

A Sotelo

City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. 88163 C.M.S.

RESOLUTION: (1) AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO: (A) NEGOTIATE AND AWARD A NEW PROFESSIONAL SERVICES AGREEMENT WITH "4FRONT PARTNERS" IN AN AMOUNT NOT TO EXCEED THREE HUNDRED AND FIFTY THOUSAND DOLLARS (\$350,000) TO ADMINISTER THE LOAN AND GRANT PROGRAMS FOR CANNABIS EQUITY APPLICANTS AND LICENSEES; (B) AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH "KNOX AND ROSS" BY INCREASING THE FUNDING AMOUNT FROM ONE HUNDRED AND TWENTY THOUSAND DOLLARS (\$120,000) TO AN AMOUNT NOT TO EXCEED ONE HUNDRED AND EIGHTY THOUSAND DOLLARS (\$180,000) TO PROVIDE LEGAL SERVICES TO CANNABIS EQUITY APPLICANTS AND LICENSEES; (C) NEGOTIATE AND AWARD A NEW AGREEMENT WITH "MAKE GREEN GO" IN AN AMOUNT NOT TO EXCEED TWO-HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000) TO PROVIDE TECHNICAL ASSISTANCE TO CANNABIS EQUITY APPLICANTS AND LICENSEES; AND (2) WAIVING THE REQUEST FOR PROPOSALS/QUALIFICATIONS PROCESS FOR THE THREE PROFESSIONAL SERVICES AGREEMENTS REFERENCED ABOVE

WHEREAS, the City of Oakland (City) conducted the nation's first race and equity analysis of the cannabis industry and adopted the nation's first Equity Program in the Spring of 2017 with the goal of promoting equitable ownership and employment opportunities in the cannabis industry to address the disproportionate impacts of the war on drugs in marginalized communities of color; and

WHEREAS, the City has identified the following key strategies to assist equity applicants and licensees: (a) grants and loans to support business start-up and ongoing costs, (b) technical assistance to understand how to operate a compliant cannabis business, and (c) legal assistance to navigate legal issues that arise; and

WHEREAS, the City Administration selected Make Green Go and its subcontractor Knox and Ross to provide technical and legal assistance to equity applicants and licensees after competitive Request for Qualifications processes in 2017, 2018, and 2019; and

WHEREAS, the City's Equity Program also includes a no-interest loan program for Equity Applicants administered by 4Front Partners, dba Elevate Impact Oakland; and

WHEREAS, the City Administration selected 4Front Partners after competitive Request for Qualifications processes in 2018 and 2019; and

WHEREAS, Knox and Ross' current agreement with the City of Oakland to provide legal services to cannabis equity applicants and licensees may not exceed \$120,000 for two years of services; and

WHEREAS, Oakland Municipal Code (OMC) Section 2.04.40.B requires a Request for Proposals/Qualifications process for all professional services contracts of more than \$50,000 and

WHEREAS, Pursuant to OMC Section 2.04.051.B, the City Council may waive the Request for Proposals/Qualifications requirements for contracts and contract increases upon a finding that it is in the best interest of the City to do so; and

WHEREAS, Make Green Go, 4Front Partners, and Knox and Ross have collectively undergone five (5) Request for Proposals/Qualifications processes over the last three years, as recently as the Summer of 2019; and

WHEREAS, the City Administration recommends waiving the Request for Proposals/Qualifications processes for initiating new professional services agreements with 4Front Partners and Make Green Go and the increase in the amount of the professional service agreement with Knox and Ross to ensure there is no delay or discontinuity in the provision of critical technical and legal assistance as well as capital through loan and grant programs to equity applicants and licensees; and

WHEREAS, the City Administration recommends authorizing a new agreement with 4Front Partners' for \$350,000 for a one-year period to facilitate the continued administration of a no-interest loan program as well as enable new grant and business coaching programs for equity applicants and licensees; and

WHEREAS, the City Administration recommends authorizing a new agreement with Make Green Go for \$250,000 for a one-year period to continue and expand technical assistance programs for equity applicants and licensees; and

WHEREAS, the City Administration recommends authorizing increasing the funding authority for the existing professional services agreement with Knox and Ross from \$120,000 to \$180,000 for a two-year period to provide legal assistance to equity applicants and licensees;

WHEREAS, the City Council finds that the aforementioned contracts are for services of a professional nature; and

WHEREAS, the City Council finds that the services under the aforementioned contracts will be temporary; and

WHEREAS, the City Council finds and determines that the performance of these contracts shall not result in loss of employment or salary by any person having permanent status in the competitive services; now therefore, be it

RESOLVED: That the City Council authorizes the City Administrator to, upon terminating the existing agreement with 4Front Partners, to enter into a new professional services agreement with 4Front Partners in an amount not to exceed \$350,000; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator to, upon terminating the existing agreement with Make Green Go, to enter into a new professional services agreement with Make Green Go in an amount not to exceed \$250,000; and be it

FURTHER RESOLVED: That the City Council authorizes the City Administrator to amend the existing professional services agreement with Knox and Ross by increasing the funding authority in an amount not to exceed \$180,000; and be it

FURTHER RESOLVED: That pursuant to OMC 2.04.051(B), for the reasons provided above and in the City Administrator's report accompanying this resolution, that the City Council finds it is the best interest of the City to waive the Request for Proposals/Qualifications Process for the increase in funding amount and award of professional services contracts referenced above so that equity applicants and licensees can continue to receive technical and legal assistance as well as capital through loan and grant programs without delay or interruption; and be it

FURTHER RESOLVED: That funds are available for these agreements from the City Administrator's budget appropriation of the GO-BIZ Grant Funds and will be drawn from State of California Fund (2159), Special Activities (02113), Project (TBD), Services: Professional Account (54930); and be it

FURTHER RESOLVED: That the City Administrator and her designee are authorized to take any other action necessary consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA,

JUN 16 2020

PASSED BY THE FOLLOWING VOTE:

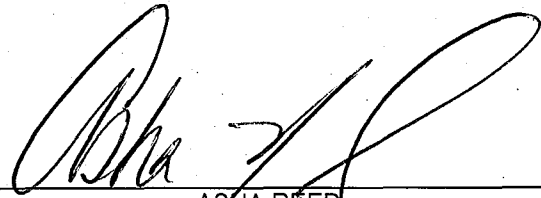
AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN — 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:



ASHA REED
Acting City Clerk and Clerk of the Council
of the City of Oakland, California