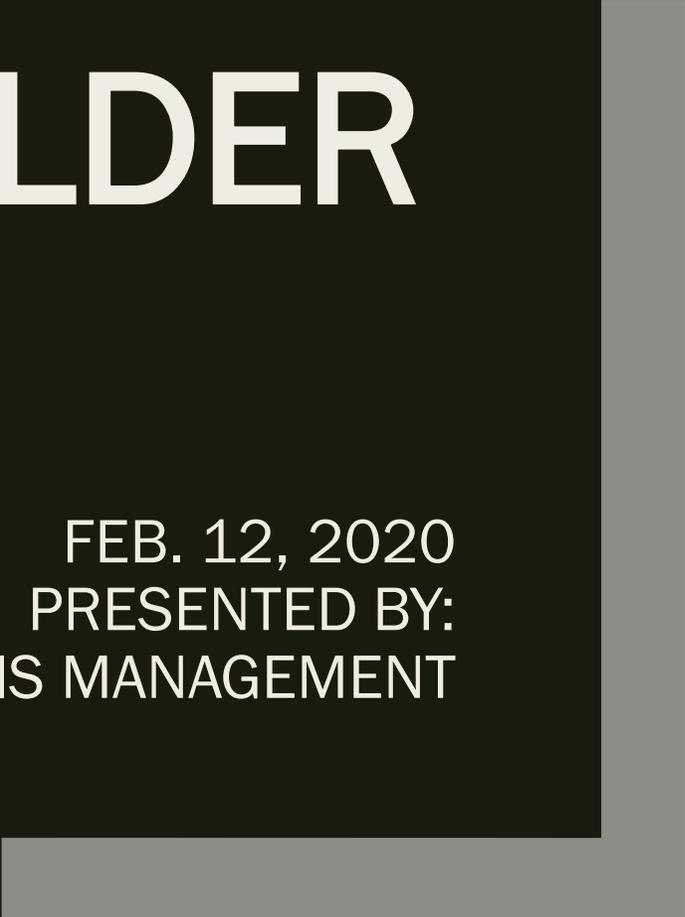


CORE STAKEHOLDER MEETING

FEB. 12, 2020
PRESENTED BY:
OFFICE OF CANNABIS MANAGEMENT



Business Reimbursement Program

- Provides an opportunity for CORE applicants to receive up to \$25,000 in reimbursement for certain qualifying start-up expenses.
- Reimbursements are available on a per permit basis.
- Funded through Equity Grant Funds from the Bureau of Cannabis Control (BCC)

Business Reimbursement Program

■ Eligibility: Requesters must:

- Be verified by CORE facilitators (Sacramento Asian Chamber of Commerce and Greater Sacramento Urban League) to be CORE-eligible;
- Graduate or currently going through SACC's Sacramento Grow Green program or GSUL's Sacramento Green Equity program;
 - CORE-eligible applicants that have been issued a Business Operating Permit (BOP) will not be required to go through the program(s) retroactively;
- Hold a current BOP **or** has an active BOP application; and
- Applicant has 51% ownership of the business

Business Reimbursement Program

■ Reimbursable expenses:

- Building permit fees;
- State application fees;
- Fees for other permits necessary to operate (e.g. Air Resources Board, County Environmental Health Division, Water Districts);
- Rent
 - Applicants who paid for a CUP may qualify for a rent reimbursement up to the total amount of their CUP fees;
 - A shared manufacturing facility Type S license holder may qualify for a rental reimbursement; and
 - Incubators providing space to a certain number of CORE graduates may qualify for a rental reimbursement.

Business Reimbursement Program

- **Reimbursable expenses (cont):**
 - Security Deposit
 - Security System
 - SMUD power upgrade
 - Equipment specific to the BOP holder's business type (e.g. manufacturing equipment, cultivation equipment, secured storage or safes, equipment for delivery vehicles, inventory management system, etc.)
 - Business-related training and education

Business Reimbursement Program

- Per BCC requirements, funds must be disbursed within 12 months of the date of award (February 4, 2020). Reimbursement will be available for the next 12 months or until the funds run out, whichever comes sooner.
- Applicants can submit for reimbursement more than once, as long as the total reimbursable expenses do not exceed \$25,000 per BOP application/permit.
- Reimbursement request form and more information available at: www.cityofsacramento.org/cannabis

Business Reimbursement Program

The screenshot shows a web browser window with the following elements:

