



City Attorney's Office

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR DESIGNEE TO:

(1) APPLY FOR AND ACCEPT TWO MILLION FOUR HUNDRED THIRTY-FOUR THOUSAND SEVEN HUNDRED AND TWELVE DOLLARS AND FIFTY-ONE CENTS (\$2,434,712.51) IN STATE OF CALIFORNIA, OFFICE OF THE GOVERNOR "GO-BIZ" EQUITY ACT GRANT FUNDS; AND

(2) APPROPRIATE THE GO-BIZ GRANT FUNDS BY:

(A) PROVIDING GRANTS AND/OR LOANS IN AN AMOUNT NOT TO EXCEED ONE-HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000) PER GRANT OR LOAN FOR CANNABIS EQUITY APPLICANTS AND LICENSEES, TO BE DETERMINED AND WITHOUT RETURN TO COUNCIL, FOR BUSINESSES' START-UP AND ONGOING COSTS IN A CUMULATIVE AMOUNT NOT TO EXCEED ONE MILLION NINE HUNDRED AND FORTY-EIGHT THOUSAND FOUR HUNDRED AND SEVENTY-FIVE DOLLARS AND FORTY-ONE CENTS (\$1,948,475.41);

(B) FUNDING DIRECT TECHNICAL ASSISTANCE TO CANNABIS EQUITY APPLICANTS AND LICENSEES IN AN AMOUNT NOT TO EXCEED TWO-HUNDRED AND FORTY-THREE THOUSAND FOUR-HUNDRED AND SEVENTY-ONE DOLLARS AND TWENTY-FIVE CENTS (\$243,471.25); AND

(C) FUNDING ADMINISTRATION OF THE CANNABIS EQUITY PROGRAM IN AN AMOUNT NOT TO EXCEED TWO-HUNDRED AND FORTY-THREE THOUSAND FOUR-HUNDRED AND SEVENTY-ONE DOLLARS AND TWENTY-FIVE CENTS (\$243,471.25);

**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 members of the California Legislature have recognized the need for cannabis equity grant funding; and

**WHEREAS**, funding has been provided by the Governor’s Office of Business and Economic Development (Go-Biz) to provide grant funds to local governments pursuant to AB 97 (Stats. 2019, Ch.40); and

**WHEREAS**, the City has adopted and operates a local equity program for commercial cannabis activity; and

**WHEREAS**, in January 2021 the City applied for grant funding from Go-Biz through the Cannabis Equity Grants Program for Local Jurisdictions; and

**WHEREAS**, the City has determined that it will use grant funds from the Go-Biz to assist local equity applicants and licensees through its local equity program for commercial cannabis activity as described in its application for grant funds; and

**WHEREAS**, Go-Biz has awarded the City \$2,434,712.51 to assist local equity applicants and licensees gain entry to and successfully operate in the state’s regulated cannabis marketplace as employees or business owners; and

**WHEREAS**, the City has identified providing capital to support business start-up and ongoing costs as a key strategy to assist equity applicants and licensees; and

**WHEREAS**, the Go-Biz grant terms require that the City include the following provisions to this resolution and/or the grant agreement:

- that the City Administrator of the City of Oakland is authorized to execute by electronic signature on behalf of the City of Oakland the grant agreement with the Governor’s Office of Business and Economic Development, including any extensions or amendments thereof and any subsequent grant agreement with the Governor’s Office of Business and Economic Development in relation thereto;
- That any liability arising out of the performance of this grant agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The Governor’s Office of Business and Economic Development and the State of California disclaim responsibility for any such liability;
- Grantee shall defend, indemnify, and hold Go-Biz and its agents or assigns, harmless from and against all claims, damages, and liabilities (including reasonable attorneys’ fees) arising from this Agreement due to Grantee’s breach of this Agreement, or the result of Grantee’s negligence or willful misconduct. Under no circumstances will the state of California, the Bureau of Cannabis Control, Go-Biz, its agents or employees, be liable to grantee for any direct, indirect, incidental, special or consequential damages that arise from this agreement; and

**WHEREAS**, the City Administration recommends utilizing available Go-Biz funding to continue free technical and legal assistance programs for cannabis equity applicants and licensees; and

**WHEREAS**, the City Administration also recommends utilizing available Go-Biz funding to support ongoing administration of the Equity Program, including administration of no-interest loans and grants; now, therefore be it

**RESOLVED:** That the City Administrator or designee is authorized to apply for and accept two million four hundred thirty-four thousand seven hundred and twelve dollars and fifty one cents (\$2,434,712.51) in state of California, Office of the Governor “Go-Biz” equity act grant funds; and be it

**FURTHER RESOLVED:** That the City Administrator or designee, is authorized to execute on behalf of the City of Oakland, by electronic signature or other method required by the Go-Biz grant, the grant agreement with the Governor’s Office of Business and Economic Development for \$2,434,712.51, including any extensions or amendments thereof and any subsequent grant agreement with the Governor’s Office of Business and Economic Development in relation thereto; and be it

**FURTHER RESOLVED:** That it is agreed that any liability arising out of the performance of this grant agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The Governor’s Office of Business and Economic Development and the State of California disclaim responsibility for any such liability; and be it

**FURTHER RESOLVED:** That the City of Oakland shall defend, indemnify, and hold GO-Biz and its agents or assigns, harmless from and against all claims, damages, and liabilities (including reasonable attorneys’ fees) arising from this Agreement due to Grantee’s breach of this Agreement, or the result of Grantee’s negligence or willful misconduct. Under no circumstances will the state of California, the Bureau of Cannabis Control, Go-Biz, its agents or employees, be liable to grantee for any direct, indirect, incidental, special or consequential damages that arise from this agreement; and be it

**FURTHER RESOLVED:** That the City Administrator or designee is authorized to appropriate said grant funds; and be it

**FURTHER RESOLVED:** That the \$2,434,712.51 in local equity grant funding from the State of California, Office of the Governor shall be deposited in the following funds: State of California Fund (2159), Special Activities (02113), Project (TBD), State Grant Miscellaneous (46229); and be it

**FURTHER RESOLVED:** That City Administrator or designee is authorized to award Go-Biz grant funds in an amount up to \$150,000 per grant and/or loan to local

equity licensees and applicants to be determined and without return to City Council, in a cumulative amount not to exceed \$1,948,475.41; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to re-appropriate repaid cannabis equity loan funds allocated pursuant to resolution 86633 and 88030 C.M.S. and this Resolution for the same purposes of cannabis equity loan assistance; and be it

**FURTHER RESOLVED:** That all such re-appropriated equity loan funds repaid to the City shall be deposited into the following accounts General Purpose Fund (2159), Special Activities (02113), Project (TBD), Other Revenue: Revolving (48716);and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to use up to \$243,471.25 of the Go-Biz Grant Funding to support administration of the City of Oakland's Equity program, including staff in the Special Activity Permits Division, and consultants administering loan and grant programs; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to use up to \$243,471.25 of the Go-Biz Grant Funding to continue technical and legal assistance programs for cannabis equity applicants and licensees; and be it

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

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - PRESIDENT FORTUNATO BAS, GALLO, FIFE, KALB, REID, TAYLOR, THAO AND KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
ASHA REED  
Acting City Clerk and Clerk of the Council  
of the City of Oakland, California