

San Francisco Office of Cannabis

Presented by
San Francisco Office of Cannabis

6/10/2020

State Equity Grants Update

- ▶ Bradford:

- ▶ Application Opened: January 2019
- ▶ Application Submitted: August 2019

- ▶ GO-BIZ:

- ▶ Application Opened: February 5, 2020
- ▶ Application Closed: March 9, 2020
- ▶ Application Submitted: March 9, 2020

Update: Bradford Grant

► 1/2019

- *OOC hosts first listening session for feedback from equity community;*
- and submits proposal for resolution to BOS

► 3/2019 - Resolution approved by BOS

► 8/2019 - OOC submits application to state for \$5.12 million

► 10/2019

- BCC awards CCSF 1.3 million for local equity program
- If City is awarded \$100,000, it requires an “Accept and Expend” resolution from BOS

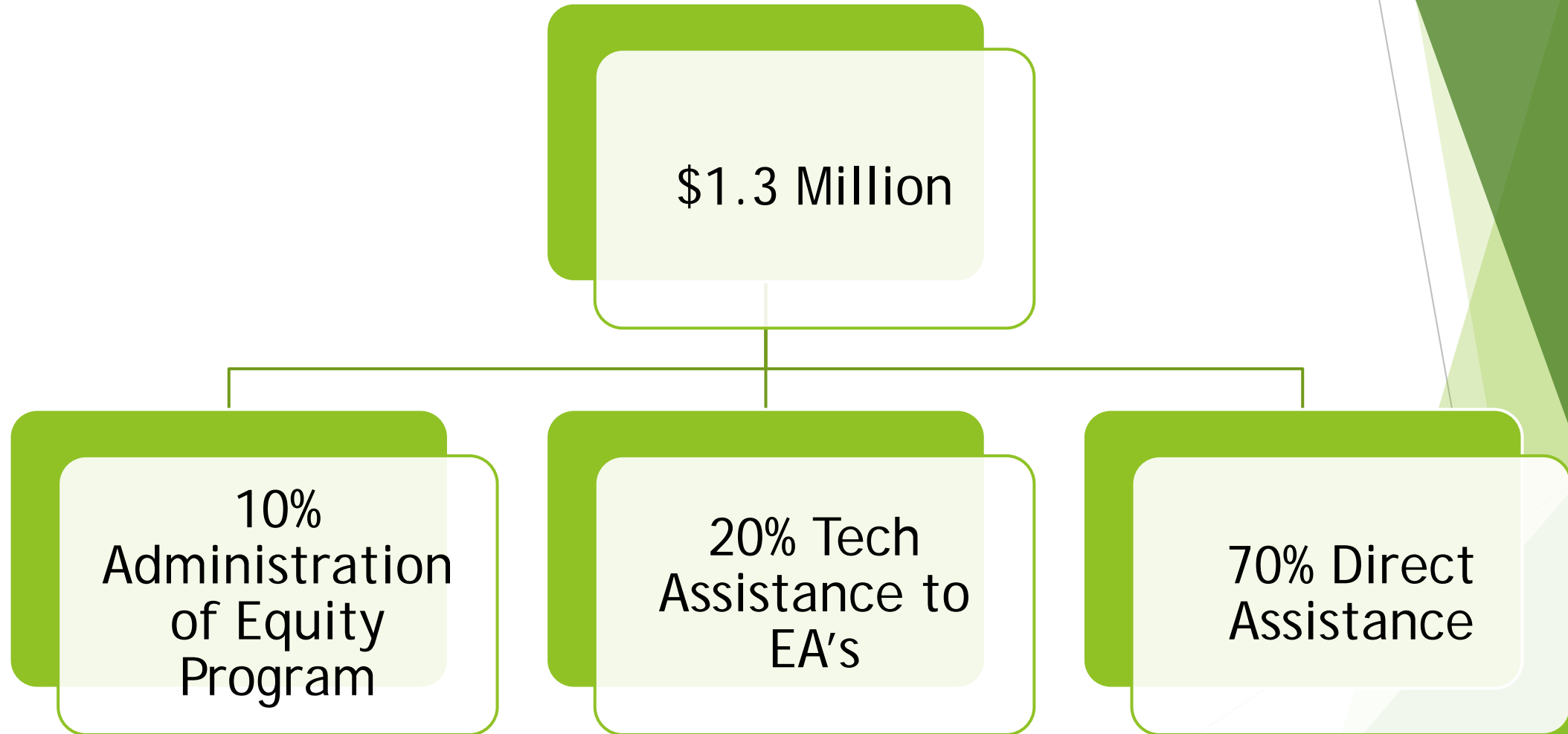
► 11/2019 - *OOC hosts second listening session for feedback from equity community*

► 1/2020

- OOC submits Accept and Expend Resolution to BOS
- Budget and Finance Comm approves Accept and Expend resolution

► 2/2020 - BOS approves resolution

Update: Bradford Grant



Update: Bradford Grant Distribution Timeline

- Funds have not been received from the State yet, but we anticipate they will be soon.

