

STANDARD AGREEMENT

STD 213 (Rev 03/2019)

AGREEMENT NUMBER

BSCC 943-22

PURCHASING AUTHORITY NUMBER (If Applicable)

BSCC-5227

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

BOARD OF STATE AND COMMUNITY CORRECTIONS

CONTRACTOR NAME

CITY AND COUNTY OF SAN FRANCISCO

2. The term of this Agreement is:

START DATE

MAY 1, 2023

THROUGH END DATE

OCTOBER 31, 2028

3. The maximum amount of this Agreement is:

\$3,000,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits and attachments, which are by this reference made a part of the Agreement.

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* This item is hereby incorporated by reference and can be viewed at:

<http://www.bscc.ca.gov/proposition-64-public-health-safety-grant-program/>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

CITY AND COUNTY OF SAN FRANCISCO

CONTRACTOR BUSINESS ADDRESS

1 Dr. Carlton B. Goodlett Place, Room 362

CITY

San Francisco

STATE

CA

ZIP

94102

PRINTED NAME OF PERSON SIGNING

KATHARINE PETRUCIONE

TITLE

Deputy City Administrator

CONTRACTOR AUTHORIZED SIGNATURE



DATE SIGNED

5/8/23

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

BOARD OF STATE AND COMMUNITY CORRECTIONS

CONTRACTING AGENCY ADDRESS

2590 Venture Oaks Way, Ste 200

CITY

Sacramento

STATE

CA

ZIP

95833

PRINTED NAME OF PERSON SIGNING

RICARDO GOODRIDGE

TITLE

Deputy Director

CONTRACTING AGENCY AUTHORIZED SIGNATURE



DATE SIGNED

EXHIBIT A SCOPE OF WORK

1. GRANT AGREEMENT – Proposition 64 Public Health & Safety Grant

This Grant Agreement is between the State of California, Board of State and Community Corrections (hereafter referred to as BSCC) and City and County of San Francisco (hereafter referred to as the Grantee).

2. PROJECT SUMMARY AND ADMINISTRATION

A. The Prop 64 PH&S Grant Program is funded by a portion of tax revenue generated from the cultivation and retail sale of legal adult-use cannabis or cannabis products. \$150,000,000 is available from the combination of the Fiscal Year 2023-24 State Budget appropriation and prior fiscal year Budget Act appropriations for local assistance grants for the Proposition 64 Public Health and Safety (Prop 64 PH&S) Cohort 3 Grant Program, administered by the BSCC.

The purpose of this grant program is to fund projects that assist with law enforcement efforts, fire protection efforts, or other local projects addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA)

B. Grantee agrees to administer the project in accordance with Attachment 1: Proposition 64 PH&S Grant Program Cohort 3 Request for Proposals (incorporated by reference) and Attachment 2: Proposition 64 PH&S Grant Program Cohort 3 Application for Funding which is attached and hereto and made part of this agreement.

3. PROJECT OFFICIALS

A. The BSCC's Executive Director or designee shall be the BSCC's representative for administration of the Grant Agreement and shall have authority to make determinations relating to any controversies that may arise under or regarding the interpretation, performance, or payment for work performed under this Grant Agreement.

B. The Grantee's project officials shall be those identified as follows:

Authorized Officer with legal authority to sign:

Name: Katharine Petrucione
Title: Deputy City Administrator
Address: 1 Dr. Carlton B. Goodlett Place, Room 357, San Francisco, CA 94102
Phone: 415-554-4851
Email: katharine.petrucione@sfgov.org

EXHIBIT A SCOPE OF WORK

Designated Financial Officer authorized to receive warrants:

Name: Hazelle Fernandez
Title: Accounting and Finance Manager
Address: 1 Dr. Carlton B. Goodlett Place, Room 357, San Francisco, CA 94102
Phone: 415-554-7517
Email: hazelle.fernandez@sfgov.org

Project Director authorized to administer the project:

Name: Jeremy Schwartz
Title: Deputy Director
Address: 49 South Van Ness, Suite 660, San Francisco, CA 94103
Phone: 415-307-3906
Email: jeremy.schwartz@sfgov.org

- C. Either party may change its project representatives upon written notice to the other party.
- D. By signing this Grant Agreement, the Authorized Officer listed above warrants that they have full legal authority to bind the entity for which they sign.

