



**CITY OF OAKLAND
Office of the City Administrator**

EQUITY LOAN AND GRANT PROGRAMS MONTHLY MEETING

Proposed Agenda

Tuesday August 11, 2020 1-2:30pm

Purpose of Meeting

Share updates regarding the City of Oakland's loan and grant programs for cannabis equity operators and maintain an ongoing feedback loop between equity operators, City staff, and Elevate Impact to improve these programs.

Public Participation Instructions

TO OBSERVE:

- To observe the meeting by video conference, please click the link below to join the webinar: <https://us02web.zoom.us/j/87918688038>
- To listen to the meeting by phone, please call the numbers below at the noticed meeting time: Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 9128 or +1 346 248 7799 or +1 253 215 8782 or +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592

For each number, please be patient and when requested, dial the following Webinar ID: 879 1868 8038

After calling any of these phone numbers, if you are asked for a participant ID or code, press #. Instructions on how to join a meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled "Joining a Meeting By Phone."

TO PROVIDE PUBLIC COMMENT:

- By Video Conference. To comment by Zoom video conference, click the "Raise Your Hand" button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will then be unmuted, during your turn, and allowed to participate in public comment. After the allotted time, you will then

be re-muted. Instructions on how to “Raise Your Hand” are available at: <https://support.zoom.us/hc/en-us/articles/205566129>, which is a webpage entitled “Raise Hand In Webinar.”

- By Phone. To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing STAR-NINE (“*9”) to request to speak when Public Comment is being taken.

Once it is your turn, you will be unmuted and allowed to make your comment. After the allotted time, you will be re-muted. Instructions of how to raise your hand by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting by Phone.”

PROPOSED AGENDA

- I. **Recap of State Grants Supporting the City’s Equity Program**
 - a. **Bureau of Cannabis Control (BCC)**

Use of BCC FUNDING	
Grants to Operators	\$850,000
Commercial Kitchens	\$250,000
Commercial Kitchens OR Events Featuring Equity Businesses	\$200,000
Workforce Development	\$200,000
Program Analyst Position	\$150,000
TOTAL BCC FUNDING	\$1,650,000

b. Governor's Office of Business and Economic Development (Go-Biz)

Use of Go-Biz Funds	
Grants to Operators for All Eligible Expenses	\$1,510,239
No Interest Loans to Operators for All Eligible Expenses	\$1,510,239
No Interest Loans to Purchase Property	\$1,510,239
Workforce Development Programs	\$800,000
Loan and Grant Administration	\$350,000
Technical Assistance	\$250,000
Legal Assistance	\$165,000
City Staff Costs Administering Equity Program	\$480,987
TOTAL GO-BIZ FUNDING	\$6,576,705

II. Updates on City’s Grant Programs for Equity Operators

a. Basic Grant Program – Grant Tiers below:

Available at: <https://www.elevateimpactoakland.com/grant-program-overview/>

Tier	Purpose	Grant Amount (Up to)	Combined Previous Tiers Grant Amount
Tier 1	Establish the Business	\$3,000	\$3,000
Tier 2	Become Compliant	\$5,000	\$8,000
Tier 3	Open the Business	\$10,000	\$18,000
Tier 4	Start Operations	\$15,000	\$33,000

b. Emergency Grant Program:

Available at: <https://www.elevateimpactoakland.com/emergency-grant-program-overview/>

- i. Program provides \$15,000 to any Verified Equity Applicant that can demonstrate that their business was burglarized in Oakland between May 25th-June 8th of 2020.

- 1. Must provide police report and/or number of report

III. Updates on City’s Loan Program

Available at: <https://www.elevateimpactoakland.com/program-overview/>

- a. To date, the City has lent \$2,513,000 to 53 unique borrowers, 20 of whom were repeat borrowers, for an average of \$47,415 per borrower and \$34,424 per loan.
- b. In terms of demographics, 79.2% percent of these no-interest loan recipients are African Americans and 26.4% were women.

LOAN PROGRAM DEMOGRAPHICS:

Gender	#	Race	% of Total
Female	11	AfAm	78.6%
	2	Hispanic	14.3%
	0	White	0.0%
	0	Vietnamese	0.0%
	1	Dual	7.1%
	0	DNR	0.0%
	14	Total Female Race	100.0%
Gender	#	Race	% of Total
Male	31	AfAm	79.5%
	0	Hispanic	0.0%
	2	White	5.1%
	1	Vietnamese	2.6%
	1	Native American	2.6%
	2	Dual	5.1%
	2	DNR	5.1%
	39	Total Male Race	100.0%
Gender	#	Race	% of Total
Total	42	AfAm	79.2%
	2	Hispanic	3.8%
	2	White	3.8%
	1	Vietnamese	1.9%
	1	Native American	1.9%
	3	Dual	5.7%
	2	DNR	3.8%
	53	Total Borrowers Race	100.0%
Gender	#	Gender	% of Total
	14	Female	26.4%
	39	Male	73.6%
	53	Total	100.0%

IV. Program Updates

- a. Introduction of new Elevate Impact Team Members
- b. Insurance: Please note that the City now requires that the insurance policy lists the additional insured as:

- i. City of Oakland, its council members, directors, officers, agents, employees and volunteers.

V. **Loan Modification Program**

Available at: <https://www.elevateimpactoakland.com/business-program-overview/loan-modification-program/>

- a. Started in May 2020
- b. Loan borrowers who have become delinquent on loans can avoid the penalties outlined in their loan agreement if they enter into an Equity Loan Modification Agreement and remain in compliance with the “Gaining Resources to Achieve Sustainable Success (“GRASS”)” program.
- c. Loan Modification includes:
 - i. Good Faith Deposit
 - ii. Loan Term Extension from 48 to 60 months
 - iii. Stepped-up payment amounts over 3-year period
 - iv. Can only get access to 50% of Grant funding

VI. **Gaining Resources to Achieve Sustainable Success (GRASS)**

Available at: <https://www.elevateimpactoakland.com/business-program-overview/>

- a. GRASS is a business coaching program modeled after programs implemented by other capital providers such as micro-lenders and equity investors to ensure growth and success is achieved by the entrepreneurs they fund.

- b. GRASS is a requirement for all Loan and Basic Grant recipients with the exception that Emergency Grant recipients that do not have an outstanding grant or loan are not required to participate in GRASS
- c. GRASS coaching elements include:
 - i. Historical Financial Review
 - ii. Customer and Market Review
 - iii. Operations Review
 - iv. Budgeting

Action Planning

VII. **Topics for Next Month's Meeting**

- a. Increasing Grant and Loan Amounts
- b. Other Topics?

VIII. **Scheduling of Next Month's Meeting**

- a. Proposed Time: Tuesday September 8th at 1pm

IX. **Open Forum**

X. **Contact Information**

- a. Greg Minor, gminor@oaklandca.gov
- b. Paula Groves, paula@elevateimpactoakland.com