

**CANNABIS OPPORTUNITY
REINVESTMENT & EQUITY PROGRAM**

CORE STAKEHOLDER MEETING

July 23, 2020

City of
SACRAMENTO

Office of Cannabis Management

BCC GRANT FUNDS (\$1 Million)

BUSINESS REIMBURSEMENT PROGRAM

- 13 Reimbursement Requests Paid = \$325K
- 10 Submitted Requests Pending = \$250k
- 6 Expected Requests = \$150k
- 3 Eligible But Have Not Submitted = \$75K
- Total \$\$ for Reimbursement = \$800K

- *Deadline to submit reimbursement August 7, 2020*

BCC GRANT FUNDS (\$1 Million)

BUSINESS REIMBURSEMENT PROGRAM (cont.)

- Any remaining funds will be available for a grant
 - Up to \$30k or \$50K
 - Competitive award process
 - Submit budget, business plan or narrative, timeline, reference letter
 - Evaluation based on business creation and viability factors
 - Grant application window – TBD (August/September)

GO-BIZ EQUITY FUNDS FOR LOCAL JURISDICTIONS (\$3.6 Million)

NO INTEREST REVOLVING LOAN PROGRAM

- No money from State yet
- Funds must all be disbursed by August 2021
- Loan servicer/administrator in place
- Looking to roll out loan program ASAP
- *Please fill out and turn in Loan Survey!*

STOREFRONT DISPENSARY PERMITS

COUNCIL DIRECTION

- 10 New Permits for CORE, 5 in 2020 and 5 in 2021, to remain 51% CORE ownership and profit-sharing for 10 years.

PROPOSED LOTTERY PROCEDURE

- Traditional Lottery
- CORE graduate submits signed application with contact information and photo ID. OCM confirms eligibility and issues a lottery number on first-come, first-served basis. Numbers will be drawn in a lottery drawing event at the Council Chamber.
- Modifications due to COVID-19: emailed application and ID; no in-person drawing; drawing streamed via Zoom; impartial observers.

STOREFRONT DISPENSARY PERMITS (cont.)

TENTATIVE LOTTERY CALENDAR

- 8/18/20 - Title 5 amendment to Council (bypassing L&L)
 - 8/19/20 to 9/21/20 – Lottery application submittal period
 - 8/19/20 to 9/25/20 – Application verification/notification to qualified participants
 - 9/30/20 – Lottery
- *NOTE: Dates are subject to change with Council direction at 8/18 Council meeting and unforeseen COVID-19 impacts*

PROPOSED AMENDMENTS TO CORE PROGRAM - CORE 2.0

- CORE “pilot program” expires in April 2021.
- Looking for stakeholder members interested in meeting virtually to discuss what CORE should be in the future.
- Send us an email at cannabis@cityofsacramento.org if you're interested in working on this issue together.

PROPOSED AMENDMENTS TO CORE PROGRAM - INCUBATORS

- 1.** Hosts a participant; 30% of its workforce are Classification 1 or 2 eligible participants, measured by hours worked; and contracts no less than 51% of its cannabis products or services and ancillary business support with eligible participants; or
- 2.** Is a shared manufacturing cannabis business and donates at least 10% of its hours of operation to allow participant(s) to utilize 100% of its business' floor space and equipment; or
- 3.** Is a cannabis business that sells, gives or otherwise transfers no less than a 33% equity share in the CORE Incubator's cannabis business to eligible CORE participants or participants; 30% of its workforce be Classification 1 or 2 eligible; and contracts no less than 30% of its cannabis and ancillary business with Classification 1 or 2 eligible participants

PROPOSED AMENDMENTS TO CORE PROGRAM - INCUBATORS

- **Modify current CORE incubator definition based on what CORE participants need in an incubator and enhance incentives for potential incubators**
- **Will present new incubator ideas to the State**
- **Ideas on incubator models welcome!**
 - **Send us an email at cannabis@cityofsacramento.org**

PROPOSED AMENDMENTS TO CORE PROGRAM

SHARED MANUFACTURING

- Exploring ideas to expand shared manufacturing (i.e. side by side manufacturing vs. by designated time/schedule only)
- Looking to propose an incubator/shared manufacturing combo for CDPH's approval
- Ideas on expanding shared manufacturing models welcome!
- Send us an email at cannabis@cityofsacramento.org

COVID-19: EXPIRING CUPS

- **Emergency Ordinance 2020-0014 extends all planning entitlements (including CUPs) that are valid and unexpired on March 17, 2020 for one (1) year.**
- **Example: One-year CUP set to expired July 31, 2020 will automatically now expire on July 31, 2021**

REMINDER: LOAN SURVEY

- Survey emailed to all CORE graduates and individuals enrolled or going through the program on July 14 and July 17, 2020.
- Survey seeks input on structure of loan program and primary roadblocks to operating
- Surveys must be returned no later than July 27, 2020 to cannabis@cityofsacramento.org

Q&A

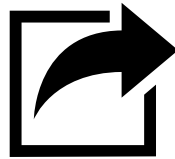


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