



City of
SACRAMENTO
Office of Cannabis Management



CORE STAKEHOLDER MEETING

November 17, 2021





Consumption Workshop #1

- December 2 from 3-5pm
 - Meeting link emailed out Tuesday (11/16)
- OCM staff will share research on what other jurisdictions are doing
- Please come with your ideas on how to put together a favorable policy proposal around consumption spaces in our City



Virtual Mixers?

- OCM has heard from a number of CORE members that they want to be able to meet and network with other CORE members on a variety of topics
 - Current mixers include those provided by Zion of Shashamene & Naweh Totimeh of Aequilibrium and PIA
- Would an unmoderated Zoom meeting room that's made available on a regular basis for CORE members be helpful? Let us know!



Security Plan Update

- PD is in the process of updating their security plan requirements in light of the number of recent cannabis burglaries
- Goals are to make a safer environment for employees, owners and customers/vendors and prevent, to the extent possible, intrusion into the premises and if there is entry, to make sure they're not able to take any cannabis, cannabis product or cash
- OCM will be sending out more information to BOP holders and applicants as we get it from PD



CORE Media and Community Outreach RFP

- **Purpose is to highlight the CORE program and its members, introduce the Sacramento area to CORE entrepreneurs, their businesses and products, and encourage consumers to seek out CORE products and vendors**
- **RFP responses currently being reviewed**

BOP Numbers

	All Issued	All Pending	CORE Issued	CORE Pending
Manufacturing	31	44	4 (12% -> 30%)	8 (18%)
Distribution	39	39	4 (10%->25%)	8 (20%)
Delivery	56	43	3 (5% ->31%)	21 (48%)
Microbusiness	7	5	1 (14% ->33%)	2 (40%)
Cultivation	90	62	5 (5%->9%)	4 (6%)
Storefront	30	-	1 (3%->27%)	-
Testing Lab	3	1	-	-
Total	256	194	18 (7%)	43 (22%)





CORE Participant Numbers

- 342 CORE participants
- 301 have not applied for a BOP
 - Why?
 - Workforce development path
 - *Workforce survey sent to businesses; working with Ec Dev to explore options*
 - Raise regulatory knowledge and reduce financial barriers
 - *Make regulatory training available; City staff and consultants to provide one-on-one assistance; applying for all available funding for grants and technical assistance; reduce barriers for incubators*
 - Other efforts: CORE Media and Community Outreach; Equity Study, Cannabis Study from EPS



CORE Capital Loan Program Update

- Funds still available! (Remember loans are not taxed)
- Reminders from the CORE Capital Loan Program (CCLP) Team:
 - The CCLP website has a lot of information. For fast answers, look there first: <https://www.cityofsacramento.org/City-Manager/Divisions-Programs/Cannabis-Management/Core-Program/LoanProgram>
 - Make sure your mailing address is correct and consistent on all your loan and supplier ID documents
 - Check your email often and follow up on your supplier ID
 - Your budget needs to list things you plan to spend your loan funds on once you get funded – not things you’ve already purchased
 - Plans change? Just submit a budget modification showing the allowable expense you’re allocating loan funds to and from
 - Budgets must make logical and regulatory sense
 - Budget to purchase cannabis flower and edibles before you have a location won’t work



Local Jurisdiction Assistance Grant Program (aka “\$100 million grant”)

- Funding to local jurisdictions to assist the state to transition provisional licensees to annual licenses.
- “Local jurisdictions eligible to receive grant funding represent those with significant numbers of provisional licenses who are legacy and equity applicants, and provisional licensees that are more likely to have arduous environmental compliance requirements associated with CEQA.” https://cannabis.ca.gov/wp-content/uploads/sites/2/2021/09/Local-Assistance-Grant_Guidelines.pdf
- Sacramento eligible for \$5,786,617 and any awarded funds must be spent by 3/31/2025
- Grant application was due 11/15