- Browser Tab:** Office of Cannabis Management
- Address Bar:** Not secure | cityofsacramento.org/marijuana
- Navigation Menu:** Home, 311 Service Center, Emergency, Contact Us, How Do I..., Skip to Content, Search
- Header:** City of SACRAMENTO, OFFICE OF CANNABIS MANAGEMENT
- Secondary Navigation:** BUSINESS | CITY HALL | LIVING HERE | ONLINE SERVICES | VISITORS
- Main Content:** A large image of an indoor cannabis grow room with a text overlay:

Sacramento Cracks Down on Illegal Grow Houses
As of Sept. 28, 2017, it's illegal to grow more than six plants inside a residential home. Cannabis must be grown indoors and must not generate an odor that can be detected outside the home or by neighbors.
- Footer:** Business Information | Personal Use | Policy | Appeal Hearings | CORE Program | FAQs | Contact Us
- Breadcrumbs:** Home > Department of Finance > Revenue > Office of Cannabis Management

Two red circles highlight the browser tab and the 'CORE Program' link in the footer.

Business Reimbursement Program

City of
SACRAMENTO

BUSINESS | CITY HALL | LIVING HERE | ONLINE SERVICES | VISITORS

Home > Department of Finance > Revenue > Office of Cannabis Management > CORE Program > Business-Reimbursement-Program

OFFICE OF CANNABIS MANAGEMENT

CONDITIONAL USE PERMIT

▼ CORE PROGRAM

BUSINESS-REIMBURSEMENT-PROGRAM

CORE PROGRAM INTEREST FORM

▶ APPEAL HEARINGS

▶ BUSINESS INFORMATION

CORE BUSINESS REIMBURSEMENT PROGRAM

Business Operating Permit (BOP) applicants who have completed the CORE program are eligible to receive a reimbursement of up to \$25,000 for expenses incurred towards obtaining their permit. Requesters must own at least 51% of business. Reimbursement funds are provided by the Bureau of Cannabis Control (BCC) Equity Grant Fund award to the City of Sacramento. Read City Council report [here](#) accepting funds from the BCC on February 4, 2020.

Q: What is the CORE Business Reimbursement Program?

A: The CORE Business Reimbursement Program provides an opportunity for CORE applicants to receive up to \$25,000 in reimbursement for certain qualifying start-up expenses. Reimbursements are available on a per permit basis.

Q: What is the eligibility to participate in the reimbursement program?

A: Reimbursement requesters must:

Go-Biz Equity Grant for Local Jurisdictions

- Up to \$10 million in assistance for equity applicants and licensees from the Governor's Office of Business and Economic Development
- Deadline to apply – March 9, 2020; staff now in the process of completing application
- Working in partnership with Economic Development to identify business assistance opportunities
- Stakeholder input on use of funds (if awarded) are welcome

Lottery for Storefront Dispensary Permits

■ Summary of Council action on 1/14/20:

- 10 new storefront dispensary permits over a 2-year period (5 now and 5 after 12 months)
- New permits exclusive to CORE applicants
- CORE participant must own 51% of business
- Lottery winner(s) will have 3 years to open a storefront dispensary
- Location:
 - Existing zones + shopping centers + Del Paso Blvd
 - Extend CUP for locations previously occupied by storefront dispensaries

Lottery for Storefront Dispensary Permits

Outstanding Questions Regarding Lottery:

- Who can participate in the lottery?
- Eligibility to participate in the lottery.
- Proposed qualifications to participate in the lottery:
 - Verified CORE eligibility
 - Graduated from CORE Program (accept substitution?)
 - Complete a lottery application, which includes the submission of a business plan/proposal addressing the following:

Lottery for Storefront Dispensary Permits

- Workforce development for individuals for CORE-eligible applicants
- Provide mentorship and other opportunities to remove barriers for future CORE applicants
- Encourage growth of other CORE businesses (i.e. commitment to do business with other CORE-owned businesses, reserved shelf space, marketing CORE-produced products, contracts, ancillary services)
- Partnership with CORE permit holders at onsite sale events (i.e. use of retail license to sell products produced by CORE-owned businesses)
- Partnership/collaboration with the City of Sacramento and other organizations in strategies to reduce youth access to cannabis, etc. and/or engaging existing neighborhood/community groups
- Increasing city revenues

CORE Program Classification 4 (Incubators)

- Incubators vs. Business Accelerators – What do CORE applicants need?
- Ideas to expand existing incubator model; increase incentives for Classification 4

QUESTIONS & STAKEHOLDER INPUT