

# CORE Stakeholder Meeting

October 8, 2020

*Presented by*

*Office of Cannabis Management*



# UPDATE ON CORE APPLICATIONS

- ❖ CORE Graduates = 169
- ❖ Graduates without BOP applications = 132
- ❖ 37 CORE graduates have submitted 52 BOP applications
  - ❖ 14 CORE graduates have been issued 12 BOPs
  - ❖ 23 CORE graduates have 40 pending BOPs



# UPDATE ON REIMBURSEMENTS (BCC Grant)

- ❖ 47 requests received
- ❖ 30 reimbursements paid
- ❖ 6 pending finance division approval
- ❖ 4 awaiting information from applicant
- ❖ 7 going through verification process
- ❖ Total for 47 = \$1,067,074.48



# UPDATE ON LOAN PROGRAM (GO-Biz Grant)

- ❖ **CORE Capital**
  - ❖ Interest-free loan
  - ❖ 6-year term
  - ❖ For Classification 1, 2 or 3 CORE participants
  - ❖ Cannabis businesses (no ancillary businesses)



# UPDATE ON LOAN Program (GO-biz Grant)

- ❖ How can funds be used?
  - ❖ First survey soliciting input received approximately 25 responses
  - ❖ Second survey soliciting input on use of funds emailed out Wednesday on Survey Monkey
  - ❖ **Please respond by Wednesday October 14<sup>th</sup>**
- ❖ Program details still being solidified, but we need to get it up and running, so please provide feedback!



# UPDATE ON LOAN PROGRAM (GO-biz Grant)

## ❖ Current Working Draft

### ❖ Funds available in 3 Phases:

❖ **Phase 1** – Up to \$30,000 for the purpose of achieving the following milestones:

- ✓ Maintaining a business location
- ✓ Submitting a CUP application and completing all required documents
- ✓ Submitting a BOP and/or state cannabis license application



# UPDATE ON LOAN PROGRAM (GO-biz Grant)

## ❖ Current Working Draft

❖ **Phase 2** – Up to \$50,000 for the purpose of achieving the following milestones:

- ✓ Obtain a Certificate of Occupancy
- ✓ Obtain a BOP
- ✓ Obtain a state license
- ✓ Open for business

❖ **Phase 3** – Up to additional \$25,000 for the purpose of achieving the following milestones:

- ✓ Expanding/sustaining a permitted and operating business
- ✓ Supporting operational needs

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# UPDATE ON LOAN program (GO-biz Grant)

- ❖ Application process and requirements for each tier will be discussed in detail at a future CORE stakeholder meeting and information will be available on our website.



# Cannabis Storefront Dispensary

## ❖ RFQ process of issuing permits

- ❖ Approved by L&L on 9/29/20
- ❖ Will be heard by City Council on 10/13/20
- ❖ Request for Qualifications (RFQ) vs. Request for Proposals (RFP)?
  - ❖ For our purposes, no real difference
  - ❖ Better fit with City's RFQ procurement policies and procedures

## ❖ RFQ general criteria (ordinance)

- ❖ Whether applicants will be able to successfully submit a complete application for a storefront dispensary permit
- ❖ Whether applicants will be able to successfully operate a storefront dispensary permit
- ❖ Utilize criteria reasonably necessary to protect public health, safety and welfare

# Cannabis Storefront Dispensary

- ❖ **RFQ specific criteria (what should be included in each proposal?)**
  - ❖ Solicited input at September 2 CORE stakeholder meeting
  - ❖ That input was compiled and sent out as a survey to find out which specific criteria CORE members thought should be used in the RFQ
  - ❖ 81 responses received