Local Jurisdiction Assistance Grant Program

- Funding requested for
 - “One Stop Shop” with consultants to assist applicants/permittees in navigating local and state permitting requirements to help obtain annual licenses;
 - IT/web assistance
 - create a mapping tool to find zoned business locations and sensitive uses
 - better connect BOP approvers, so we can identify stalled applications/bottlenecks and proactively reach out to assist
 - Grants/rebates for security equipment and similar items



Cannabis Equity Grant (CEG)

- Can apply for up to \$7 million, \$33 million available statewide
- Can be used for equity member grants or loans
 - Up to 10% can be set aside for direct technical assistance and administrative costs
- OCM intends to apply for grants for CORE participants
 - Remember, grants are taxed and can affect income-based benefits or programs
- Application due 12/13
- You can check it out at <https://business.ca.gov/cannabis-equity-grants-program-for-local-jurisdictions/>

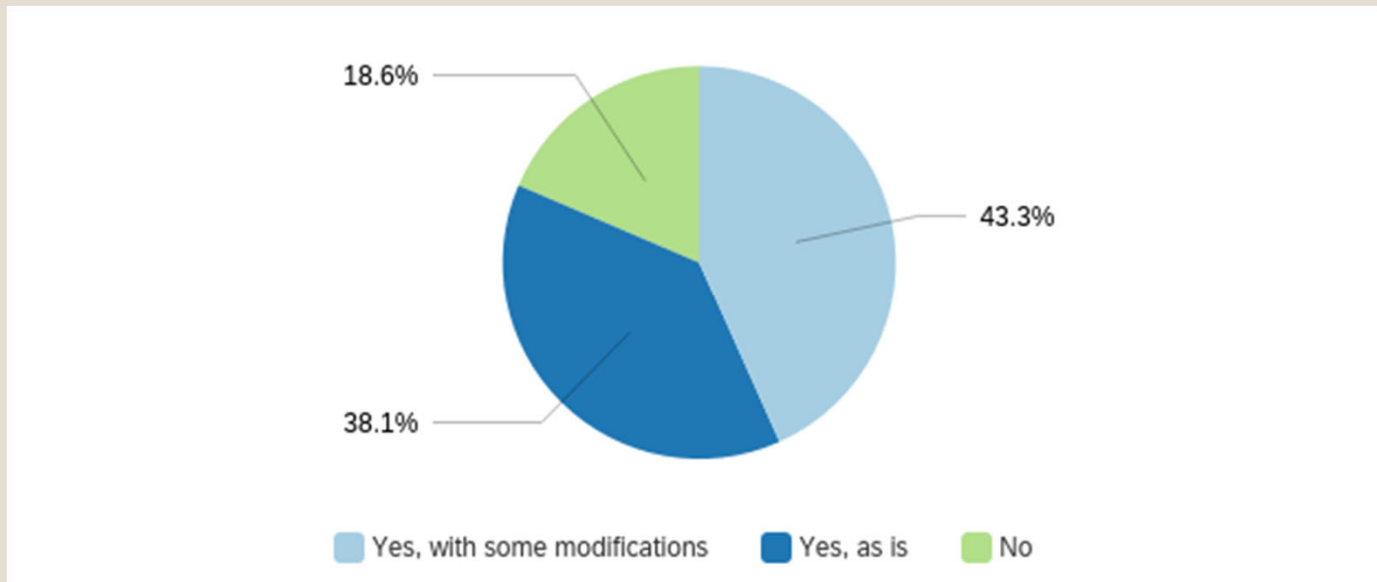


CEG CORE Grant Program Proposal Based on Polling/Surveys

- First come, first served \$125,000 grants
- One grant per person
- Only those with leased/owned locations can apply; however, no CUP or BOP is required
- \$150,000 will be set aside for small grants in the amount of \$3,000 or \$5,000 for those who do not receive the larger grants on a first come, first served basis

