



CITY OF
MODESTO
CALIFORNIA

CANNABIS EQUITY PROGRAM UPDATE

June 20, 2022



California Cannabis Equity Act

- CA Cannabis Equity Act of 2018 (SB 1294, Bradford, 2018)
 - Established state-run program intended to widen participation among marginalized and economically disadvantaged communities in the marijuana industry
 - Authorized grant funding to assist municipalities with equity ordinance and programs through the Bureau of Cannabis Control (BCC)
 - Equity programs aim to advance the wellbeing of populations and communities negatively or disproportionately impacted by prior cannabis prohibitions and the “War on Drugs”
 - Amendment provided Governor’s Office of Business and Economic Development (GO-Biz) to serve as administrator of Cannabis Equity Grants Program for Local Jurisdictions
 - California Equity Grants Program for Local Jurisdictions (CEG) provides support to promote equity & eliminate barriers to enter the newly regulated cannabis industry for equity program applicants & licensees



Department of
Cannabis Control
CALIFORNIA





Cannabis Equity Grants Program for Local Jurisdictions

- Purpose of grant is to advance economic justice for populations and communities harmed by cannabis prohibition and the War on Drugs
 - Goal is to support equity applicants and equity licensees by offering local jurisdictions grant funding to perform equity assessments and develop equity programs
 - Implementation of programs will help reduce barriers to licensure and employment in the regulated industry.
 - Support will also aid the state in its goal of eliminating or reducing the illicit cannabis market by bringing more people into the legal marketplace
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Cannabis Equity Grants Program City of Modesto Application

- GO-Biz Grant Solicitation issued in December 2020
 - Type 1: Funding to conduct an equity assessment and/or develop a local equity program
 - Type 2: Funding to assist equity applicants gain entry to regulated cannabis marketplace
- City Council directed staff to apply for Type 1 funding in January 2021
- GO-Biz announced City application selected for funding, in the amount of \$75,000 in March 2021
- Initial Equity Study Report conducted by HdL and CSUS
- City enters into agreement with consultant for public outreach and equity consulting services in March 2022

CANNABIS EQUITY GRANTS PROGRAM FOR LOCAL JURISDICTIONS FISCAL YEAR 2020-21 GRANT RECIPIENTS

Local Jurisdiction Funding for Cannabis Equity Assessment/Program Development

County of San Diego	\$75,000
County of Sonoma	\$75,000
County of Trinity	\$75,000
City of Escondido	\$75,000
City of Isleton	\$22,000
City of Modesto	\$75,000
City of Richmond	\$75,000
City of San Diego	\$75,000
Total	\$547,000



Initial Equity Study Report

- Initial analysis performed by HdL and CSUS
 - Data shared with cannabis equity consultant to assist in preparation of final report
 - Initial analysis identified populations in city most impacted by cannabis criminalization
 - Report helped determine areas within the city considered low-income
 - Examined racial demographics of identified areas to determine census tracts that have higher (50% or more) percentage of people of color
 - Attempts made to utilize past data on cannabis criminalization statistics to show residents within identified areas are most appropriate target population for equity program
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Consultant Scope of Services

- Agreement with Brenda Davis Law firm to develop and recommend an outreach strategy to reach individuals and communities that may have been disproportionately harmed by cannabis prohibition
 - Prepare and recommend an analysis that describes barriers to entry that negatively impact the ability of potentially marginalized communities to participate in the commercial cannabis industry
 - Prepare an analysis that recommends the potential strategies, resources, and/or tools that may help marginalized communities overcome barriers to entry
 - Help City staff establish a formal Cannabis Equity Advisory Committee comprised of individuals representing the various populations identified in the City's Cannabis Equity Assessment
 - Make recommendations for equity applicant documentation review
 - Survey, website, collateral, orientation meetings, etc.
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Cannabis Equity Assessment

- Assessment goal is to identify those impacted most by War on Drugs to help develop a cannabis equity program that is tailored to the specific needs of our community. Assessment includes:
 - Reference to local historical rates of arrest or convictions for cannabis law violations
 - Identification of the impacts that cannabis-related policies have had historically on communities and populations within the City of Modesto
 - Interviews with potential equity program applicants
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Equity Assessment Work Plan

- Strategy meetings
- Work plan preparation
- Outreach implementation
- Community data collection
- State reporting requirements
- First community orientation
- Data analysis

