



CITY OF OAKLAND
Office of the City Administrator

EQUITY LOAN AND GRANT PROGRAMS MONTHLY MEETING

Proposed Agenda

Tuesday November 10, 2020 11:00-12:30pm

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/82313651266>
- 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: 823 1365 1266

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 then 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. **Recap of State Grants Supporting the City’s Equity Program**
 1. **Bureau of Cannabis Control (BCC)**

Use of BCC FUNDING	
Grants to Operators	\$850,000
Commercial Kitchens	\$250,000
Commercial Kitchens OR Events Featuring Equity Businesses	\$200,000
Workforce Development	\$200,000
Program Analyst Position	\$150,000
TOTAL BCC FUNDING	\$1,650,000

2. Governor's Office of Business and Economic Development (Go-Biz)

Current and Proposed Use of Go-Biz Grant Funds

Category	Current	Proposed	Notes
Grants to Operators for All Eligible Expenses	\$1,510,239	\$1,510,239	No change
No Interest Revolving Loans to Operators for All Eligible Expenses	\$1,510,239	\$960,239	Reduce by \$550,000
No Interest Loans to Purchase Property	\$1,510,239	\$2,010,239	Increase by \$500,000, Convert to Forgivable
Utilization of Shared-Use Manufacturing Facilities	\$0	\$50,000	Complements BCC Investment in Manufacturers
Workforce Development	\$800,000	\$800,000	No Change
Loan and Grant Administration	\$350,000	\$350,000	No Change
Technical Assistance	\$250,000	\$250,000	No Change
Legal Assistance	\$165,000	\$165,000	No Change
City Staff Costs Administering Equity Program	\$480,987	\$480,987	No Change
TOTAL GO-BIZ FUNDING	\$6,576,705	\$6,576,705	No Change

II. Insurance Discussion

Key Issues to be mindful of when submitting insurance documentation to the City of Oakland:

1. The Certificate of Insurance (COI) needs to have the policy number for: (a) Commercial General Liability Insurance (b) Auto Policy (c) Workers Compensation Policy
2. If the name on the insurance policy is a business name and the name on the grant agreement is an individual, need to provide a document (with both the business name and the individual name) linking the two such as: (a) Oakland cannabis application (b) Secretary of State filing (c) Operating Agreement
3. For the Commercial General Liability Insurance, if the total amount is \$2 million but the amount per occurrence is \$2 million, need to submit a waiver with the justification
4. If you have Workers Compensation insurance, you need to submit a waiver of subrogation
5. You need separate endorsement with the following language: “the City of Oakland, its councilmembers, directors, officers, employees, agents, and volunteers” as additional insured
6. Insured party needs to be listed as The City of Oakland
7. If the Owner is the only person working at the business then Workers Compensation is not required. The Owner should mark zero employees on the Combined Grants Schedule
8. Make sure the policy has not expired

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

Funding Pipeline	#	Amount
GRANTS		
- Funded	14	\$ 338,000
- Awaiting Check	2	\$ 66,000
- Awaiting signatures	2	\$ 66,000
- Underwriting complete; Preparing docs	5	\$ 106,500
- In underwriting	31	\$ 431,500
TOTAL GRANTS	54	\$ 1,008,000
LOANS		
BCC & Go Biz LOANS		
New Loans		
- in Underwriting	4	\$5,000
- Underwriting complete	0	0
	4	\$5,000
Follow-on Loans		
- In Underwriting	9	\$ 965,000
- Underwriting complete	4	\$330,000
Total Follow-on Loans	13	\$ 1,295,000
TOTAL LOANS - BCC Go Biz	17	\$ 1,300,000
Funded - OAK	54	\$ 2,548,000
GRAND TOTAL LOANS	71	\$ 3,848,000

IV. Updates on City's Grant Program

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

1. To date the City has received 155 grant applications and has provided \$338,000 in funding to 14 grantees for an average of \$24,143 per grant.
2. In terms of demographics:

% of Total	Total #	Race
71.4%	10	African American/Black
14.3%	2	DNR
7.1%	1	Other
7.1%	1	Vietnamese
100.0%	14	

% of Total	Total #	Gender
50.0%	7	Female
50.0%	7	Male
100.0%	14	

V. Updates on City’s Loan Program

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

- To date, the City has lent \$2,548,000 to 54 unique borrowers, 20 of whom were repeat borrowers, for an average of \$47,185 per borrower and \$34,432 per loan. In addition, the City has received 17 new loan requests totaling a potential of \$1,300,000 in new loan funding once underwriting is complete. 4 of the loan requests are for new loans and 13 are for follow-on loans.

LOAN PROGRAM DEMOGRAPHICS:

#	Race	% of Total
43	AfAm	79.6%
2	Hispanic	3.7%
2	White	3.7%
1	Vietnamese	1.9%
1	Native American	1.9%
3	Dual	5.6%
2	DNR	3.7%
54	Total Borrowers Race	100.0%
#	Gender	% of Total
14	Female	25.9%
40	Male	74.1%
54	Total	100.0%

VI. Update to Grant Program Tier Amounts

Give the current demand for grants, the following grant tier increase are proposed:

Grant Funding Available			
- Bureau of Cannabis Control		\$850,000	
- Go-Biz		\$1,510,239	
Total Grant Funding		\$2,360,239	
Grant	New		Previous
Tier	Grant Tier	Increase	Grant Tier
#	Amount	in Tier	Amount
Tier 1	\$ 5,000	\$ 2,000	\$ 3,000
Tier 2	\$ 10,000	\$ 5,000	\$ 5,000
Tier 3	\$ 15,000	\$ 5,000	\$ 10,000
Tier 4	\$ 20,000	\$ 5,000	\$ 15,000
Total	\$ 50,000	\$ 17,000	\$ 33,000

Currently there are 54 grant applications in the pipeline. If all 54 received \$50,000 in grant funding, \$2.7 million would be disbursed, creating a shortfall of (\$339,761).

VII. Update to loan program tier amounts

For the \$1,510,239 equity loan funding made available from Go-Biz, the following increases to the loan tier amounts have been implemented:

Tier #	New Tier Amount	Increase in Tier	Previous Tier Amount
Tier 1	\$ 5,000	\$ -	\$ 5,000
Tier 2	\$ 10,000	\$ -	\$ 10,000
Tier 3	\$ 15,000	\$ -	\$ 15,000
Tier 4	\$ 40,000	\$ 20,000	\$ 20,000
Tier 5	\$ 100,000	\$ 50,000	\$ 50,000
Tier 6	\$ 50,000	\$ 25,000	\$ 25,000
Total	\$ 220,000	\$ 95,000	\$ 125,000

VIII. Topics for Next Month's Meeting

a. Suggestions?

IX. Open Forum

X. Contact Information

b. Greg Minor, gminor@oaklandca.gov

c. Paula Groves, paula@elevateimpactoakland.com