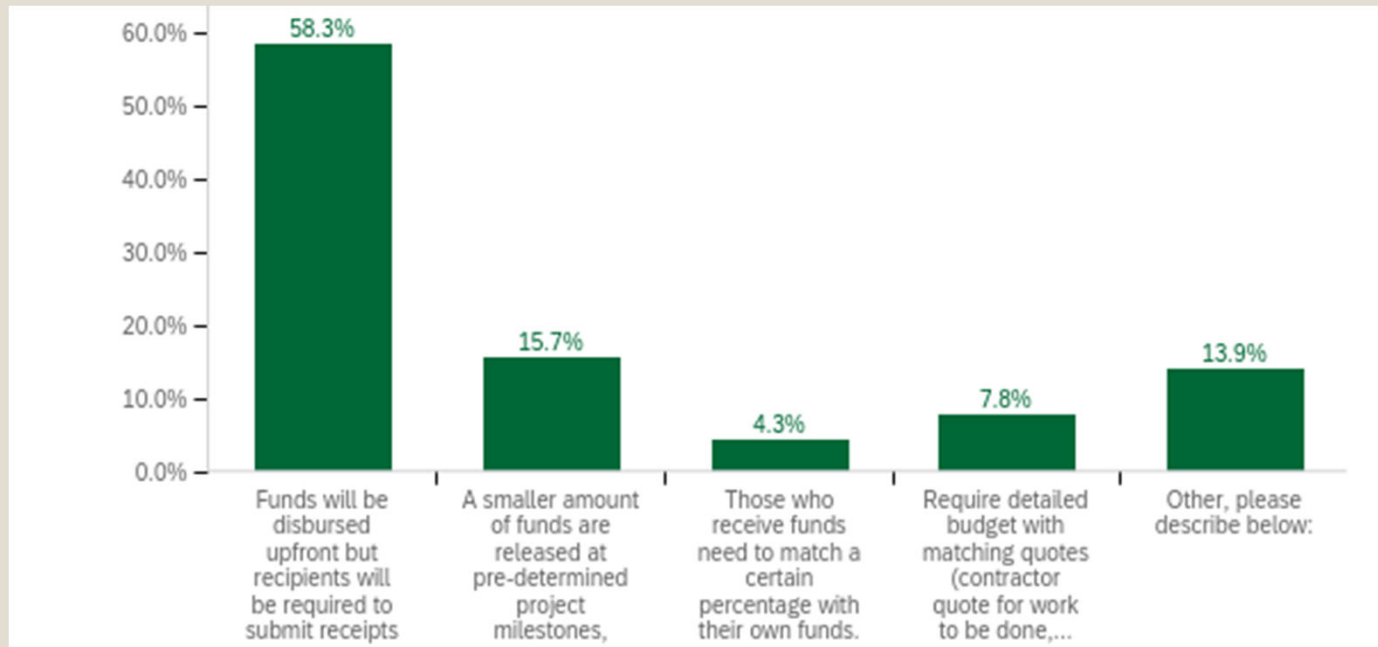
CORE Grant Program Survey Results

- Q1 - Do you support moving forward with disbursing funds as outlined in the grant proposal above?