# Cannabis Storefront Dispensary RFQ Criteria Survey Results

## Highest Rated Criteria



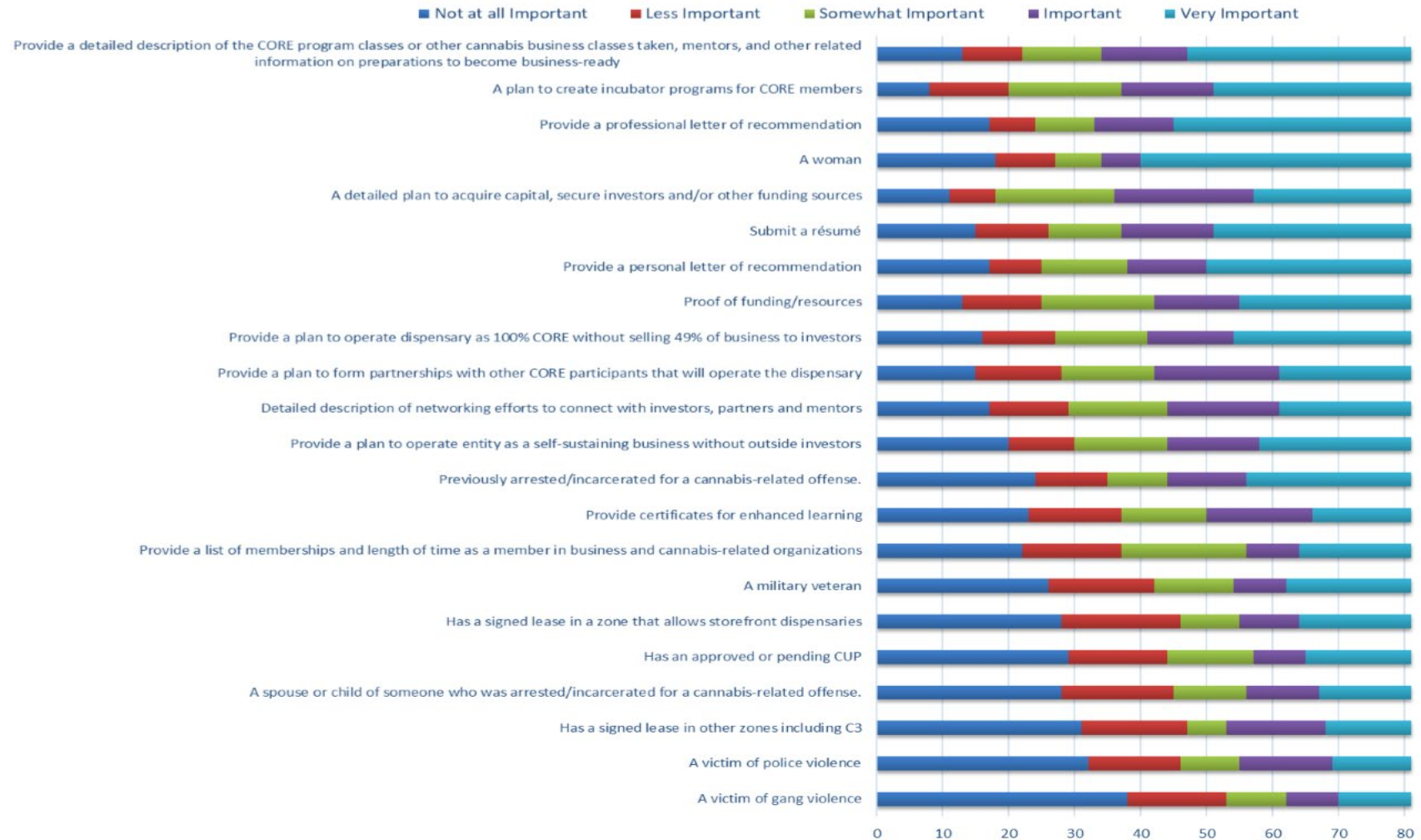


# Cannabis Storefront Dispensary Highest Rated Criteria

- ❖ **CORE Participant**
  - ❖ Graduate; Certified; Prior to June 30<sup>th</sup>
- ❖ **Business Plans and Qualifications**
  - ❖ Description of how proposer will succeed and sustain the business; list of all owners and investors; timeline; qualifications and experience; marketing plan, budget, previous success
- ❖ **Helping CORE and the Community**
  - ❖ Dedicated shelf space; economic inclusion plan; community enrichment; plans to help other CORE members/CORE businesses

