



CITY OF OAKLAND
Office of the City Administrator

EQUITY LOAN AND GRANT PROGRAMS MONTHLY MEETING

Proposed Agenda

Tuesday July 12, 2022, 2:00-3:00pm

Purpose of Meeting

Share updates regarding the City of Oakland’s loan and grant programs for cannabis equity operators and maintain an ongoing feedback loop between equity operators, City staff, and Elevate Impact to improve these programs.

Public Participation Instructions

TO OBSERVE:

- To observe the meeting by video conference, please click the link below to join the webinar: <https://us02web.zoom.us/j/81986767716>
- To listen to the meeting by phone, please call the numbers below at the noticed meeting time: Dial (for higher quality, dial a number based on your current location):
US: +1 669 900 9128 or +1 346 248 7799 or +1 253 215 8782 or +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592

For each number, please be patient and when requested, dial the following Webinar ID: 819 8676 7716

After calling any of these phone numbers, if you are asked for a participant ID or code, press #. Instructions on how to join a meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting By Phone.”

TO PROVIDE PUBLIC COMMENT:

- By Video Conference. To comment by Zoom video conference, click the “Raise Your Hand” button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will then be unmuted, during your turn, and allowed to participate in public comment. After the allotted time, you will be re-muted. Instructions on how to “Raise Your Hand” are available at: <https://support.zoom.us/hc/en-us/articles/205566129>, which is a webpage entitled “Raise Hand In Webinar.”

- By Phone. To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing STAR-NINE (“*9”) to request to speak when Public Comment is being taken.

Once it is your turn, you will be unmuted and allowed to make your comment. After the allotted time, you will be re-muted. Instructions of how to raise your hand by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting by Phone.”

PROPOSED AGENDA

I. Implementation Update on State Grants

The City of Oakland received three state grants in 2020-2021 to support its cannabis equity program: in the spring of 2020 the City received a grant of approximately \$1,650,000 from the Bureau of Cannabis Control (BCC); in the summer of 2020 the City received a \$6,576,705 grant from the Governor’s Office of Business and Economic Development (Go-Biz) (Go-Biz 1 Grant); then in the summer of 2021 the City received a \$2,434,712.51 from Go-Biz (Go-Biz 2 Grant). The City has disbursed all of the BCC grants funds and all but approximately \$200,000 of the Go-Biz 1 and Go-Biz 2 grants, which consist of second installments of workforce development and shared-use manufacturing grants.

In April 2022 the City of Oakland received a three-year \$9,905,020 Local Jurisdiction Assistance Grant from the Department of Cannabis Control (DCC) to support the transition of cannabis operators from a provisional to an annual state license. In June the City received the latest one-year grant from Go-Biz to support the City’s Equity Program in an amount of \$5,435,140.82 (Go-Biz 3). Finally, this spring the City Council approved adjustments to a three-year grant from the Board of State and Community Corrections (BSCC) to address the impacts of cannabis legalization.

Figure 1- Local Jurisdiction Assistance Grant Funds

LOCAL JURISDICTION ASSISTANCE GRANT BUDGET		
USE	COST IN YEAR ONE	COST OVER THREE YEARS
Grants to Provisionally Licensed Equity Applicants	\$574,218.50	\$1,722,655.50
Special Activity Permit Technician	\$166,810	\$500,430
Planning CEQA Review	\$9,237	\$27,710
Program Analyst for Processing Grants	\$198,640	\$595,920
Process Coordinator II in Building Bureau	\$175,696	\$527,088
Overtime for Civil Engineers to Review Plans	\$591,075	\$1,773,224
Overtime for Code Enforcement	\$78,115.80	\$234,347
Hazardous Materials Inspector II	\$193,546	\$580,638
Overtime for Fire Plan Engineers to Review Plans	\$73,760	\$221,280
Overtime for Fire Code Enforcement	\$61,824.00	\$185,472
Overtime for Municipal Code Enforcement Officers for Security Inspections	\$50,000	\$150,000
Annual CPTED Training for Municipal Code Enforcement Officers	\$1,200	\$3,600
Establishing/Maintaining Accela Module for Cannabis Permit Tracking	\$310,000	\$430,000
Grants to Meet Security Requirements	\$574,218.50	\$1,722,655.50
Consultant TBD to Administer Loan/Grant Programs	\$160,000	\$480,000
Consultant TBD to Provide Legal Assistance to Equity Applicants	\$125,000	\$375,000
Consultant TBD to Provide Technical Assistance to Equity Applicants	\$125,000	\$375,000
TOTAL	\$3,468,341	\$9,905,020

