

APPROVED AS TO FORM AND LEGALITY



CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RERESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO:

- (1) APPLY FOR AND ACCEPT THREE MILLION DOLLARS (\$3,000,000) IN STATE OF CALIFORNIA, PROPOSITION 64 PUBLIC HEALTH AND SAFETY GRANT PROGRAM COHORT THREE FUNDS (“PROPOSITION 64 COHORT THREE GRANT”); AND**
(2) APPROPRIATE THE PROPOSITION 64 COHORT THREE GRANT FUNDS BY:

(A) AWARDED GRANTS IN AN AMOUNT NOT TO EXCEED ONE-HUNDRED THOUSAND DOLLARS (\$100,000) PER GRANT FOR CANNABIS APPLICANTS AND LICENSEES, TO BE DETERMINED AND WITHOUT RETURN TO COUNCIL, TO FUND SECURITY MEASURES FOR SUCH BUSINESSES, IN A CUMULATIVE AMOUNT NOT TO EXCEED TWO MILLION TWO HUNDRED AND SIXTY THOUSAND DOLLARS (\$2,260,000); AND

(B) FUNDING ONE OR MORE AGREEMENTS TO BE AWARDED AFTER A COMPETITIVE REQUEST FOR PROPOSALS PROCESS AND IN AN AMOUNT NOT TO EXCEED TWO HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS (\$225,000) PER AGREEMENT FOR A PUBLIC AWARENESS CAMPAIGN TO SUPPORT EQUITY-OWNED CANNABIS BUSINESSES; AND

(C) FUNDING AN AGREEMENT TO BE AWARDED AFTER A COMPETITIVE REQUEST FOR PROPOSALS PROCESS AND IN AN AMOUNT NOT TO EXCEED EIGHTY THOUSAND DOLLARS (\$80,000) FOR A GRANT EVALUATION; AND

(D) FUNDING THE ADMINISTRATION OF THE PROPOSITION 64 COHORT THREE GRANT IN AN AMOUNT NOT TO EXCEED FOUR HUNDRED AND THIRTY-FIVE THOUSAND DOLLARS (\$435,000)

WHEREAS, the voters of the State of California approved Proposition 64, the Control, Regulate, and Tax Adult Use of Marijuana Act (AUMA) in November 2016; and

WHEREAS, Proposition 64 legalized the recreational use of cannabis in California for people 21 and older; and

WHEREAS, part of Proposition 64 directs a portion of tax revenue generated from the cultivation and retail sale of cannabis towards a state grant program that assist in mitigating the impacts due to the legalization of recreational cannabis; and

WHEREAS, the California Revenue and Taxation Code directs the Board of State and Community Corrections (BSCC) to provide state grants to local governments to assist with law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act; and

WHEREAS, in the fall of 2022 the BSCC released a Request for Proposals (RFP) for the Proposition 64 Public Health and Safety Grant Program Cohort 3 for a maximum grant amount of three-million dollars (\$3,000,000) to be utilized over a five-year period; and

WHEREAS, in December 2022 the City of Oakland submitted a Proposition 64 Cohort 3 grant application to the BSCC for three-million dollars (\$3,000,000) over five years to fund security measures for Oakland's licensed cannabis operators and a public education to support Oakland equity operators; and

WHEREAS, the goal of the City of Oakland's Proposition 64 Cohort 3 grant application is to establish a safe and equitable regulated marketplace where licensed operators will not just survive but thrive in the post-Proposition 64 landscape; and

WHEREAS, on April 13, 2023, the BSCC approved funding for all the proposed uses and projects identified in the City of Oakland Proposition 64 grant proposal; and

WHEREAS, the Proposition 64 grant terms require that the City include the following standard grant provisions to this resolution and/or the grant agreement:

- That the City of Oakland desires to participate in the Proposition 64 Public Health and Safety Grant Program funded through the California State and Local Government Law Enforcement Account and administered by the BSCC;
- That the City Administrator be authorized on behalf of the City of Oakland to submit the grant proposal for this funding and sign the Grant Agreement with the BSCC, including any amendments thereof;
- That grant funds received hereunder shall not be used to supplant expenditures controlled by this body; and
- That the City of Oakland agrees to abide by the terms and conditions of the Grant Agreement as set forth by the BSCC; now, therefore be it

RESOLVED: That the City of Oakland desires to participate in the Proposition 64 Public Health and Safety Grant Program funded through the California State and Local Government Law Enforcement Account and administered by the BSCC; and be it

FURTHER RESOLVED: That the City Administrator or designee is authorized to apply for and accept three million dollars (\$3,000,000) in “Proposition 64” Public Health and Safety Grant Program Cohort 3 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 BSCC, to sign the Proposition 64 Grant Agreement with the BSCC, including any amendments thereof; and be it

FURTHER RESOLVED: That grant funds received hereunder shall not be used to supplant expenditures controlled by this body, the Oakland City Council; and be it

FURTHER RESOLVED: That the City of Oakland agrees to abide by the terms and conditions of the Grant Agreement as set forth by the BSCC; and be it

FURTHER RESOLVED: That the three million dollars (\$3,000,000) in “Proposition 64 Cohort 3 Grant” funding from the BSCC shall be accepted in the following funds: State of California Fund (2159), Cannabis Organization (85621), Project (TBD), Administration Program (IP03), State Grant Miscellaneous Revenue Account (46229); and be it

FURTHER RESOLVED: That the City Administrator is authorized to appropriate said grant funds for spending; and be it

FURTHER RESOLVED: That City Administrator is authorized to use BSCC grant funds to award grants in the amount not to exceed one-hundred thousand dollars (\$100,000) per grant for cannabis applicants and licensees for the purpose of securing their business facilities and providing onsite security, to be determined and without return to council, in a cumulative amount not to exceed two million two-hundred and sixty dollars (\$2,260,000) over a five-year period; and be it

FURTHER RESOLVED: That City Administrator or designee is authorized to use BSCC grant funds in an amount up to two-hundred and twenty-five thousand dollars (\$225,000) over a five-year period to enter into an agreement with one or more local firms to be determined through a competitive request for proposals process to design and implement a comprehensive marketing strategy to promote support of Oakland equity-owned cannabis businesses; and be it

FURTHER RESOLVED: That City Administrator or designee is authorized to use BSCC grant funds in an amount up to eighty thousand dollars (\$80,000) over a five-year period to enter into an agreement with a local firm to be determined through a competitive request for proposals process to evaluate the City of Oakland’s performance under the Proposition 64 Cohort Three Grant and submit BSCC required reports; and be it

FURTHER RESOLVED: That the City Administrator or designee is authorized to use up to four-hundred and thirty-five thousand dollars (\$435,000) of the Proposition 64 Cohort Three Grant funds to support the City of Oakland’s administration of the Proposition 64 Cohort Three Grant programs; and be it

FURTHER RESOLVED: That the City Administrator 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 - FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California