

# OAKLAND CITY COUNCIL

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

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**RESOLUTION AMENDING RESOLUTION NUMBER 88030 C.M.S., WHICH AMONG OTHER THINGS AUTHORIZED THE ACCEPTANCE AND APPROPRIATION OF ONE-MILLION, SIX-HUNDRED AND FIFTY-SEVEN THOUSAND, TWO-HUNDRED AND ONE DOLLARS AND SIXTY-FIVE CENTS (\$1,657,201.65) IN STATE OF CALIFORNIA, EQUITY ACT GRANT FUNDING TO AUTHORIZE THE CITY ADMINISTRATOR OR HIS DESIGNEE TO AWARD SAID GRANT FUNDS TO LOCAL EQUITY LICENSEES AND APPLICANTS TO BE DETERMINED AND WITHOUT RETURN TO CITY COUNCIL: (A) IN AN AMOUNT UP TO FIFTY THOUSAND DOLLARS (\$50,000) PER GRANT TO FUND BUSINESS START-UP AND OPERATING COSTS; (B) IN AN AMOUNT UP TO TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000) PER GRANT FOR THE DEVELOPMENT AND/OR LEASE OF COMMERCIAL KITCHEN(S) AND TO FUND EVENTS FEATURING CANNABIS EQUITY BUSINESSES; AND (C) AT A CUMULATIVE GRANT AMOUNT FOR THE ABOVE-MENTIONED AWARDS NOT TO EXCEED ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000)**

**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 equity grant funding to support local jurisdictions' equity programs; and

**WHEREAS**, state funding has been provided to the Bureau of Cannabis Control to provide grant funds to local governments pursuant to the Budget Act of 2019, Item 1111-490-Reappropriation; and

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

**WHEREAS**, the City applied for grant funding through the Bureau of Cannabis Control's Local Equity Grant Funding program in August 2019 in order to further its Equity Program; and

**WHEREAS**, the Bureau of Cannabis Control has approved the City of Oakland to receive funding in the amount of \$1,657,201.65 (BCC equity grant); and

**WHEREAS**, the City will use the BCC equity grant to assist local equity applicants and licensees through its equity program to gain entry to and successfully operate in the state's regulated cannabis marketplace; and

**WHEREAS**, the City has identified the following key strategies to assist equity applicants and licensees: (a) grants to operators to assist with start-up and ongoing costs, (b) the development and/or leasing of commercial kitchens, and (c) the funding of events that feature equity businesses; and

**WHEREAS**, on February 4, 2020 the City Council adopted Resolution 88030 to accept and appropriate the BCC equity grant to implement these strategies; and

**WHEREAS**, the City received the BCC equity grant in April 2020 and pursuant to the grant's requirements, the City must award grant funds to eligible grantees within a year of the City's receipt of such funds; and

**WHEREAS**, while the intent of Resolution 88030 was to authorize the City Administrator or his designee with the authority to grant BCC equity grant funds to cannabis equity grantees, it did not specifically provide such authority and this resolution seeks to clarify that the City Administrator or his designee is authorized to do so; now therefore be it

**RESOLVED:** That Resolution Number 88030 C.M.S. is hereby amended to authorize the City Administrator or his designee to provide BCC equity grant funds to local equity licensees and applicants to be determined and without return to City Council, in a cumulative amount not to exceed one million three hundred thousand dollars (\$1,300,000); and be it

**FURTHER RESOLVED:** That the above-referenced grant award distribution shall be divided into the following categories and award limits as follows:

- In an amount up to fifty thousand dollars (\$50,000) per grant to fund business start-up and operating costs; and
- In an amount up to two hundred and fifty thousand dollars (\$250,000) per grant for the development and/or lease of commercial kitchen(s);
- In an amount up to two hundred thousand dollars (\$200,000) per grant to fund events featuring cannabis equity businesses; and be it

**FURTHER RESOLVED:** That in the event any BCC grant funds have not been awarded towards events featuring cannabis equity businesses due to a federal, state, or local health or other official's advice, directive, or limitation on public gatherings, such funds may be awarded to equity applicant and licensees for business start-up and operating costs or the development and/or lease of commercial kitchens. In such an instance, these additional awards may be used for business start-up and operating costs or the development and/or lease of commercial kitchens and will not be subject to the above award funding limits, and be it

**FURTHER RESOLVED:** That the City Administrator or his designee is hereby authorized, without returning to Council, to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, amendments, modifications, payment requests and related actions which may be necessary for the above-referenced grant awards; and be it

**FURTHER RESOLVED:** That the City Administrator's Office will provide the public with updates on grant disbursement via the City's website and annual BCC grant reporting requirements; and be it

**FURTHER RESOLVED:** That the City Administrator and his designee are 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 - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND  
PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council of the  
City of Oakland, California