

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AMENDING COUNCIL RESOLUTION NO. 89831 C.M.S. TO WAIVE THE LOCAL/SMALL LOCAL BUSINESS ENTERPRISE PROGRAM REQUIREMENTS FOR C4C, INC. FOR THE PROFESSIONAL SERVICES AGREEMENT PREVIOUSLY AUTHORIZED BY RESOLUTION NO. 89831 C.M.S. TO IMPLEMENT CANNABIS WORKFORCE CERTIFICATION AND ON THE JOB TRAINING PROGRAMS FOR EQUITY EMPLOYEES FOR A TWO YEAR PERIOD IN AN AMOUNT NOT TO EXCEED SEVEN HUNDRED AND FORTY-FIVE THOUSAND THREE HUNDRED AND FIFTY-SEVEN DOLLARS (\$745,357)

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's action led to the creation of California's Cannabis Equity Grants Program for Local Jurisdictions administered annually by the Governor's Office of Business and Economic Development (Go-Biz). On February 7, 2022 Go-Biz awarded the City of Oakland \$5,435,140.82 in Cannabis Equity Grants Program funding for 2022-2023; and

WHEREAS, on May 3, 2022 the City Council adopted Resolution No. 89163 authorizing the City Administrator to appropriate up to three hundred and thirty thousand three-hundred and fifty seven dollars (\$330,357) in Go-Biz funding and any additional funding from the FY 2022-2023 Midcycle Budget to assist in the recruitment, training, and retention or equity employees; and

WHEREAS, on June 30, 2023 the City Council adopted the FY 2022-2023 Midcycle Budget via Resolution No. 89283, which invested two-hundred and fifty thousand dollars (\$250,000) towards cannabis workforce development programs under the Economic and Workforce Development Department's budget plus an additional one million two hundred and fifty thousand dollars (\$1,250,000) under City Council Amendment Item Number C3 for targeted

grants to enhance job readiness for Oakland residents who in years past have been personally subjected to the war on drugs; and

WHEREAS, fifty thousand dollars (\$50,000) of the three hundred and thirty thousand three-hundred and fifty-seven dollars (\$330,357) in Go-Biz funds authorized for cannabis workforce development programming have been repurposed to support cannabis equity applicants holding special events; and

WHEREAS, a total of two hundred and eighty thousand three hundred and fifty-seven dollars (\$280,357) in Go-Biz funding remains available for cannabis workforce development programming, which when combined with funding from the FY 2022-2023 Midcycle Budget leaves one million seven hundred and eighty thousand three hundred and fifty seven dollars (\$1,780,357) available for cannabis workforce certification and on the job training programs; and

WHEREAS, in the spring of 2022 the Economic and Workforce Development Department (EWDD) released a Request for Proposals (RFP) for an organization to develop (1) an Equity Employee certification training program to establish a pipeline of qualified prospective employees for the regulated cannabis marketplace and (2) an on the job training referral program for equity employees at Oakland cannabis businesses; and

WHEREAS, EWDD staff reviewed and scored the four RFP responses received and found C4C, Inc., doing business as Case 4 Cannabis, as the top respondent; and

WHEREAS, on July 18, 2023, the City Council approved Resolution No. 89831 C.M.S., which authorized the City Administrator to enter into a two-year professional services agreement with C4C, Inc. in an amount not to exceed seven hundred and forty-five thousand three hundred and fifty-seven dollars (\$745,357) to implement cannabis workforce certification and on the job training programs; and

WHEREAS, C4C, Inc. will be responsible for disbursing One Million Thirty-Five Thousand Dollars (\$1,035,000) in funds already approved by Council through Resolution No. 89283 C.M.S. and Resolution No. 89163 C.M.S. for an on the job training program, among other responsibilities; and

WHEREAS, C4C, Inc. proposes partnering with Merritt College for training and the Oakland Private Industry Council for recruitment and verification of Equity Employees; and

WHEREAS, pursuant to Resolution No. 89831 C.M.S., funding for the professional services agreement includes two hundred and eighty thousand three hundred and fifty-seven dollars (\$280,357) in Go-Biz funding for which the grant term expires on October 31, 2023;

WHEREAS, the state Go-Biz grant administrator has advised staff that funds from the Go-Biz grant must be expended by the end of the grant term and staff has obtained an extension of the grant term by forty-five (45) days;

WHEREAS, the Local Business Enterprise/Small Local Business Enterprise (“LBE/SLBE”) Program, Ordinance No. 13647 C.M.S. requires a minimum 50-percent (50%)

participation for all professional service contracts valued at or over fifty thousand dollars (\$50,000) when there are at least three certified businesses listed in the industry, trade, or profession that constitutes a major category of work; and if at least three L/SLBEs are not certified, then the requirement is either waived, or the 50% requirement may be set at a percentage from 50 % to 0%, but not less than 20% if at least one L/SLBE is certified and available; and

WHEREAS, in order to execute the professional services agreement with C4C, Inc. and expend the state Go-Biz grant funds in a timely manner staff requires a waiver of the L/SLBE program requirements and thus seeks a waiver in order to avoid losing the grant funds; and

WHEREAS, the Council may waive the City's LBE/SLBE program requirements if it is in the best interests of the City to do so; and

WHEREAS, the Council finds and determines that it is in the best interests of the City to waive the L/SLBE program requirements for the reasons set forth above; now, therefore, be it

RESOLVED: That the City Council hereby amends Resolution No. 89831 C.M.S. to find and determine pursuant to Part I of Oakland's Local and Small Local Business Enterprise Program guidelines adopted by Ordinance no. 13647 C.M.S. that for the reasons stated above and in the City Administrator's report accompanying this resolution, that waiver of the L/SLBE program requirements is in the best interest of the City and so waives the requirements for the professional services agreement with C4C, Inc.; and be it

FURTHER RESOLVED: That the City Administrator or their designee is authorized to take any other action necessary and 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