Figure 2- 2022-2023 Go-Biz (GO-Biz 3) Grant Funds

Proposed Use	Amount of Funds
A. Grants/Loans to Operators For Start-Up and Ongoing Costs	\$2,428,953.10
B. No-Interest Loan to Purchase Property	\$2,250,000.00
C. Managing Shared-Use Facilities	\$212,915.36
D. Workforce Development	\$330,357.00
E. Half of a City Administrator Analyst	\$122,959.00
F. Administering of Grant/Loan Programs	\$89,956.36
TOTAL	\$5,435,140.82

Figure 3- Original and Current Uses of Proposition 64 Grant

Original and Proposed/New Uses of Proposition 64 (BSCC) Grant Funds				
Purpose	Original Organization	Original Amount	New or Same Organization	New or Same Amount
Preventative and Intervention Activities for Youth	East Oakland Youth Development Center (EOYDC)	\$360,000	Youth Uprising	\$310,000
Develop and Support Youth Awareness Campaign	Public Health Institute	\$133,306	Same	\$163,306
Data Management/Local Evaluation Reports	Cityspan	\$30,000	LMB Creative Group, LLC	\$50,000
Security Workshops and Support for Cannabis Businesses	City of Oakland: 8 Hours Weekly Police Officer Overtime	\$112,329	Same	Same
Public Outreach Campaign to Adults	To Be Determined After Request for Proposals	\$70,000	Make Green Go Selected After RFP	Same
Meeting Supplies and Notification	EOYDC, OUSD, PHI	\$32,000	Youth Uprising, OUSD, PHI	Same
Indirect Costs/Overhead	City of Oakland	\$29,059	Same	Same
Oversee Overall Program	City of Oakland: 0.5 F.T.E. City Administrator Analyst	\$231,000	Same	Same
TOTAL				\$997,694

II. Equity Funding Pipeline statistics for the City's Equity Programs

Funding Pipeline	6/30/2022		4/30/2022	
	# of Grants	Amount	# of Grants	Amount
GRANTS				
- Funded	88	\$ 2,896,294	88	\$2,896,294
- In Closing	13	\$1,897,000	13	\$1,897,000
- Underwriting in process	14	\$335,000	14	\$335,000
GRAND TOTAL GRANTS	115	\$ 5,128,294	115	\$ 5,128,294
Average Funded Grant Size	\$57,926		\$57,926	
Unique Grantees	50		50	
LOANS				
- Funded	110	\$4,398,239	106	\$4,188,239
- In Closing	3	\$1,015,000	5	\$275,000
- Underwriting in process	16	\$580,000	14	\$630,000
GRAND TOTAL FUNDED LOANS **	129	\$ 5,993,239	125	\$ 5,093,239
Average Funded Loan Size	\$68,722		\$100,820	
Unique Borrowers	64		62	
GRANTS & LOANS				
- Funded	198	\$ 7,294,533	194	\$7,084,533
- In Closing	16	\$ 2,912,000	18	\$2,172,000
- Underwriting in process	30	\$ 915,000	28	\$965,000
GRAND TOTAL GRANTS AND LOANS	244	\$ 11,121,533	240	\$ 10,221,533
Average Funded Size	\$36,841		\$55,127	

A. Updates on City's Grant Program

Available at <https://www.elevateimpactoakland.com/grant-program-overview/>

- a. To date the City has provided \$2,896,000 in funding for 88 grants to 50 unique grantees for an average of \$57,926 per grantee. In addition, the City has received grant requests totaling a potential of \$2.2 million in additional new grant funding once underwriting and closing is complete.
- b. In terms of grant demographics:

OAKLAND EQUITY GRANTS		
% of Total	Total #	Race *
82.0%	41	African American/Black
6.0%	3	Hispanic
2.0%	1	Native American
2.0%	1	Vietnamese
6.0%	3	Dual Other
2.0%	1	DNR
100.0%	50	
% of Total	Total #	Gender
38.0%	19	Female
62.0%	31	Male
100.0%	50	
* Categorized by listed race even if dual/other also specified.		

B. Updates on City’s Loan Program

Available at: <https://www.elevateimpactoakland.com/program-overview/>

- a. To date, the City has lent \$4,398,239 to fund 110 loans provided to 64 unique borrowers for an average of \$68,722 per borrower. In addition, the City has received 20 requests totaling a potential of \$870,000 in additional new loan funding once underwriting and closing is complete.

b. In terms of loan demographics:

OAKLAND EQUITY LOANS		
% of Total	Total #	Race
82.81%	53	AfAm
6.25%	4	Hispanic
3.13%	2	White
1.56%	1	Native American
1.56%	1	Vietnamese
4.69%	3	Dual
100.00%	64	Total
<hr/>		
% of Total	Total #	Gender
31.25%	20	Female
68.75%	44	Male
100.00%	64	Total
<hr/>		
* Categorized by listed race even if dual/other also specified.		

