



October 2025 – CEO REPORT

Introduction

In September 2025, the Mendocino Cannabis Department (“MCD”) reviewed and granted local authorization for 11 active Cannabis Cultivation Business License (“CCBL”) applications. In addition, the Department executed the last Local Equity Entrepreneurial Program (“LEEP”) direct grant agreement with a local cannabis business operator, distributing \$7,645 to the qualified equity applicant.

Below are several key accomplishments of MCD in September 2025:

- Issued and renewed approximately 45,000 square feet (1.03 acres) of commercial cannabis cultivation.
- Published the [Mendocino County Cannabis Equity Assessment](#) update.
- Updated the [LEEP Direct Grant Manual](#).
- Completed 20 physical inspections of proposed or existing CCBL sites.

Department Fiscal Updates

- The Department collected 19 fees, totaling \$25,071.
- Fee revenue helps offset staff time dedicated to specific, fee-related tasks.
- Staff time is allocated based on time studies conducted for each individual task.
- MCD received direction and approval at the September 9th Board of Supervisors (“BOS”) meeting for a new fee schedule. These approved fees will become effective on November 22nd. Please find the updated fee schedule [HERE](#).

For more information on MCD’s Monthly Activity, please click [HERE](#).

I. Effective County Government Organization

- In September 2025, MCD published the updated [Cannabis Equity Assessment \(CEA\)](#). This version includes an executive summary outlining the project scope, key findings, and strategic recommendations. It also provides a comparative overview of updates since the 2020 CEA and highlights the 2025 LEEP including featured services, resources, and departmental goals.

II. A Safe and Healthy County

- In March 2024, updates to the Mendocino Cannabis Cultivation Ordinance authorized the Department to grant an additional one-year extension to the term of a Compliance Plan, provided the CCBL holder demonstrates good faith efforts toward achieving full compliance. In June 2025, MCD began contacting licensees who were issued with a Compliance Plan to ensure they were on track with completing all items as outlined in the Exhibit A of their plan. As of September 2025, the Department has sent 171 individual reminders with 261 letters remaining to be sent.



- As part of the Department's responsibility to uphold environmental protections, community safety, and regulatory compliance, it is necessary to conduct supplemental site inspections in addition to those routinely scheduled. In 2025, the Department has completed an additional 27 site visits across active program participants selected at random. 9 remaining inspections are planned before the end of the calendar year as part of this ongoing effort. These inspections reflect a balanced and proactive approach to oversight and are intended to ensure continued compliance across the licensed cultivation community.

III. A Thriving Economy

- MCD's current LEEP grant provides up to \$50,000 in funding for eligible cannabis businesses to support start-up and ongoing business expenses. In September 2025, MCD executed the final direct grant under Cannabis Equity Grant (CEG) 2024-583 (Round 5). The grant term for CEG-2024-583 concludes on October 31, 2025.
- The Department still has remaining funds available under CEG-2024-583 for Direct Technical Assistance and Administrative costs and remains on track with projected expenditures.
- MCD began individual outreach to the next round of funding, LEEP CEG-2025-620, (Round 6), recipients in late September 2025. The department anticipates being able to fund a total of 6 individual direct grant awards from this round of funding.