



Cannabis Division Deliverables

DATE: January 10, 2025
TO: Mendocino County Community Members
FROM: Cannabis Division
RE: Monthly Activity Report – December 2025

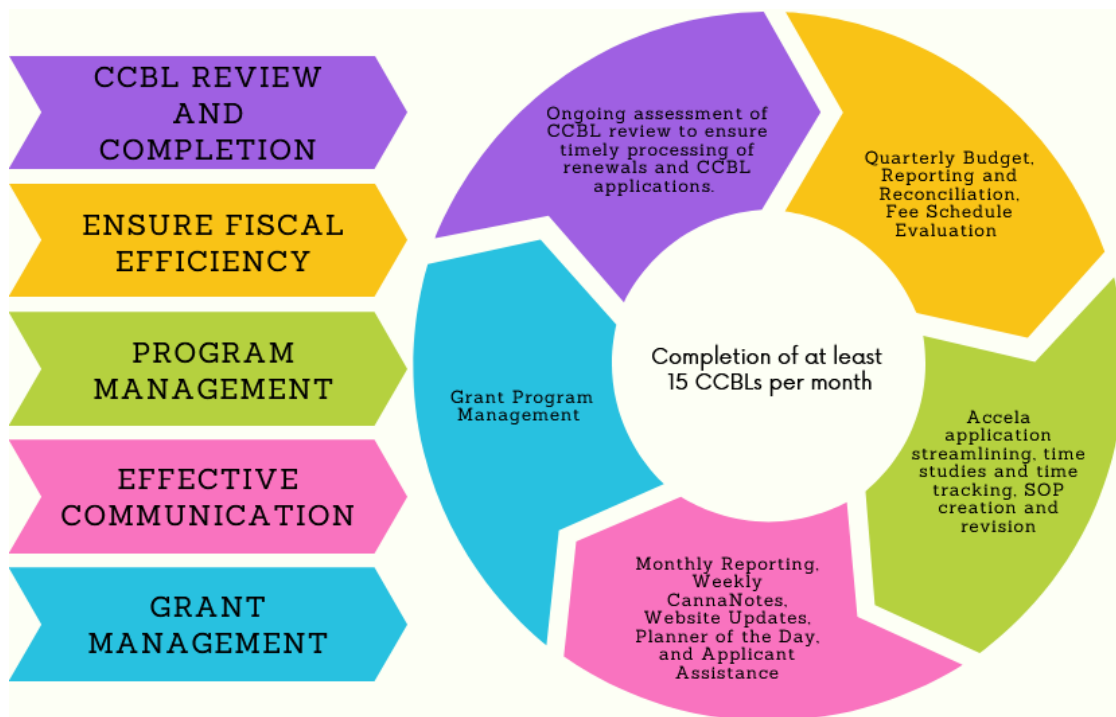
Cannabis Division's Mission Statement

"The Cannabis Division's mission is to issue Cannabis Cultivation Business Licenses ("CCBL") in accordance with regulations as approved by the Board of Supervisors ("BOS") and ensure that all program cultivation sites comply with all applicable environmental, community safety, and regulatory performance standards. The Division shall implement these services fairly and equitably in a timely, professional, and compassionate manner."

General Division Updates

As of January 2026, all active Department of Cannabis Control ("DCC") Provisional Licenses have been transitioned to Annual Licensure.

Division Priorities



CCBL Activity

Planning staff are focused on initial applications, renewal applications, site inspections, site modification applications, and assistance with applicable Administrative Permits ("AP").

CCBL Renewals

- All issued CCBLs have a 5-year renewal period. Applicants must apply and be issued a site modification prior to making changes to their commercial cannabis cultivation operations.
- **Renewal applications are subject to expiration.** If no action is taken by the applicant to renew the CCBL prior to the expiration date, the application will expire and lose local authorization. **Expired applicants will be required to submit a new CCBL application subject to current Mendocino County Code ("MCC") 10(A).17 and 20.242 requirements.**

CCBL Data

Total number of initial applications under review: 23
Total number of issued CCBLs: 602

December Breakdown

CCBL Renewals issued: 2
CCBL Withdrawn: 8
CCBL Notice of Non-Cultivation: 0
CCBL Non-Renewal: 3
CCBL Denial: 0

Total # of CCBLs Completed in December: 13

Total number of modifications processed: 4
Total number of reassignments processed: 1

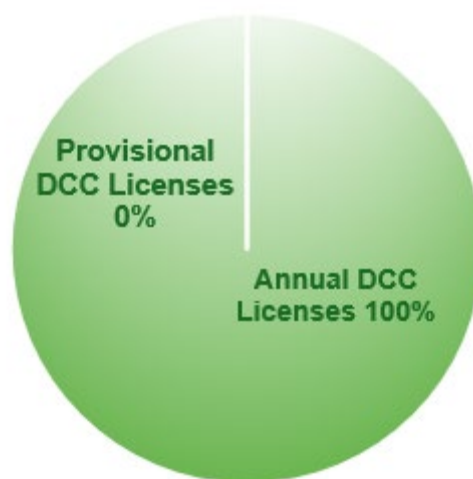
State Licensure¹

Mendocino County Annual DCC Licenses: 486
Mendocino County Provisional DCC Licenses: 0
Number of DCC Provisionals transitioned to Annual Licenses since the last report: 3

December Site Inspections

Number of On-site Inspections Completed: 15
Number of Virtual Inspections Completed: 0

■ Provisional DCC Licenses
■ Annual DCC Licenses



2026 Notice of Fallowing

The Division accepted Notice of Fallowing applications from December 1 through December 31 for applicants intending to fallow all or a portion of their canopy for the 2026 tax year. A total of 29 applications were received.

