



CITY OF
OAKLAND



**SPECIAL ACTIVITY PERMITS DIVISION
ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT**

REQUEST FOR PROPOSALS

(RFP)

For

- (1) EVENTS FOR CANNABIS EQUITY
APPLICANTS; and**
- (2) SHARED-USE MANUFACTURING
TECHNICAL ASSISTANCE; and**
- (3) SECURITY MEASURES FOR
PROVISIONAL LICENSEES; and**
- (4) CANNABIS EQUITY PROPERTY
PURCHASE PROGRAM**

Submission Deadline for Events, Shared-Use Manufacturing Technical Assistance, and
Security Measures: **Deadline: Monday, October 3, 2022**

Submission Deadline for Property Purchase Program: Monday October 3, 2022

New Deadline: Tuesday, November 1, 2022

KEY DATES

Application Period Commences:

Tuesday July 12, 2022

Zoom Application Discussion Meeting:

Friday July 29, 2022 10:00am-11:00am

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/89368551579>

Or One tap mobile :

US: +16699009128, 89368551579# or +13462487799,,89368551579#

Or Telephone:

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 +1 301 715 8592 or +1 312 626 6799 or +1 646 558 8656

Webinar ID: 893 6855 1579

International numbers available: <https://us02web.zoom.us/j/89368551579>

Question and Application Deadline for Events, Shared Manufacturing, and Security Programs:

- Questions regarding events, shared-use manufacturing technical assistance, and security programs must be received at cannabisapp@oaklandca.gov **Monday, September 19, 2022** at 5:00p.m. Pacific Standard Time.
- Applications for events, shared-use manufacturing technical assistance, and security programs must be received at cannabisapp@oaklandca.gov **Monday, October 3, 2022** at 5:00p.m. Pacific Standard Time.

Question and Application Deadline for Property Purchase Program:

- Questions regarding the property purchase program assistance must be received at cannabisapp@oaklandca.gov by Monday September 19th at 5:00p.m. Pacific Standard Time.
- Applications for the property purchase program must be received at cannabisapp@oaklandca.gov by **Tuesday, November 1, 2022** at 5:00p.m. Pacific Standard Time.

A. INTRODUCTION

In the spring of 2017 the Oakland City Council enacted landmark cannabis legislation centered around an Equity Permit Program that promotes equitable ownership and employment opportunities in the cannabis industry to address the disproportionate impacts of the war on drugs in marginalized communities of color.

In 2022 the Governor's Office of Business and Economic Development (Go-Biz) awarded the City of Oakland \$5,435,140.82 to support its Equity Program. On May 3, 2022 the Oakland City Council approved Resolution No. 89163, which made the following Go-Biz funds available:

- Two-Million Four-Hundred Twenty-Eight Thousand and Nine Hundred and Fifty-Three Dollars and Ten Cents (\$2,428,953.10) to fund business start-up and ongoing costs, including funding to host special events for business promotion; and
- Two-Hundred and Twelve Thousand Nine Hundred and Fifteen Dollars and Thirty-Six Cents (\$212,915.36) towards direct technical assistance to cannabis equity applicants and licensees through shared-use manufacturing facilities; and
- Two-Million Two Hundred and Fifty Thousand Dollars (\$2,250,000) in no-interest loans to cannabis equity applicants and licensees to fund the purchase of real property for use by multiple equity applicants and licensees.

Additionally, on March 15, 2022 the Oakland City Council approved Resolution No. 89064, which made available Local Jurisdiction Assistance Grant funds from the Department of Cannabis Control in the amount of one million seven hundred and twenty-two thousand six-hundred and fifty-five dollars and fifty cents (\$1,722,655.50) for grants to cannabis applicants with a provisional state cannabis license to address security requirements.

Interested applicants can apply for one or more of the below-described programs:

(1) Events

- Program Intent: To promote public awareness for Oakland equity businesses and provide Oakland equity applicants with successful retail opportunities.
- Amount Available: The total amount of funds available for this program is two-hundred and fifty thousand dollars (\$250,000); the maximum grant available will be fifty-thousand dollars (\$50,000) per applicant/event.
- Eligibility Requirements: only available for Oakland equity applicants and for events in Oakland focused on Oakland equity applicants.
- Use of Funds: Grant funds shall be spent on the costs necessary to hold a special event featuring Oakland equity applicants and licensees. Examples of eligible uses include security, trash removal services, port-a-potties, fencing, and rental of event spaces.