4. DATA COLLECTION

Grantees will be required to comply with all data collection and reporting requirements as described in Attachment 1: Prop 64 PH&S Grant Program Cohort 3 Request for Proposals and Attachment 2: Proposition 64 PH&S Grant Program Cohort 3 Application for Funding.

5. REPORTING REQUIREMENTS

- A. Grantee will submit quarterly progress reports in a format prescribed by the BSCC. These reports, which will describe progress made on program objectives and include required data, shall be submitted according to the following schedule:

Progress Report Periods

1. May 1, 2023 to June 30, 2023
2. July 1, 2023 to September 30, 2023
3. October 1, 2023 to December 31, 2023
4. January 1, 2024 to March 31, 2024
5. April 1, 2024 to June 30, 2024
6. July 1, 2024 to September 30, 2024
7. October 1, 2024 to December 31, 2024
8. January 1, 2025 to March 31, 2025
9. April 1, 2025 to June 30, 2025
10. July 1, 2025 to September 30, 2025

Due no later than:

- August 15, 2023
- November 15, 2023
- February 15, 2024
- May 15, 2024
- August 15, 2024
- November 15, 2024
- February 15, 2025
- May 15, 2025
- August 15, 2025
- November 15, 2025

EXHIBIT A
SCOPE OF WORK

11. October 1, 2025 to December 31, 2025	February 15, 2026
12. January 1, 2026 to March 31, 2026	May 15, 2026
13. April 1, 2026 to June 30, 2026	August 15, 2026
14. July 1, 2026 to September 30, 2026	November 15, 2026
15. October 1, 2026 to December 31, 2026	February 15, 2027
16. January 1, 2027 to March 31, 2027	May 15, 2027
17. April 1, 2027 to June 30, 2027	August 15, 2027
18. July 1, 2027 to September 30, 2027	November 15, 2027
19. October 1, 2027 to December 31, 2027	February 15, 2028
20. January 1, 2028 to March 31, 2028	May 15, 2028
21. April 1, 2028 to April 30, 2028	June 15, 2028

Note: Service delivery period ends April 30, 2028. The period of May 1, 2028 to October 31, 2028 is for completion of Local Evaluation Report and financial audit only.

B. Evaluation Documents

1. Local Evaluation Plan
2. Final Local Evaluation Report

Due no later than:

September 30, 2023
October 31, 2028

C. Other

Financial Audit

Due no later than:

October 31, 2028

Grantees shall submit all other reports and data as required by the BSCC.

6. PROJECT RECORDS

- A. The Grantee shall establish an official file for the project. The file shall contain adequate documentation of all actions taken with respect to the project, including copies of this Grant Agreement, approved program/budget modifications, financial records and required reports.
- B. The Grantee shall establish separate accounting records and maintain documents and other evidence sufficient to properly reflect the amount, receipt, and disposition of all project funds, including grant funds and any matching funds by the Grantee and the total cost of the project. Source documentation includes copies of all awards, applications, approved modifications, financial records, and narrative reports.
- C. Personnel and payroll records shall include the time and attendance reports for all individuals reimbursed under the grant, whether they are employed full-time or part-time. Time and effort reports are also required for all subcontractors and consultants.
- D. The grantee shall maintain documentation of donated goods and/or services, including the basis for valuation.