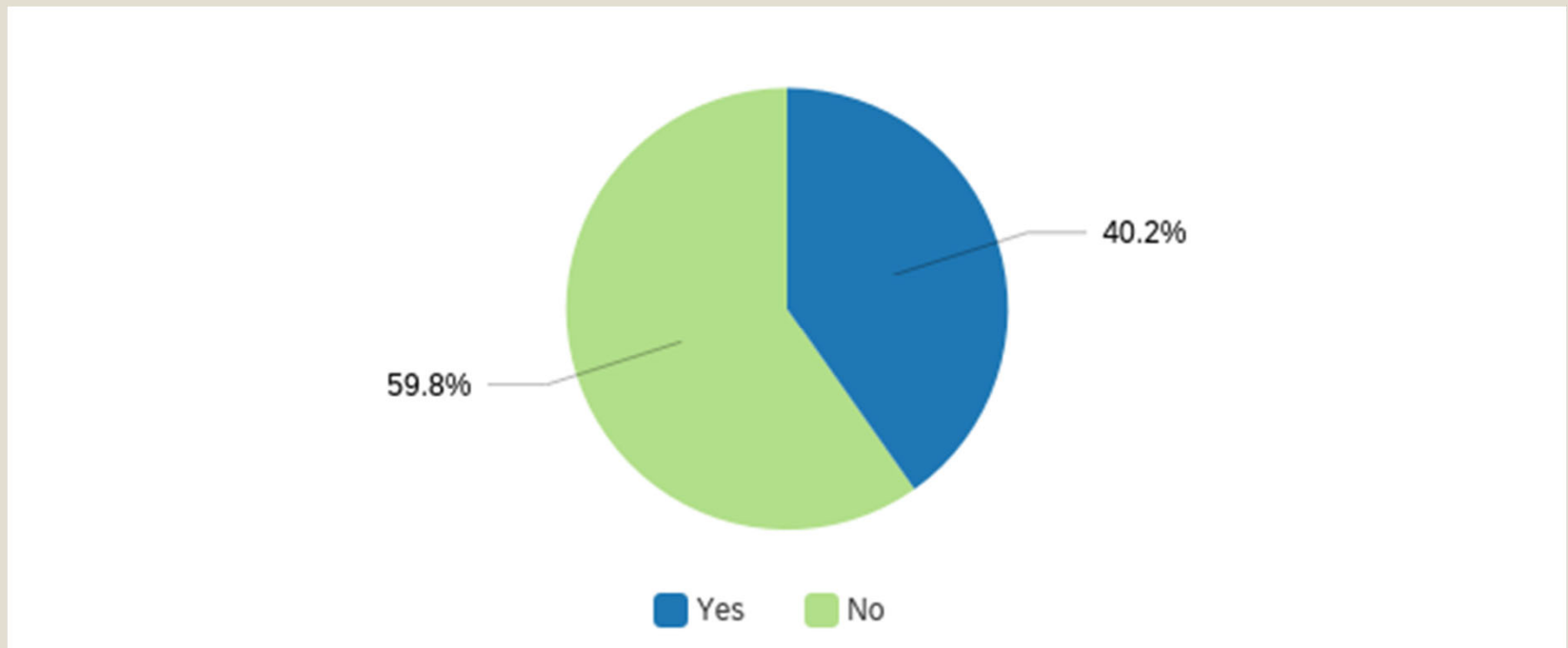
1	Yes, with some modifications	43.3%	42
2	Yes, as is	38.1%	37
3	No	18.6%	18
			97

- Q2 - Please let us know which of the following accountability measures you support adding to the grant program (select all that apply):