Objectives		Task	2022			2022		
A	Community Assessment Specific Aims		March	April	May	June	July	Aug
P.O.	AIM 1: Contract Approval							
P.O.	March 1, 2022, 1pm COM, CSUS/ HCL & BDLG Team Meet and Greet	Brenda, Reggae, Marquis, COM, CSUS & HCL						
1	March 3, 2022 5pm – 7pm BDLG Team Meet & Greet w/ NAACP & Phenos	Brenda, Reggae & Marquis						
P.O.	March 9, 2022 BDLG Team Preliminary Strategy Meeting- Modesto Work Plan/Calendar	Brenda, Reggae & Marquis						
P.O.	April 4, 2022 COM Contract Signed	COM & Brenda						
P.O.	April 8, 2022 BDLG Team Modesto Draft Work Plan/Calendar Updates	Brenda & Reggae						
2	AIM 2: Develop and Recommend Outreach Strategy							
P.O.	April 13, 2022 BDLG Team Provide Draft Work Plan to COM	Brenda						
1, 2, 3	April 25, 2022 - Formulate Community Questions	Brenda, Reggae, Marquis & Wendy						
1	April 26, 2022 - Develop Community Contacts Database	Brenda, Reggae, Marquis & Wendy						
3	May 13, 2022 - Identify and Schedule Community Orientation Dates	Brenda, Reggae, Marquis & Wendy						
	May 31, 2022 - CEG Periodic Narrative Report - Type 1							
B	Community Data Collection							
3, 4	AIM 3: Committee Formation and Formalization							
	June 17, 2022 - First Community Orientation							
4	June 30, 2022 - Schedule Key Personal Impact Interviews	Brenda, Reggae & Marquis						



Cannabis Equity Program Development

- Upon the completion of the equity assessment and identification of program need, consultant will provide recommendations for a program
 - Cannabis Equity Program recommendations may include benefits such as:
 - Location Assistance
 - Small business support services
 - Tiered fees or fee waivers for cannabis-related permits and licenses
 - Assistance in paying state regulatory and licensing fees
 - Assistance with regulatory compliance
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Marketing Outreach Strategy

- Develop Community Contacts Database
 - Merged Media and Community Contacts List
 - 150+ identified partners
 - Formation of Community Partnerships
 - Marketing Collateral Assets
 - Event Flyer
 - Cannabis Facts Information Sheet
 - Press Release
 - Facebook Posts
 - NextDoor Posts
 - Twitter Posts
 - Instagram Posts
 - Phone Banking and Email Campaign
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Website Development and Established Communication Lines

Cannabis Regulations and Permits

<https://www.modestogov.com/2180/Cannabis-Regulations-Permits>

Cannabis Equity Program Landing Page

<https://www.modestogov.com/2848/Cannabis-Equity-Program>

Dedicated Phone Number:

(209) 571-5157

Dedicated Email Address:

cannabisprogram@modestogov.com



Assessment Survey Development

- Formulate Community Questions
- Take The Survey Link
 - <https://www.surveymonkey.com/r/BWYDQXL>
- QR Code Development



**TAKE THE
SURVEY**

<https://www.surveymonkey.com/r/BWYDQXL>





First Community Orientation Session

- 45 people signed in
- 61 people (head count)
- 75 surveys completed

Next Orientation Session:

Friday, July 21, 2022

6 pm – 7 pm

Unity Baptist Church

1320 L Street

MODESTO CANNABIS EQUITY PROGRAM

CANNABIS BUSINESS OPPORTUNITIES

Join us for a community information session as we explore Equity & Inclusion for Cannabis Businesses.

Friday, June 17, 2022
6 pm - 7 pm

King-Kennedy Memorial Center
601 S. Martin Luther King Dr.

**Seeking Potential
Minority Owners & Operators**

- What is equity?
- Public snapshot
- Community engagement

**Buscando Posibles Proprietarios y
operadores minoritarios**

- ¿Qué es la equidad?
- Instantánea de la comunidad
- Participación de la comunidad

For more information: (209) 571-5157 | Email: cannabisprogram@modestogov.com | www.modestogov.com/2848

In partnership with





Next Steps

- Identify and schedule key personal impact interviews
 - Finalize community partner organization chart
 - Identify issues, problems, goals, and objectives
 - Identify remaining questions, data types and data sources
 - Finalize data collection
 - Perform data analysis
 - Prepare equity assessment
 - Begin program development process
 - Continue ongoing communications with GO-Biz
 - Continue monitoring for issuance of a Notice of Funding Available (NOFA) for next round of equity grant funding by GO-Biz
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