EXHIBIT A
SCOPE OF WORK

- E. Grantee agrees to protect records adequately from fire or other damage. When records are stored away from the Grantee's principal office, a written index of the location of records stored must be on hand and ready access must be assured.
- F. All Grantee records relevant to the project must be preserved a minimum of three (3) years after closeout of the grant project and shall be subject at all reasonable times to inspection, examination, monitoring, copying, excerpting, transcribing, and auditing by the BSCC or designees. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records must be retained until the completion of the action and resolution of all issues which arise from it or until the end of the regular three-year period, whichever is later.

7. CONFLICT OF INTEREST

- A. Existing law prohibits any grantee, subgrantee, partner or like party who participated on the Prop 64 PH&S Cohort 3 Scoring Panel (See Appendix A) from receiving funds awarded under the Prop 64 PH&S Cohort 3 RFP. Applicants who are awarded grants under this RFP are responsible for reviewing the Prop 64 PH&S Cohort 3 Scoring Panel membership roster (see Appendix A) and ensuring that no grant dollars are passed through to any entity represented by the members of the Prop 64 PH&S Cohort 3 Scoring Panel.
- B. In cases of an actual conflict of interest with a Prop 64 PH&S Cohort 3 Scoring Panel member, the Board may revoke the grant award and legal consequences could exist for the parties involved, including, but not limited to, repayment of the grant award.

8. FINANCIAL AUDIT

Grantees are required to provide the BSCC with a financial audit no later than the end of the contract term, October 31, 2028. The financial audit shall be performed by a Certified Public Accountant or a participating county or city auditor that is organizationally independent from the participating county's or city's project financial management functions. Expenses for this final audit may be reimbursed for actual costs up to \$25,000.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

1. INVOICING AND PAYMENTS

- A. The Grantee shall be paid quarterly in arrears by submitting an invoice (Form 201) to the BSCC that outlines actual expenditures claimed for the invoicing period.

Quarterly Invoicing Periods:

1. May 1, 2023 to June 30, 2023
2. July 1, 2023 to September 30, 2023
3. October 1, 2023 to December 31, 2023
4. January 1, 2024 to March 31, 2024
5. April 1, 2024 to June 30, 2024
6. July 1, 2024 to September 30, 2024
7. October 1, 2024 to December 31, 2024
8. January 1, 2025 to March 31, 2025
9. April 1, 2025 to June 30, 2025
10. July 1, 2025 to September 30, 2025
11. October 1, 2025 to December 31, 2025
12. January 1, 2026 to March 31, 2026
13. April 1, 2026 to June 30, 2026
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17. April 1, 2027 to June 30, 2027
18. July 1, 2027 to September 30, 2027
19. October 1, 2027 to December 31, 2027
20. January 1, 2028 to March 31, 2028
21. April 1, 2028 to April 30, 2028

Due No Later Than:

- August 15, 2023
November 15, 2023
February 15, 2024
May 15, 2024
August 15, 2024
November 15, 2024
February 15, 2025
May 15, 2025
August 15, 2025
November 15, 2025
February 15, 2026
May 15, 2026
August 15, 2026
November 15, 2026
February 15, 2027
May 15, 2027
August 15, 2027
November 15, 2027
February 15, 2028
May 15, 2028
June 15, 2028

Final Invoicing Periods*:

1. May 1, 2028 to June 30, 2028
2. July 1, 2028 to October 31, 2028

Due no later than:

- August 15, 2028
December 15, 2028

**Note: Service delivery period ends April 30, 2028. The period of May 1, 2028 to October 31, 2028 is for completion of Local Evaluation Report and financial audit only.*

- B. All grant project expenditures (excluding costs associated with the completion of the Final Local Evaluation Report and the financial audit) must be incurred by the end of the grant project service period, April 30, 2028, and included on the final invoice

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

due no later than June 15, 2028. Project costs incurred after April 30, 2028 will not be reimbursed/eligible for contribution.

