



City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AMENDING RESOLUTION NO. 89681 C.M.S., WHICH AMONG OTHER THINGS AUTHORIZED AN INCREASE IN FUNDING FOR THE PROFESSIONAL SERVICES AGREEMENT WITH 4FRONT PARTNERS TO ADMINISTER CANNABIS EQUITY GRANT AND LOAN PROGRAMS BY SEVENTY-EIGHT THOUSAND NINE HUNDRED AND SEVENTY-NINE DOLLARS AND SEVENTY-FIVE CENTS (\$78,979.75), BY:

- (1) FURTHER INCREASING THE FUNDING AMOUNT FOR THE PROFESSIONAL SERVICES AGREEMENT WITH 4FRONT PARTNERS BY FORTY-FIVE THOUSAND DOLLARS (\$45,000), FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED SIX HUNDRED AND NINETY-THREE THOUSAND NINE HUNDRED AND THIRTY-SIX DOLLARS AND ELEVEN CENTS (\$693,936.11); AND**
- (2) WAIVING THE REQUEST FOR PROPOSALS/QUALIFICATIONS PROCESS FOR THE PROPOSED FUNDING INCREASE**

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 to the Governor's Office of Business and Economic Development (Go-Biz) to provide grant funds to local governments; and

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

WHEREAS, in the Fall of 2022 the City applied for the fourth round of grant funding from Go-Biz through the Cannabis Equity Grants Program for Local Jurisdictions; and

WHEREAS, Go-Biz awarded the City One Million Nine Hundred Ninety-Six Thousand Four Hundred and Eighty-Seven Dollars and Fifty Cents (\$1,996,487.50) 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, on April 18, 2023 the Oakland City Council adopted Resolution No. 89861 C.M.S., which authorized the City Administrator to accept the grant of One Million Nine Hundred Ninety-Six Thousand Four Hundred and Eighty-Seven Dollars and Fifty Cents (\$1,996,487.50), (hereinafter referred to as the "Go-Biz 4" grant); and

WHEREAS, Resolution No. 89861 C.M.S. also authorized the City Administrator to provide Go-Biz 4 funding to equity applicants and licensees in the form of grants and no-interest loans to support cannabis equity applicants' participation in the regulated cannabis marketplace; and

WHEREAS, Resolution No. 89861 C.M.S. also authorized the City Administrator to utilize a portion of Go-Biz 4 Grant funding to support administration of the Equity Program, including increasing funding for 4Front Partners, the consultant administering the City of Oakland's loan and grant programs for cannabis equity applicants, for a total funding amount not to exceed six hundred and forty-eight thousand nine-hundred and thirty-six dollars and eleven cents (\$648,936.11).; and

WHEREAS, in the Spring of 2022 the City of Oakland released a Request for Proposals (RFP) to administer loan and grant programs for cannabis equity applicants for a three-year period; and

WHEREAS, the City Administration reviewed responsive proposals and determined 4Front Partners was best qualified to carry out grant and loan programs for equity applicants; and

WHEREAS, the City Administration recommends increasing 4Front Partner's existing professional services agreement by sixty thousand dollars (\$60,000) to ensure 4Front has sufficient resources to finish administering grants and loans funded from Go-Biz 4 and to ensure a smooth transition to City staff implementing grant and loan programs for equity applicants; and

WHEREAS, funding is available to increase 4Front Partner's existing professional services agreement from the Go-Biz 4 grant due to a City staff position ending in November 2023; and

WHEREAS, Oakland Municipal Code section 2.04.051.B permits the Council to waive advertising and the request for proposal/qualifications (RFP/Q) requirements upon a finding that it is in the best interest of the City to do so; and

WHEREAS, the City Administration recommends waiving the City's request for proposals/qualifications processes for the proposed amendment increasing the professional service agreement with 4Front Partners to ensure there is no delay or discontinuity in the disbursement of capital to cannabis equity applicants, particularly considering the City administered an RFP process for the same service in 2022; now, therefore, be it

RESOLVED: That Resolution No. 89681 C.M.S. is hereby amended to authorize a funding increase for the existing three-year professional services agreement with 4Front Partners to administer the cannabis equity grant and loan program, by forty-five thousand dollars (\$45,000), for a total contract amount not to exceed six hundred and ninety-three thousand nine-hundred and thirty-six dollars and eleven cents (\$693,936.11); and be it

FURTHER RESOLVED: That pursuant to Oakland Municipal Code (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 in the best interest of the City to waive the Request for Proposals/Qualifications process for the increase in the funding amount for 4Front Partners' professional services agreement so that cannabis equity applicants can continue to receive capital through loan and grant programs without delay or interruption; 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
Acting City Clerk and Clerk of the
Council of the City of Oakland,
California