(2) Shared-Use Manufacturing

- Program Intent: To support equity manufacturers in accessing compliant facilities and selling compliant products at retail.
- Amount Available: The total amount available is two-hundred and twelve thousand nine hundred and fifteen dollars and thirty-six cents (\$212,915.36). The funds may be provided to one consultant or divided by more than one consultant.
- Eligibility Requirements: Open to all, though, preferably the consultant should be the principal licensee of a shared-use manufacturing facility.

- Use of Funds: Eligible uses of funds include training on manufacturing compliance, support accessing distribution and retail, and rental of shared-use manufacturing facilities.

(3) Security

- Program Intent: To improve the safety of cannabis businesses by preventing and discouraging burglaries and robberies.
- Amount Available: The total amount available is one million seven hundred and twenty-two thousand six-hundred and fifty-five dollars and fifty cents (\$1,722,655.50); the maximum grant available per applicant will be fifty thousand dollars (\$50,000).
- Eligibility Requirements: Only general and equity applicants with a provisional state license. The most competitive applications will benefit more than one operator and include a commitment from their property owner to match City funds.
- Use of Funds: Physical and technological security measures for places of business; private security guards are not an eligible use of funds given the limited amount of funds available.

(4) Property Purchase Program

- Program Intent: To address access to real estate by supporting one or more groups of equity applicants to purchase property(ies) that they strategically utilize together.
- Amount Available: The total amount available is two-million two hundred and fifty thousand dollars (\$2,250,000); The funds are available via loans, which may be forgiven upon equity applicants’ successful compliance with program loan terms and City Council approval. Please note forgiven loans may qualify as taxable income.
- Eligibility Requirements: Only Oakland equity applicants. The City will prioritize respondents who demonstrate a sustainable plan for supporting as many viable equity businesses and employees as possible.
- Use of Funds: exclusively on property(ies) that support equity applicant businesses.

B. SUBMITTAL REQUIREMENTS

Below please find the submission requirements. To facilitate review by City staff, please submit materials in clearly labeled sections and subsections in the order listed below. Twenty (single-side) pages is the maximum number of pages and the font size shall be no less than 12. Submissions of greater than 20 pages will be accepted but only the first twenty pages will be reviewed.

Submittal Requirements for All Programs

1. Quality and Completeness of Proposal (5 points)
2. Experience of Applicants (10 points)
 - a) List who will take part in the project.
 - b) Describe Applicant(s)’ experience, including:
 - i. Business experience, both within and outside of the cannabis industry.
 - ii. Completing projects on budget and on schedule.
 - iii. Experience working with a team/collective if project involves multiple operators.

- iv. Experience with the permitting and approval processes of local governments and other public agencies.
- c) Provide a minimum of three professional references for each Equity Applicant involved in the proposed project.

3. Project Description (10 points)

- a) Provide an overview of the proposed project (see below for program specific requirements).

4. Project Feasibility (15 points)

- a) Describe what resources Applicant will bring to the project, e.g. are there matching funding resources or existing industry relationships that will support the project?
- b) Has Applicant invested their own finances in the project? If so how much?
- c) Provide a draft budget for the project (see below for additional requirements for property purchase program)

Events Specific Submittal Requirements (5 points)

Under Project Description please clarify the following:

- What experience Applicant has managing events?
- How will Applicant ensure the safety of event participants and attendees?
- How will Applicant ensure no garbage is left after the event concludes?

Shared-Use Manufacturing Specific Submittal Requirements (5 points)

Under Project Description please clarify the following:

- What experience does Applicant have with manufacturing, particularly shared-use manufacturing facilities, food handling requirements, as well as mentoring entrepreneurs?
- How will Applicant ensure a safe location for manufacturers?
- What support will Applicant provide equity manufacturers in accessing distribution and retail?

Security Specific Submittal Requirements (5 points)

Under Project Description please clarify the following:

- How many cannabis businesses will benefit from the proposed security measures?
 - If more than one business will benefit, please explain how.
- How will Applicant coordinate with the property owner on security improvements?
- How will these funds assist the Applicant transitioning from a provisional to an annual state license?
- How will the proposed security upgrades comply with state and local security requirements?

Under Project Feasibility, please provide:

- Documentation to support the cost of items included in your budget.

