

RESOLUTION NO. \_\_\_\_\_ (CM)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AUTHORIZING AND DIRECTING THE CITY MANAGER ON BEHALF OF THE CITY OF WATSONVILLE TO ACCEPT GRANT FUNDING OF \$250,000 THROUGH THE GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT OF THE STATE OF CALIFORNIA TO SUPPORT CANNABIS EQUITY BUSINESSES IN THE CITY OF WATSONVILLE, TO EXECUTE ALL DOCUMENTS INCLUDING AGREEMENTS AND PAYMENT REQUESTS, WHICH MAY BE NECESSARY TO ADMINISTER THE PROGRAM; AND APPROPRIATING SUCH FUNDS TO THE SPECIAL GRANTS FUND**

**WHEREAS**, the members of the California Legislature have recognized the need for cannabis equity grant funding; and

**WHEREAS**, funding has been provided to the Governor's Office of Business and Economic Development to provide grant funds to local governments; and

**WHEREAS**, the City of Watsonville has adopted and operates a local equity program for commercial cannabis activity; and

**WHEREAS**, the City of Watsonville has determined that it will use grant funds from the Governor's Office of Business and Economic Development to assist local equity applicants and licensees through its local equity program for commercial cannabis activity as described in its application for grant funds.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:**

1. Adopting a Resolution accepting Cannabis Equity Grant funds does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

2. That the City Manager of the City of Watsonville is authorized and directed to execute by electronic signature on behalf of the City Council of the City of Watsonville the grant agreement with the Governor's Office of Business and Economic Development, including any extensions or amendments thereof and any subsequent grant agreement with the Governor's Office of Business and Economic Development in relation thereto.

3. It is agreed that any liability arising out of the performance of this grant agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The Governor's Office of Business and Economic Development and the State of California disclaim responsibility for any such liability.

4. That the City Manager of the City of Watsonville is authorized and directed to appropriate \$250,000 to the Special Grants Fund [0260].

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