III. Program Updates

We propose the following increases in grant funding:

- a. Increase the grant tier amounts to match the loan tier amount, equating to an increase of \$60,000 to grant recipients that qualify for the maximum amount
- b. Introduce a new Specialty Grant of \$15,000 to help entrepreneurs transition from provisional to state licenses
- c. Introduce a new Specialty Educational Grant of \$5,000 to those who complete the requirements discussed further below.
- d. No increase in loan tiers for the next six months, to be reassessed based on funding demand

Proposed Increase in Tiers June 2022								
Grant Funding								
- Go-Biz 2022								\$2,428,953
- Security City of Oakland								\$574,219
Total Grant Funding								\$3,003,172
Grant	2022	2021	Increase		Loan	2022	2021	Increase
Tier	Grant Tier	Grant Tier	In		Tier	Loan Tier	Loan Tier	In
#	Amount	Amount	Tier		#	Amount	Amount	Tier
Tier 1	\$5,000	\$5,000	\$ -		Tier 1	\$5,000	\$5,000	\$ -
Tier 2	\$10,000	\$10,000	\$ -		Tier 2	\$10,000	\$10,000	\$ -
Tier 3	\$15,000	\$15,000	\$ -		Tier 3	\$15,000	\$15,000	\$ -
Tier 4	\$25,000	\$20,000	\$5,000		Tier 4	\$25,000	\$25,000	\$ -
Tier 5	\$60,000	\$40,000	\$20,000		Tier 5	\$60,000	\$60,000	\$ -
Tier 6	\$35,000		\$35,000		Tier 6	\$35,000	\$35,000	\$ -
Subtotal Basic	\$150,000	\$90,000	\$60,000		Total Loan	\$150,000	\$150,000	\$ -
New Tier 7	\$ -	\$ -	\$ -		New Tier 7	\$ -	\$ -	\$ -
Total Basic Grant	\$150,000	\$90,000	\$60,000		Total Loans	\$150,000	\$150,000	\$0
Specialty Grants								
Rent	\$15,000	\$15,000						
Emergency	\$15,000	\$15,000						
Transition to State Annual License	\$15,000							
Educational	\$5,000							
Subtotal Specialty	\$50,000							
Total Grants	\$200,000	\$90,000	\$90,000					

Funding demand projections:

	# in	Incremental Amount	Projected Grant
Projected Grant Disbursement	Category	eligible for	Disbursement
# of Grant Applicants at \$50K	15	\$100,000	\$1,500,000
Grant applicants at \$90k	14	\$60,000	\$840,000
Trans to State Annual License	30	\$15,000	\$450,000
Educational Bonus	71	\$5,000	\$355,000
Total Grants Disbursed			\$3,145,000
	# in	Incremental Amount	Projected Loan
Projected Loan Disbursement	Category	eligible for	Disbursement
# of Loan Applicants at \$150K *	9	\$0	\$0
Loan applicants at 100K *	9	\$50,000	\$450,000
Total Loans Disbursed			\$450,000
* Non delinquent			
			Total Grant and Loan
			Disbursement
			\$3,595,000
Total Grant Funding			\$3,003,172
New Projected Disbursement			\$3,595,000
Shortfall			(\$591,828)

IV. New \$15,000 grant to help transition from provisional to state annual license

The criteria to receive this grant includes:

- Provide evidence that one has a provisional state license
- Provide evidence that one has applied for an annual state license

- Provide a “Scope of Work’ and budget the summarizes what one needs to do to obtain a state annual license and how the \$15,000 will help achieve that.

Contact the state to get feedback on what the next steps are.

V. New \$5,000 educational grant

Elevate is now partnering with Oaksterdam University to provide technical assistance to loan and grant recipients. Oaksterdam provides a core curriculum called the “Business of Cannabis” which is a self-paced course including 19 classes or approximately 38 hours of work. If you complete this curriculum, pass the quizzes/tests and turn in the certificate to Elevate Impact, you can receive a \$5,000 educational grant. If you have already taken the course, we will work with you to customize equivalent curriculum materials so that you can receive the \$5,000 educational grant.

VI. Other Specialty Grants

Emergency and Rental Grants are still available if you have not yet already received one.

VII. Open Forum

VIII. Contact Information

- a. Greg Minor, gminor@oaklandca.gov;
- b. Paula Groves, paula@elevateimpactoakland.com