Property Purchase Program Specific Submittal Requirements (5 points)

Under Project Description please clarify the following:

- What cannabis permit types will be involved?
- How the different equity applicants utilizing the property will work together by sharing equipment and/or business resources?
- What is Applicant’s property management plan, including but not limited to, how will the property be managed and maintained? What roles will each equity applicant involved in the project play in managing the property?
- How will the equity applicants involved in the project work together and manage conflicts if they arise?
 - Please provide a draft operating agreement outlining how the different equity applicants involved in the project will make decisions and resolve disagreements.
- How will the project support employment and training opportunities for equity employees?¹

Under Project Feasibility please provide the following:

- Letter of Intent or Purchase Agreement for the proposed property demonstrating the Property Owner is amenable to selling the property and for how much. **Respondents need not purchase a property at this time as City funding will only be provided after reviewing all RFP responses.**
- Detailed financial information for how Applicant will cover the cost of purchasing the property, any tenant improvement costs, maintenance costs, and please indicate what portion of the budget will be paid by respondent, third parties, and the City
 - If third parties are involved, please provide a letter of commitment from each potential funder.
- A timeline for how long it will take to complete the development.
- Detailed financial information on any equipment that will be purchased to support Equity Applicants’ operations in the building.

C. ADVISORY ON CITY REQUIREMENTS

The following City requirements are APPLICABLE TO ALL PROPOSALS:

1. Nondiscrimination

All respondents must agree not to discriminate on the basis of race, color, ancestry, national origin, religion, gender, sexual preference, age, marital status, family status, source of income, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC), any other arbitrary basis, or any other protected class under state and federal law.

¹ An “equity employee” is defined under OMC Section 5.04.481 as: a. An employee who lives in any combination of Oakland police beats 2X,2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, 5X, 8X, and 35X and has lived in any combination of such police beats for the immediately preceding two (2) years; or b. An employee who lives anywhere in Oakland and was arrested after November 5, 1996 and convicted of a cannabis crime in California. Please note the qualifying police beats for an “equity employee” under OMC Section 5.04.481 are the same as those for an “equity applicant” under OMC Sections 5.80 and 5.81. To research police beats please visit:

<http://oakgis.maps.arcgis.com/apps/OnePane/basicviewer/index.html?appid=12ae8a087be44043abc6996c5e499d5c>

2. Conflicts of Interest

No public official of the City who participates in the decision-making process concerning a project may have or receive a direct or indirect economic interest in the developer or the project. Respondent is responsible for ensuring that such conflicts of interest do not occur.

3. Public Records

The respondent should understand that under the California Public Records Act and the City's Sunshine Ordinance, all documents that are submitted in response to this RFP, including financial information, are considered public records and will be made available to the public upon request.

4. The City reserves the right to accept or reject any and all proposals, whether minimum qualifications are met, and to modify, postpone, or cancel the RFP without liability, obligation, or commitment to any party, firm, or organization. Furthermore, a proposal **MAY BE REJECTED** for any of the following reasons without limitation:

- a. Proposal received at designated email address after designated time.
- b. Proposal not in compliance with any of the City Programs and Policies.
- c. Proposal missing any of the required submittal exhibits.
- d. Proposal not containing the required elements organized in the required format.
- e. Proposal considered not fully responsive to this RFP.
- f. Proposal contains excess or extraneous material not called for in the RFP.
- g. Proposal containing inaccurate or misleading responses and/or information.

5. All responses to the RFP become the property of the City. The RFP does not commit the City to award a contract or to pay any cost incurred in the preparation of the proposal.

6. The City reserves the unqualified right to modify, suspend, or terminate at its sole discretion any and all aspects of the RFP process; to obtain further information from any and all respondents and/or their teams; to waive any defects as to form or content of the RFP or any responses by any respondents and/or their teams; and to negotiate the final scope of work and services, fee schedule, or purchase offer price with the selected respondents.

7. Once a final award is made, all RFP responses become a matter of public record and shall be regarded by the City as public records. The City shall not in any way be liable or responsible for the disclosure of any such records or portions thereof if the disclosure is made pursuant to a request under the California Public Records Act or the City's Sunshine Ordinance.

D. PROPOSED SCHEDULE OF BIDDING ACTIVITIES – SUBJECT TO CHANGE

1. RFP Release Date Tuesday July 12, 2022
2. Submittal for: Events, Shared Kitchen & Security by **Monday, October 3, 2022**
3. Interviews with the respondents (if necessary) **October 17-19, 2022**
4. Staff review and ranking (if necessary) **October 20-21, 2022**
5. Target award date **October 28, 2022**
6. Finalize agreement **November 28, 2022**
7. Submittal for: Property Purchase Program by **Tuesday, November 1, 2022**
8. Timeline for Property Purchase Program for staff reviews, interview, etc. will be posted when available.