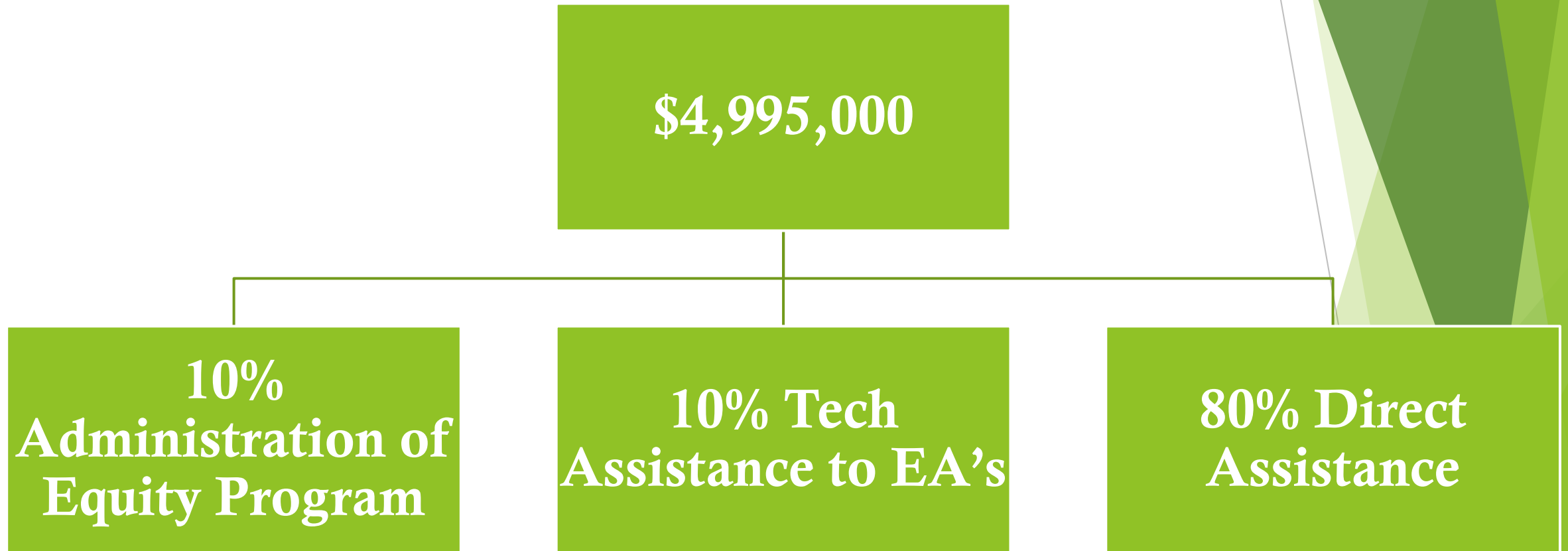
GO-BIZ: State Equity Grant Update & Timeline

- Application submitted on:
- On April 15, 2020, OOC awarded \$4,955,000.00

Next steps:

- Funds will be received after A&E resolution has been approved by BOS (for City to enter into contract with the State). State will subsequently release funds.
 - Resolution introduced on 6/9
 - BOS approval and subsequent sign-off, and final approval from State still needed
 - Contract can subsequently be entered into

GO-BIZ: State Equity Grant Update



Total in Direct Assistance Funds

\$4,930,500.00

- *Must be spent within 1 year of being received*

How funds will be disbursed

- ▶ Funding mechanism: through a reimbursement process to verified equity applicants with a “viable application” in our pipeline
- ▶ Grant dollars will be distributed through a reimbursement model for pre-approved compliance-related expenditures
- ▶ Recipients will have to become vendors with the City

Universe of Potentially Eligible Recipients:

- ▶ Current Article 16 equity cannabis business applicants: ~100
- ▶ Article 16 permanent equity cannabis business permit holders: 4

Oversight Committee Input:

1. Should there be an equitable distribution of funds across potential eligible recipients, and if so, how?

Factors to Consider

- ▶ Should the total amount for each eligible recipient be capped?

Factors to Consider

- ▶ At which stage of the application process should businesses be eligible?
 - ▶ Part 1 (98)
 - ▶ Planning (89)
 - ▶ Part 2/Buildout (16)
 - ▶ Permitted (4)

Note: These numbers are subject to change based on the OOC's permitting process.

Factors to Consider

- ▶ Should eligible businesses be prioritized by ownership type?
 - ▶ sole proprietors
 - ▶ 51% equity interest
 - ▶ 40% equity interest

Factors to Consider

- ▶ Should each business location (~210) be eligible, or each unique applicant be eligible (100)
 - ▶ One bite versus multiple bites

Oversight Committee Input

2. Additional suggestions for expanding the list of approved reimbursable expenses

List of Reimbursable Expenses

Part 1 Items

- ▶ Fees to incorporate a business
- ▶ Background Review Fees

Part 2 Items

- ▶ Community Outreach Materials (e.g. postage, paper, list of tenants and property owners)
- ▶ Premises Diagram and other required drawings by an Architect
- ▶ Security Equipment and Services (e.g. cameras, locks)

Other Departments

- ▶ Fees to pull permits and to pay for inspections

Real Estate

- ▶ Security Deposits
- ▶ Agent/Broker Fees
- ▶ Funds towards contractors (\$X for Plumbing, \$X for Electric, etc.)

State

- ▶ Application fees
- ▶ Background review fees

Question & Answer