- C. The Final Local Evaluation Report is due to BSCC by October 31, 2028. Expenditures incurred solely for the completion of the Final Local Evaluation Report during the period of May 1, 2028 to October 31, 2028 must be submitted during the Final Expenditure Periods, with the final invoice due no later than December 15, 2028. Supporting fiscal documentation will be required for all expenditures claimed during the Final Invoicing Periods and must be submitted with the final invoice.
- D. The financial audit is due to BSCC by October 31, 2028. Expenditures incurred solely for the completion of the financial audit during the period of May 1, 2028 to October 31, 2028 must be submitted during the Final Expenditure Periods, with the final statement of expenditure due no later than December 15, 2028. Supporting fiscal documentation will be required for all expenditures claimed during the Final Invoicing Periods and must be submitted with the final invoice.
- E. Grantee shall submit an invoice to the BSCC each invoicing period, even if grant funds are not expended or requested during the invoicing period.
- F. Supporting documentation must be submitted for expenditures upon BSCC's request. All supporting documentation must be maintained by the grantee on site and be readily available for review during BSCC site visits.

2. GRANT AMOUNT AND LIMITATION

- A. In no event shall the BSCC be obligated to pay any amount in excess of the grant award. Grantee waives any and all claims against the BSCC, and the State of California on account of project costs that may exceed the sum of the grant award.
- B. Under no circumstance will a budget item change be authorized that would cause the project to exceed the amount of the grant award identified in this Grant Agreement.

3. BUDGET CONTINGENCY CLAUSE

- A. This grant agreement is valid and enforceable only if sufficient funds are made available through the Proposition 64 Initiative (the Control, Regulate and Tax Adult Use of Marijuana Act) via the State and Local Government Law Enforcement Account. On or before July 15th of each fiscal year, the State Controller shall deposit funds derived from Proposition 64 taxes into the State and Local Government Law Enforcement Account pursuant to Revenue and Taxation Code section 34019, subdivision (f)(3). The grantee agrees that the BSCC's obligation to pay any sum to the grantee under any provision of this agreement is contingent upon the availability

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

of sufficient funding made available to the BSCC pursuant to Revenue and Taxation Code section 34019, subdivision (f)(3)(C).

- B. If Prop 64 PH&S funding is reduced or falls below estimates contained within the Prop 64 PH&S Request for Proposals Cohort 3, the BSCC shall have the option to either cancel this Grant Agreement with no liability occurring to the BSCC or offer an amendment to this agreement to the Grantee to reflect a reduced amount.
- C. If BSCC cancels the agreement pursuant to Paragraph 3(B) or Grantee does not agree to an amendment in accordance with the option provided by Paragraph 3(B), it is mutually agreed that the Grant Agreement shall have no further force and effect. In this event, the BSCC shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement except that Grantee shall be required to maintain all project records required by Paragraph 6 of Exhibit A for a period of three (3) years following the termination of this agreement.

4. PROJECT COSTS

- A. Grantee is responsible for ensuring that actual expenditures are for eligible project costs. "Eligible" and "ineligible" project costs are set forth in the July 2020 BSCC Grant Administration Guide, which can be found under Quick Links here:

https://www.bscc.ca.gov/s_correctionsplanningandprograms/

The provisions of the BSCC Grant Administration Guide are incorporated by reference into this agreement and Grantee shall be responsible for adhering to the requirements set forth therein. To the extent any of the provisions of the BSCC Grant Administration Guide and this agreement conflict, the language in this agreement shall prevail.

- B. Grantee is responsible for ensuring that statements of expenditures submitted to the BSCC claim actual expenditures for eligible project costs.
- C. Grantee shall, upon demand, remit to the BSCC any grant funds not expended for eligible project costs or an amount equal to any grant funds expended by the Grantee in violation of the terms, provisions, conditions, or commitments of this Grant Agreement.
- D. Grant funds must be used to support new program activities or to augment existing funds that expand current program activities. Grant funds shall not replace (supplant) any federal, state and/or local funds that have been appropriated for the same purpose. Violations can result in recoupment of monies provided under this grantor suspension of future program funding through BSCC grants.