Applicants who submitted a Notice of Fallowing must also file a Fallowing Affidavit in January 2027 for their submission to be considered complete.

¹ Applicants require a state license issued by the Department of Cannabis Control ("DCC") to actively cultivate commercial cannabis

As a reminder, any applicant who submitted a Notice of Fallowing but wishes to resume commercial cultivation in 2026 must revoke their notice at least thirty (30) days prior to restarting activities.

Lastly, those who submitted a Notice of Fallowing in December 2024 must submit a Fallowing Affidavit prior to January 31, 2026 in order to confirm Fallowing for the 2025 tax year.

Mendocino County Approximate Square Footage²

The figures below estimate the total square footage that **could** potentially be cultivated in Mendocino County, **if** all licensees grow the maximum square footage allowed under their issued or pending licenses. Please note that actual cultivation will differ from these estimates due to factors such as site plan limitations, fallowing, and applicants who do not hold a valid DCC license.

Approximate total of issued acreage for cultivation: 145.35

CCBL Subtype	Number Issued	Approx. Sq. Ft.	Approx. Acreage
1	64	320,000	7.35
2	435	4,350,000	99.86
4	72	1,584,000	36.36
C	31	77,500	1.78

Approximate total of under-review acreage for cultivation: 5.38

CCBL Subtype	Number Under Review	Approx. Sq. Ft.	Approx. Acreage
1	0	0	0
2	21	210,000	4.82
4	1	22,000	0.51
C	1	2,500	0.06

CCBL Compliance Plans

Phase I CCBL applications may have been issued with an accompanying compliance plan pursuant to Mendocino Cannabis Cultivation Ordinance §10A.17.100(C)(1). These compliance plans were valid for one (1) year from the date the original CCBL was issued.

In March 2024, amendments to the ordinance authorized the Division the ability to grant a one-year extension to the term of a compliance plan, provided the CCBL holder demonstrated good faith progress toward achieving full compliance.

² "Type 1" (5,000) square feet of total plant canopy - for medium outdoor, indoor, or mixed light cultivation

"Type 2" (10,000) square feet of total plant canopy - for large outdoor, indoor, or mixed light cultivation

"Type 4" (22,000) square feet of total plant canopy for the cultivation of cannabis nursery stock and/or seed production

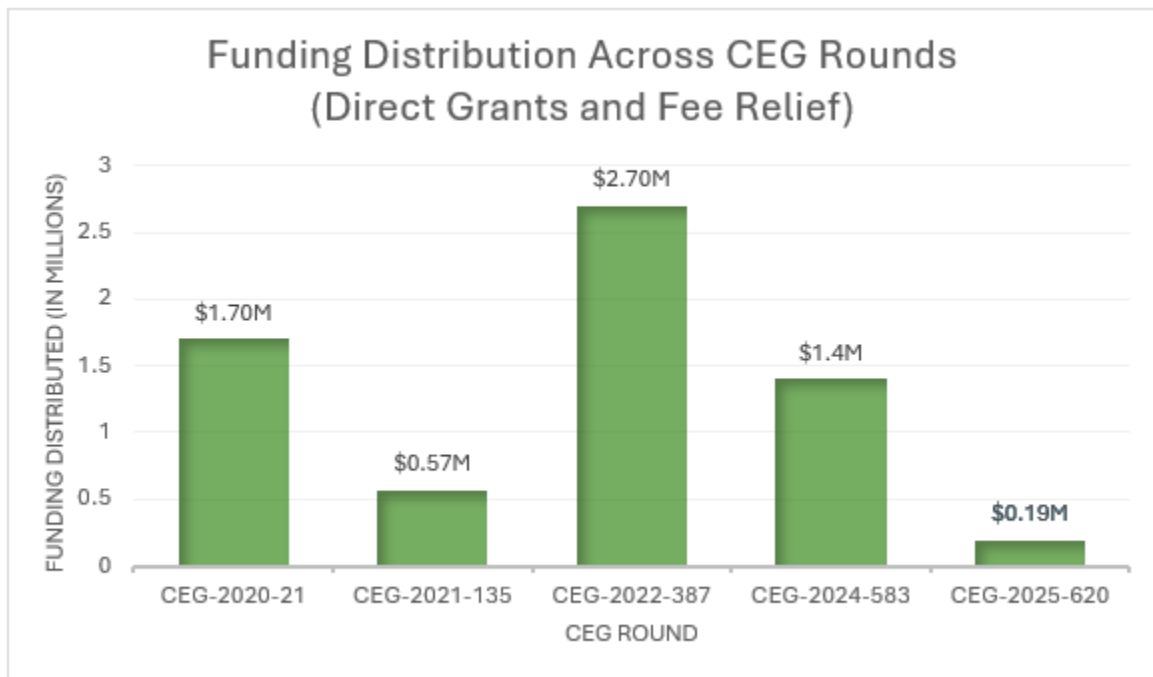
"Type C" (2,500) square feet of total canopy - for small outdoor, indoor, or mixed light cultivation

