



CANNABIS LOCAL JURISDICTION RETAIL ACCESS GRANT PROGRAM

COMMUNITY & ECONOMIC DEVELOPMENT

City Council

September 5, 2023

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BACKGROUND

- On February 28, 2023, the City Council adopted ordinances amending the Riverside Municipal Code relating to Cannabis.
 - Cannabis Business Activities
 - Peace, Safety and Morals
 - Zoning

- In February 2023, the California Department of Cannabis Control (DCC) in partnership with the Governor's Office of Business and Economic Development (GO-Biz) allocated \$20,000,000 to fund the Cannabis Local Jurisdiction Retail Access Grant Program.
 - Funding to local government to support the development and implementation of a local cannabis retailer licensing program
 - Assessment and development of equity licensing opportunities



Department of Cannabis Control
CALIFORNIA

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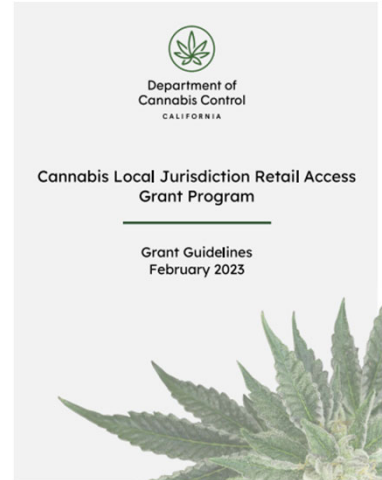


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GRANT APPLICATION

- On April 28, 2023, City staff made an application to the California Department of Cannabis Control's Local Jurisdiction Retail Access Grant
 - \$475,000 total request to provide funding resources to develop and implement cannabis retailer licensing program
 - \$325,000 to establish a retail licensing program
 - \$150,000 to incorporate equity licensing opportunities
- Funding must be used to support the development and implementation of a cannabis licensing program, or for programs or initiatives that directly support cannabis equity businesses.



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GRANT AWARD

- On June 20, 2023, the DCC announced the City of Riverside was selected for funding in the amount of \$425,000.
- State requires approved resolution that accepts funds and authorizes execution of all required documents by the City Manager by October 1, 2023.
- Funding can be used for eligible costs such as:
 - Salaries and benefits for staff
 - Expenses to develop/implement program
 - Expenses for community outreach/community engagement
 - Environmental costs
 - Technical support for applicants and licensees
 - Other uses as determined by DCC
 - Costs associated with adoption of equity program

Jurisdiction	Base Award Amount	Equity Bonus Funds	Total Phase I Award
City of Riverside	\$325,000	\$150,000	\$475,000
Los Angeles County	\$325,000	\$150,000	\$475,000
City of Huntington Beach	\$325,000	N/A	\$325,000
City of Buena Park	\$225,000	\$90,000	\$315,000
City of Hawthorne	\$225,000	\$90,000	\$315,000
City of Lodi	\$200,000	\$75,000	\$275,000
Nevada County	\$200,000	\$75,000	\$275,000
City of West Sacramento	\$175,000	\$60,000	\$235,000
City of Claremont	\$150,000	\$45,000	\$195,000



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GRANT AGREEMENT

- Prior to execution City required to submit approved resolution
- DCC and City must sign grant agreement to execute
- Term of agreement is July 1, 2023, to June 30, 2026
- 1st payment: 80% upon execution of Grant Agreement
- 2nd payment: 20% after establishment of retail program
- Expenditure deadline: June 30, 2026
- Annual progress reports each December 1st



STRATEGIC PLAN ALIGNMENT

Strategic Priority 3 - Economic Opportunity
Strategic Priority 5 – High Performing Government

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



RECOMMENDATION

That the City Council:

1. Adopt a Resolution (Exhibit A) authorizing the application for, and acceptance of, Cannabis Licensing Program funding offered by the State of California Department of Cannabis Control.
2. Accept \$475,000 or the actual award amount in grant funds from the California Department of Cannabis Control for the development and implementation of a cannabis retail program in the city of Riverside; and
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an increase in revenue in the amount \$475,000, or in the amount of the grant award, and record an equal amount in appropriations in the Development Grants Fund, CA Cannabis Retail Access Grant Program; and
4. Authorize the City Manager or designee to execute all documents for the implementation and expenditure of this grant funds, making minor corrections as necessary.



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