THE ABOVE DATES ARE STAFF ESTIMATES AND MAY CHANGE WITH OR WITHOUT NOTICE AT THE SOLE DETERMINATION OF THE CITY. THE CITY IS NOT RESPONSIBLE FOR ANY EVENTS OR INCONVENIENCES DUE TO CHANGES TO THE ABOVE SCHEDULE.

E. POST-BID INTERVIEWS

Post-bid interviews will be conducted on an “as-needed” basis. The purpose for the interview is to allow staff to secure clarity regarding components of the proposal submitted.

F. PROPOSAL NEGOTIATION AND AWARD OF CONTRACT

The selected respondent will be invited to enter in the forgivable loan agreement; Conditions, Covenants & Restrictions; and/or Deed Restrictions. If an agreement cannot be reached in a reasonable time frame (as determined by the City or its designee) with the selected respondent regarding its final scope of work, acquisition and development budget, business plan, or any other aspect of its proposal, negotiations will proceed with the next highest scoring respondent until an agreement is reached or the list is exhausted.

G. ETHICAL STANDARDS

The respondent will conduct work in a manner that will uphold the values, integrity, and respect of the profession. The respondent will uphold the stated intent as well as the letter and spirit of applicable policies, laws, ordinances, and regulations which are adopted by the City or any governmental bodies or agencies with jurisdiction. The respondent will not engage in, encourage, or condone dishonesty, fraud, deceit, discrimination, or misrepresentation. The respondent will fully disclose to the City any economic, unethical, or potentially unethical relationships which could reasonably be interpreted as a conflict of interest by the Oakland City Auditor or by other affected parties with regard to this development project. The respondent will ensure a good faith effort at full disclosure, technical accuracy, sound methodology, clarity, and objectivity in the collection, analysis, interpretation, and presentation of information. The respondent will achieve and maintain the highest level of professional competency for the respondent and the respondent’s employees, contractors, and consultants.

H. LETTER OF ACKNOWLEDGEMENT

The respondent’s, or principle of the respondent’s, signature on the submittal attests to the accuracy and truthfulness of the submittal.

I. LENGTH OF TIME BID VALID

The statements made in the submitted proposal must not expire sooner than 90 days from the submittal deadline.

J. CHANGES TO THE RFP

If additional information, documents, or requirement changes are issued after the respondent’s submittal, the respondent is required to acknowledge (in writing) within 5 business days of

receipt that they have received and reviewed the updated material(s). The acknowledgement is evidence of receipt, not necessarily of agreement.

K. NOTICE OF CONFLICTS OR ERRORS IN DOCUMENTS

If the respondent notices a conflict or error in the RFP, they are required to notify the City within 3 business days of becoming aware of said conflict or error.

L. CLARIFICATION OF RFP RESPONSE

If the City requests clarification on subject matter submitted in the respondent's response, the respondent will have 5 business days to respond to said inquiry from the City.

M. CONFLICT OF INTEREST DISCLOSURE

If the respondent has an economic interest in any of the subcontractors or supplier used to fulfill the obligations of the RFP, they are required to disclose (in writing) said interest to the City prior to contract award. If any subcontractor has an economic interest in any supplier used to fulfill the obligations of this RFP, they are required to disclose (in writing) said interest to the City prior to contract award. The respondent is required to disclose if any City employees have an economic interest in the respondent's company, subcontractors, or suppliers. The respondent is required to disclose all pending disputes with the City prior to contract award. The respondent shall avoid all conflicts of interest in its relationship with the City. The respondent specifically agrees to the following: The Fair Political Practices Act and/or California Government Code Section 1090, among other statutes and regulations, may prohibit the City from contracting with the respondent if the respondent, or an employee, officer, or director of the respondent's company, or any 10 immediate family of the preceding, is serving as a public official, elected official, employee, board, or commission member of the City who will award or influence the awarding of the contract or otherwise participate in the making of the contract. The making of a contract includes actions that are preliminary or preparatory to the selection of a contractor such as, but not limited to, involvement in the reasoning, planning, and/or drafting of solicitations for bids, RFPs, feasibility studies, master plans; or preliminary discussions or negotiations. The respondent covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this RFP. Without limitation, the respondent represents to, and agrees with, the City that by contracting with the City, no conflict of interest is created between the City hereunder and any interest the respondent may have with respect to any other person or entity (including, but not limited to, any federal or state regulatory agency) which has any interest adverse or potentially adverse to the City.