cannabis in California for people aged 21 and older. As part of the initiative, a portion of tax revenue generated from the cultivation and retail sale of cannabis or cannabis products goes toward implementing AUMA within the State and provides funds for a variety of grant programs to assist in mitigating impacts due to the legalization of recreational cannabis. The Board approved funding for the Cohort 2 grantees at its April 2021 meeting (Attachment B-1).

In October 2022, a Prop. 64 PH&S RFP was released for a third round of funding (Cohort 3). Eligibility included all previously awarded city and county grantees (i.e., Cohorts 1 and 2). Although 12 of the 22 Cohort 2 awardees applied and were subsequently awarded Cohort 3 funding (Attachment B-2), three counties and seven cities did not reapply for funding through the Cohort 3 RFP. Reasons for not reapplying for funding included continued hiring/staffing challenges, changes in local priorities, and limited resources. The 10 grantees, listed below, have requested six-month extensions on their current Cohort 2 contracts in order to expend their initial grant award (up to \$1 million) on grant-related activities, contingent upon approval of this Board.

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|---------------------|------------------------|---------------------|
| 1. City of Berkeley | 4. City of Los Angeles | 8. Inyo County |
| 2. City of Fresno | 5. City of Merced | 9. Mendocino County |
| 3. City of La Mesa | 6. City of Pomona | 10. Nevada County |
| | 7. City of Woodlake | |

Recommendation/Action Needed

Staff recommends the Board:

- Approve a six-month extension period for the Prop. 64 PH&S Cohort 2 grant projects not receiving Cohort 3 grant funding.

- Direct staff to make any amendments, extensions, and addendums to the grant agreements as needed to complete their programs as proposed.

Attachments

- B-1: April 8, 2021- Board Agenda Item F, Proposition 64 Public Health and Safety Grant Program Cohort 2 Funding Recommendations.
- B-2: April 13, 2023- Board Agenda Item H, Proposition 64 Public Health and Safety Grant Program Cohort 3 Funding Recommendations, Attachment H-4