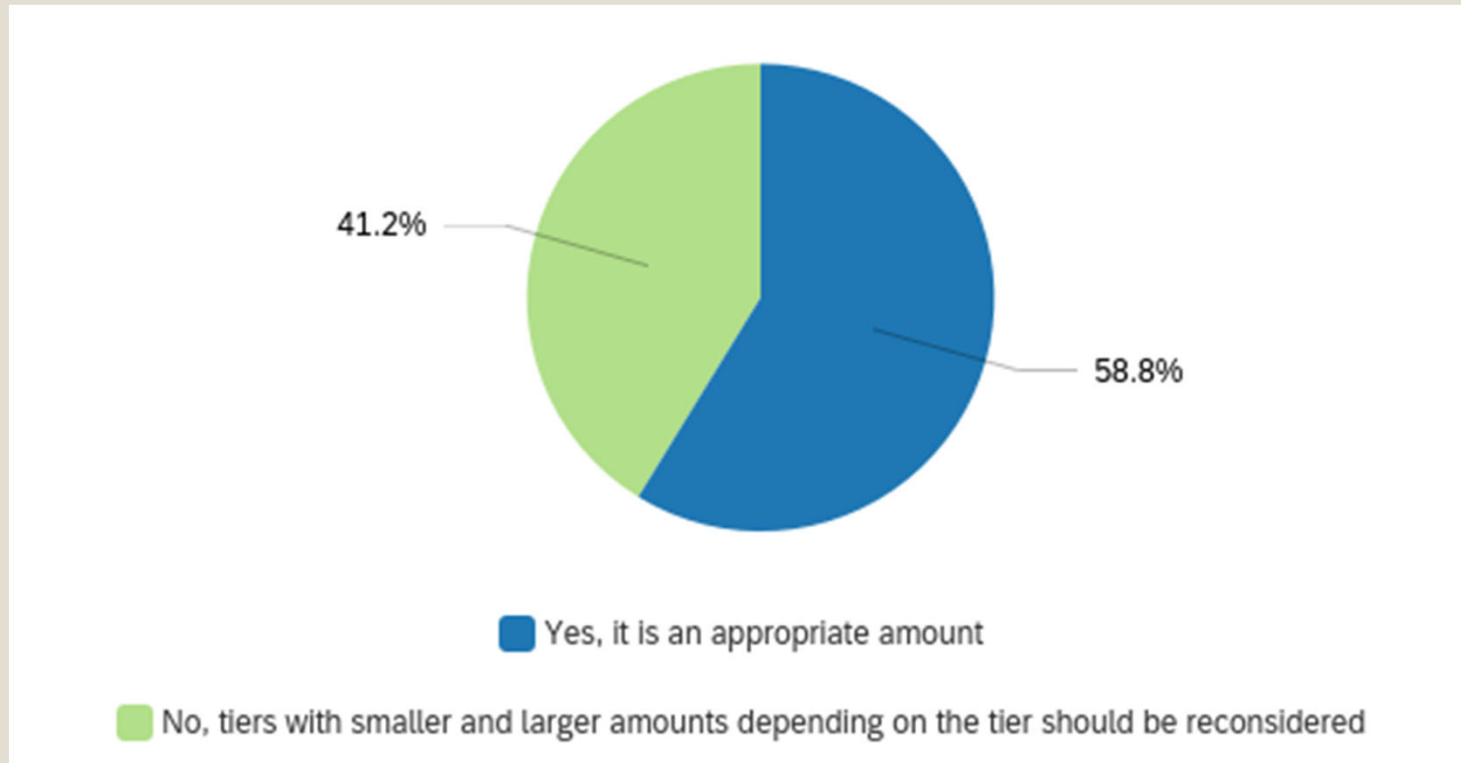
1	Funds will be disbursed upfront but recipients will be required to submit receipts to demonstrate how funding is spent.	58.3%	67
2	A smaller amount of funds are released at pre-determined project milestones, although total grant equals \$125,000.	15.7%	18
3	Those who receive funds need to match a certain percentage with their own funds.	4.3%	5
4	Require detailed budget with matching quotes (contractor quote for work to be done, etc.) for grants of up to \$125,000 and if there are not matching budget and quotes, then funding will be provided only for those quotes that match the budget.	7.8%	9
5	Other, please describe below:	13.9%	16

- Q3 - Should multiple CORE members attached to one Business or BOP be allowed to apply for funding?