# Cannabis Storefront Dispensary RFQ Criteria Survey Results

## Lowest Rated Criteria





# Cannabis Storefront Dispensary Lowest Rated Criteria

## ❖ **Status**

- ❖ Victim of police or gang violence; Spouse/child of someone arrested for cannabis; previously arrested/incarcerated for cannabis; veteran; female

## ❖ **Property and Money**

- ❖ Signed lease; approved CUP or applied for CUP; Proof of investment; minimum amount of investment; plan to operate without investors or CORE-only investors

## ❖ **Business and Qualifications**

- ❖ Membership in cannabis and business organizations; resumé; networking efforts; plan to form partnerships with CORE members; letter of recommendation; enhanced learning



# Cannabis Storefront Dispensary RFQ Process

- ❖ **RFQ criteria:**
  - ❖ Items from CORE's highest-rated criteria **AND**
  - ❖ **City Code requirements**
    - ❖ Ability to successfully apply for and operate a storefront dispensary **AND** criteria must be reasonably necessary to protect the public health, safety, and welfare.
  - ❖ **Criteria Example:** A description of classes, trainings and workshops completed to prepare the applicant to successfully apply for and operate cannabis business

# Cannabis Storefront Dispensary

## Who will Evaluate?

- ▶ **Evaluation/scoring by an unbiased and neutral review panel consisting of individuals who:**
  - ❖ Have some level of expertise in economic or business development; or
  - ❖ Have an active involvement in social equity matters; or
  - ❖ Is a cannabis regulator from another jurisdiction; and
  - ❖ Is not an employee or a contractor of the City of Sacramento or affiliated in any way with the cannabis industry in Sacramento.
- ❖ Send suggestions of potential evaluators!



# Cannabis Storefront Dispensary RFQ Agenda Item

- ❖ **Will be heard by City Council at their 5pm meeting on Tuesday, October 13<sup>th</sup>**
  - ❖ **Let the Council know if you support/don't support**
    - ❖ **Call-in number to address Council during meeting will be listed on the agenda (916-808-7213)**
      - ❖ Limited to 2 minutes
      - ❖ Make sure you're "in line" for the correct item by finding the item code on the agenda – dial #5 to comment
    - ❖ **Can make public comments anytime before the meeting at public comment phone line (916-808-5908)**
    - ❖ **Can send in written comments at [publiccomment@cityofsacramento.org](mailto:publiccomment@cityofsacramento.org)**
  - ❖ **OCM Update on Council action**
    - ❖ via email, website and stakeholder meeting

# Cap on Delivery-only Dispensaries in Southeast Industrial Area (PIA)

## ➔ To be heard by L&L at 1pm on 10/13/20

- ❖ Discussion on whether to: 1) reinstate the cap which expired on 10/1/20; 2) conduct a traffic study; 3) use a different method to evaluate impact to area
- ❖ Cap of 50 Delivery businesses in Southeast Industrial Area:
  - ❖ 31 BOPs issued (19 still available)
  - ❖ 21 BOPs pending (including 5 CORE) + 6 other CORE applicants with pending CUP issues
- ❖ Call in/write in using the same phone numbers/email addresses for City Council meeting



# Update: CORE 2.0 and Incubator Workgroups

## ❖ CORE 2.0 Workgroup

- ❖ We'll be sending out emails late next week to set up the first meeting
  - ❖ If you want to be involved, send us an email and we'll add you to the list
  - ❖ If you asked to be involved, but didn't get an email by **COB on 10/16**, please let us know!

## ❖ Incubator Workgroup

- ❖ Currently on hold as we work on storefront dispensaries, loan program, and CORE 2.0



# Office of Cannabis Management

**Call: 916-808-8955**

**Email: [cannabis@cityofsacramento.org](mailto:cannabis@cityofsacramento.org)**

**Website: [cityofsacramento.org/cannabis](http://cityofsacramento.org/cannabis)**