



MEMORANDUM

DATE: February 23, 2024
TO: Local Jurisdiction Assistance Grant Program (“LJAGP”) Direct Grant Applicants
FROM: LJAGP Workshop Questions and answers

- 1) Are building permit fees an allowable expense for LJAGP Direct Grant Reimbursement?
 - a. Yes, building permit fees are an allowable expense with the exception of legal dwellings.
- 2) Because this is reimbursement, does the money already have to be spent?
 - a. Yes, the acceptable reimbursement period is for eligible expenses from January 1, 2022-February 29, 2024.
- 3) Will previous equity eligibility certificates be okay to submit as equity proof during the application?
 - a. Yes, unless local equity applicants qualified for equity based solely on CAMP Raid criterion. Applicants who previously qualified only under CAMP Raid criterion should have received individual outreach via email from Mendocino Cannabis Department (“MCD”) in an attempt to requalify them.
- 4) Are Direct Grand Awards taxable?
 - a. The Department believes direct grants funds are taxable (1099’d), however, we recommend consulting an accountant to confirm.
- 5) If I would like my W-9 to be in my name, but my receipts are made out to my business name, will they still be accepted?
 - a. Yes.
- 6) Has Cobblestone been streamlined? What is the timeframe for processing direct grant applications?
 - a. Cobblestone can currently be used efficiently for direct grant processing. The Department will be processing applications and will reach out to individual applicants once review of their application is or has happened. At this time, there is not a set deadline to have all applications processed, however, the Department would like to have funds distributed prior to September 2024.
- 7) What happens if I die or transfer ownership of my CCBL?
 - a. Direct grants will be issued per license.
- 8) If one CCBL has multiple owners, can all owners apply for a direct grant.
 - a. No more than one direct grant can be processed per CCBL.
- 9) Does paid for work need to be completed in the specified date range of 1/1/22-2/29/24?
 - a. We understand due to the seasonality of certain projects, it may be possible that certain allowable items would be paid for in full, with remaining tasks to be complete. This receipt would be accepted by the department.



- 10) If one applicant has multiple CCBLs, can they apply for direct grant funds for each CCBL?
 - a. No more than \$25,000.00 total can be distributed to any one individual or sole owner entity. If an applicant has multiple CCBLs, that no one else is applying for a direct grant with, the one applicant *could* apply for funding with multiple CCBLs, totaling \$25,000.00 or less.
- 11) Are LJAGP direct grants specific for Mendocino County CCBLs?
 - a. Yes. You can not use LJAGP funds for a CCBL outside of Mendocino County.
- 12) If I pay a consultant to help with my direct grant application, can the date for the receipt be dated after 2/29/24 since the application opens 3/1/24?
 - a. Yes.
- 13) Can I pay myself up to 10% of the direct grant funding to apply for the LJAGP grant?
 - a. No. LJAGP funds may not be used to pay oneself for any type of work as this is considered self-dealing and is strictly prohibited.
- 14) Is insurance an eligible reimbursement cost?
 - a. No, insurance is not an allowable expense for LJAGP funding. However, surety bonds are eligible expenses.
- 15) How would the Department like documents uploaded? In multiple upload attachments or one document with all receipts?
 - a. The gold standard would be to upload all receipts in one document, clearly identified with the corresponding alphabetic item from the Schedule A and B noted on the receipt itself. However, the most important thing is that the receipts are submitted to the applicant. The Department will accept them in any form.
- 16) Does a SWRCB list of annual fees that notes paid count as a receipt?
 - a. The Department requires all receipts clearly show the receipt date, the date paid, and the amount paid. This list would be accepted as long as these things are clearly identifiable.
- 17) What if a receipt indicates a prior fiscal year but shows a paid date in the range of 1/1/22-2/29/24? Will this be accepted by the Department?
 - a. Yes, as long as the paid date is within the date range of 1/1/22-2/29/24, this would be acceptable.
- 18) If work on Appendix G materials was completed and paid prior to 1/1/22, can this be accepted?
 - a. No. Receipts dated before 1/1/22 cannot be accepted, even if they are for eligible expenses.
- 19) Does self-dealing apply to spouses?
 - a. Yes, this would be considered self-dealing.