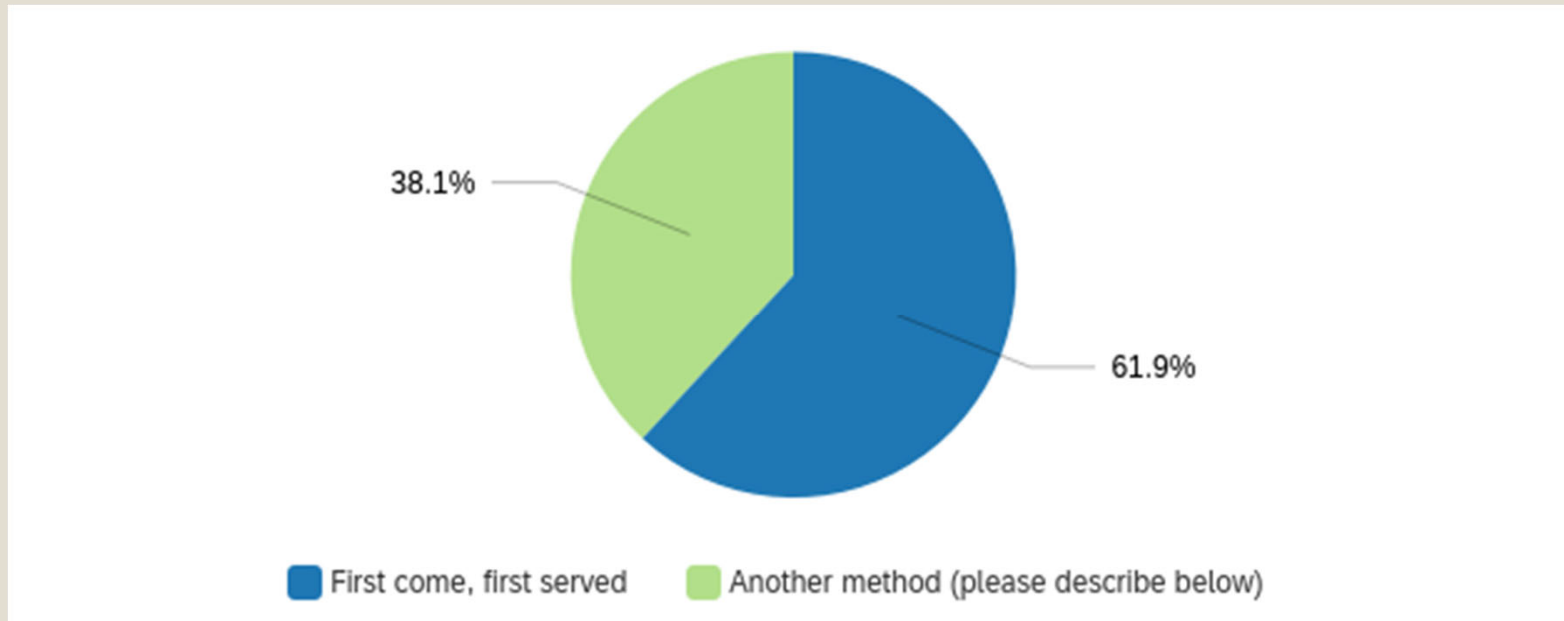
1	Yes	40.2%	39
2	No	59.8%	58
			97

- Q4 - Is a flat \$125,000 grant for a CORE participant with a commercial lease the appropriate amount or should the amount be smaller or should tiers be reconsidered?