Beginning in June 2025, the Division initiated outreach to licensees with active compliance plans to confirm progress on the requirements outlined in Exhibit A of their plan.

Local Equity Entrepreneur Program (“LEEP”) Grant

The State’s Cannabis Equity Grants Program for Local Jurisdictions aims to advance economic justice for populations and communities impacted by cannabis prohibition and the War on Drugs (“WoD”) by providing support to local jurisdictions as they promote equity in California and eliminate barriers to entering the newly regulated cannabis industry for equity program applicants and licensees. The County has submitted applications for LEEP funding in the six rounds which have opened so far; five of those applications were funded. With over \$8 million awarded from the State and administered by the Governor’s Office of Business & Economic Development (“GO-Biz”) and \$100,000 in matching grant funds from the BOS, the program offers applicants fee relief applications of cannabis business expenses, direct grants funds for start-up and ongoing expenses, and direct technical assistance based on individual needs and circumstances.

The Division has distributed over \$6.56M in LEEP funding to verified local equity applicants via direct grant and fee relief to date.



LEEP Funding (CEG-2024-583) Round 5

This grant term ended on October 31, 2025, and the Division finished the close out audit of this grant during the month of December.

LEEP Funding (CEG-2025-620) Round 6

On January 23, 2025, the Division received the award notification for the 2024–25 Grant Solicitation (CEG-2025-620, Round 6). The Division was awarded a Type 2: Assistance for Cannabis Equity Program Applicants and Licensees grant (“Type 2”) in the amount of

\$612,689.88. This grant term ends on October 31, 2026.

CEG-2025-620 Round 6 Direct Grants and Fee Relief

Five (5) direct grants from this round, totaling \$190,384.81, have been fully executed. An additional five (5) direct grants are currently routing through Cobblestone for approval. All direct grant funding under CEG-2025-620 has been fully allocated to these awardees.

An additional \$92,237.88 has been allocated to support fee relief for equity-verified applicants and licensees. The Division plans to open a fee relief application window in Spring 2026. Interested applicants are encouraged to subscribe and monitor CannaNotes for additional information.

FY 2025-26 Grant Solicitation

GO-Biz announced the release of the fiscal year 2025-26 Grant Solicitation for the Cannabis Equity Grants Program for Local Jurisdictions on October 8, 2025. The Division submitted a Type 2 application for this grant solicitation on November 17, 2025. Award notification for this grant solicitation is expected to occur by February 27, 2026.

FREE Direct Technical Assistance

Since July 2024, Canna Business Services (“CBS”) has been providing [FREE Direct Technical Assistance](#) to verified LEEP applicants in Mendocino County. To date, CBS has hosted several webinars covering a range of topics, including weekly Q&A sessions, an overview of the Annual License process, METRC training, and a CEQA overview.

In addition to webinars, CBS offers one-on-one support for equity applicants seeking guidance on CEQA compliance, licensing, loans, grants and financing, vendor vetting, and more.

Recorded Direct Technical Assistance materials are available on CBS’s Vimeo platform and can be accessed here: <https://vimeo.com/showcase/11251714>

CBS would like to provide equity licensees and applicants with the most valuable and relevant content to support their journey in the cannabis industry. To better understand the needs and preferences, please share your ideas and feedback [here](#).

Equity applicants interested in FREE Direct Technical Assistance or with specific questions are encouraged to contact CBS directly at: mendocino@cannabusinessservices.com.

Local Jurisdiction Assistance Grant Program (“LJAGP”)

In January 2022, Mendocino County was awarded \$17.5 million in one-time grant funds from DCC for the LJAGP to transition provisional licenses to annual licenses. This funding allowed for many programmatic improvements including the launch of Accela licensing, Planet Labs, and DocuSign. Furthermore, this grant program guided the distribution of \$4.9 million to qualified operators in the unincorporated areas of Mendocino County. The grant agreement between the County and the DCC ended on June 30, 2025.

The County is actively working on the final expenditure audit of LJAGP funding with the DCC.

CannaNotes

For additional and up-to-date information regarding the Cannabis Division Activities please sign up for “CannaNotes” through the county’s eNotification system at the following link or by scanning the QR code below:

<https://www.mendocinocounty.org/government/cannabis-cultivation/enotifications>