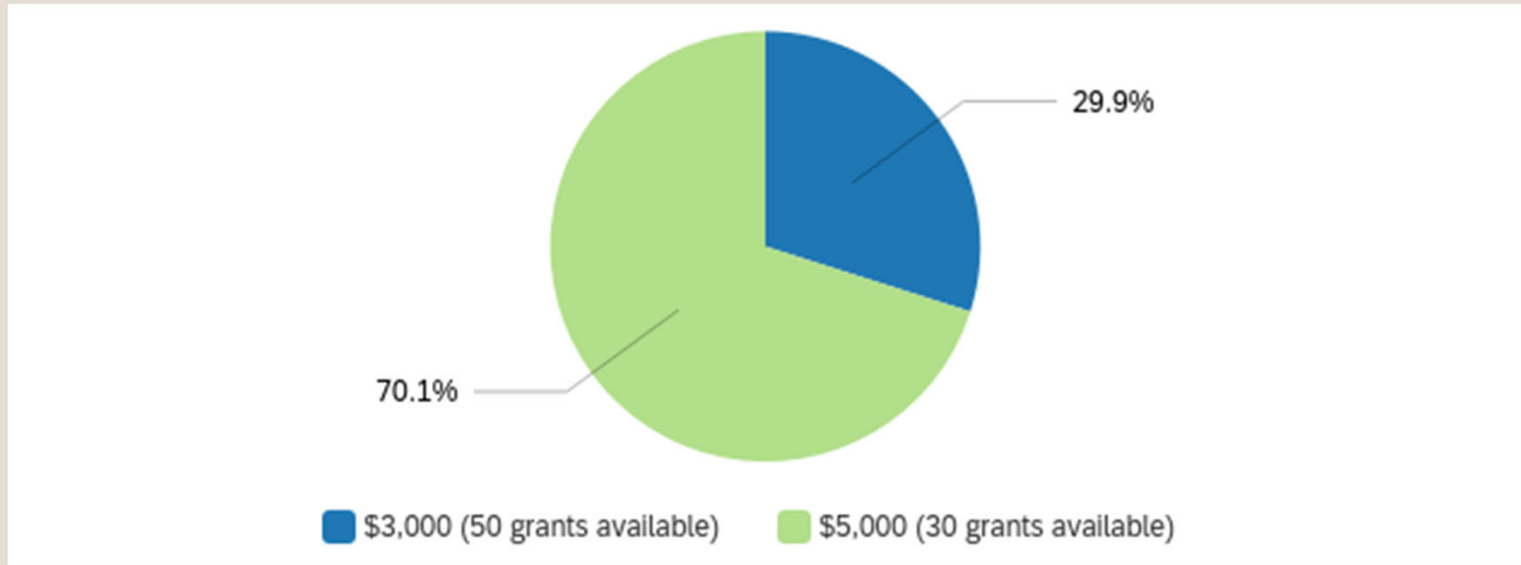
1	Yes, it is an appropriate amount	58.8%	57
2	No, tiers with smaller and larger amounts depending on the tier should be reconsidered	41.2%	40

- Q5 - Should the grants be given out first-come-first-served or by another method? If another method, what should that be?



2	Another method (please describe below)	38.1%	37
1	First come, first served	61.9%	60
			97

- Q6 - How much should the amount of the small grants be? These will total \$150,000 and be first come first served for those who do not receive a larger grant.



2	\$5,000 (30 grants available)	70.1%	68
1	\$3,000 (50 grants available)	29.9%	29



CEG Grant Requirements

- Funding can only be used for eligible activities
 - Eligible activities are assisting cannabis equity program applicants and licensees to gain entry to, and to successfully operate in, the state's regulated cannabis marketplace
- Local jurisdiction is responsible for ensuring that funding is only used for eligible activities
- We have to report to the State how the funds were used to assist applicants and licensees in gaining entry to and operating in the regulated marketplace



Nov. 17 CEG CORE Grant Program Proposal

- Up to \$125,000 available per person/per business
 - 2 people own business, only 1 person can receive grant
 - Person 1 and Person 2 own Business A and they also own Business B. Only one person can receive grant and that person is eligible for only one grant that can be used for Business A and/or Business B.
- First come, First served for completed applications based on funding availability
 - OCM will publish application well prior to submission date
 - Application will be straightforward – budget, business information, how you intend to use the funds to get permitted and/or operate, demographic information, etc.
 - Questions about the application will be answered and posted on our website
 - OCM will establish clear parameters of what we can work with applicants on and what will get the application kicked and these will be on the application and on our website prior to submission date



Nov. 17 CEG CORE Grant Program Proposal

- Must provide proof of leased/owned location with cannabis business zoning confirmation from Planning
- Payment of grant will be \$50,000 upfront, with \$75,000 to follow
 - Grantee can submit receipts and OCM will conduct a site visit (if applicable) to document progress towards grantee's goal. At that time the remaining \$75,000 will be disbursed with OCM following up for receipts and site visit (if applicable)
- \$150,000 set aside for small grants will have simpler application, but will still need to show a budget and narrative of how the funds will assist in getting your business permitted and/or operating



QUESTIONS? CONTACT US:

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