5. PROMPT PAYMENT CLAUSE

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

6. WITHHOLDING OF GRANT DISBURSEMENTS

- A. The BSCC may withhold all or any portion of the grant funds provided by this Grant Agreement in the event the Grantee has materially and substantially breached the terms and conditions of this Grant Agreement.
- B. At such time as the balance of state funds allocated to the Grantee reaches five percent (5%), the BSCC may withhold that amount as security, to be released to the Grantee upon compliance with all grant provisions, including:
 - 1) submittal and approval of the final invoice;
 - 2) submittal and approval of the final progress report; and
 - 3) submittal and approval of any additional required reports, including but not limited to the Final Local Evaluation Report and the financial audit.
- C. The BSCC will not approve grantee expenditures for costs identified as ineligible for grant funding. If grant funds have been provided for costs subsequently deemed ineligible, the BSCC may either withhold an equal amount from future payments to the Grantee or require repayment of an equal amount to the State by the Grantee.
- D. In the event that grant funds are withheld from the Grantee, the BSCC's Executive Director or designee shall notify the Grantee of the reasons for withholding and advise the Grantee of the time within which the Grantee may remedy the failure or violation leading to the withholding.

7. EXECUTIVE ORDER N-6-22 – RUSSIA SANCTIONS

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

8. PROJECT BUDGET

Budget Line Items	Grant Funds
1. Salaries and Benefits	\$2,794,451
2. Services and Supplies	\$180,549
3. Professional Services	\$0
4. Non-Governmental Organization (NGO) Subcontracts	\$0
5. Indirect Costs / Administrative Overhead (may not exceed 10% of grant award)	\$0
6. Equipment / Fixed Assets	\$0
7. Data Collection / Enhancement	\$0
8. Program Evaluation	\$0
9. Sustainability Planning	\$0
10. Other (include travel & training costs)	\$0
11. Financial Audit	\$25,000
TOTALS	\$3,000,000

EXHIBIT C
GENERAL TERMS AND CONDITIONS

General Terms and Conditions – GTC 04/2017

1. **APPROVAL:** This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. **AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. **ASSIGNMENT:** This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. **AUDIT:** Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. **INDEMNIFICATION:** Contractor agrees to indemnify, defend and hold harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. **DISPUTES:** Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. **TERMINATION FOR CAUSE:** The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

EXHIBIT C
GENERAL TERMS AND CONDITIONS

- 8. INDEPENDENT CONTRACTOR:** Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
- 9. RECYCLING CERTIFICATION:** The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).
- 10. NON-DISCRIMINATION CLAUSE:** During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)
- Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.
- 11. CERTIFICATION CLAUSES:** The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 (<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>) are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.
- 12. TIMELINESS:** Time is of the essence in this Agreement.

EXHIBIT C
GENERAL TERMS AND CONDITIONS

- 13. COMPENSATION:** The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.
- 14. GOVERNING LAW:** This contract is governed by and shall be interpreted in accordance with the laws of the State of California.
- 15. ANTITRUST CLAIMS:** The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.
- A. The Government Code Chapter on Antitrust claims contains the following definitions:
- 1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.
 - 2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.
- B. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.
- C. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.
- D. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.
- 16. CHILD SUPPORT COMPLIANCE ACT:** For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

EXHIBIT C
GENERAL TERMS AND CONDITIONS

- A. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

- A. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Gov. Code § 14841.)
- B. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER: If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

1. GRANTEE'S GENERAL RESPONSIBILITY

- A. Grantee agrees to comply with all terms and conditions of this Grant Agreement. Review and approval by the BSCC are solely for the purpose of proper administration of grant funds and shall not be deemed to relieve or restrict the Grantee's responsibility.
- B. Grantee is responsible for the performance of all project activities identified in Attachment 1: Proposition 64 PH&S Cohort 3 Grant Program Cohort 3 Request for Proposals and Attachment 2: Proposition 64 PH&S Grant Program Cohort 3 Application for Funding.
- C. Grantee shall immediately advise the BSCC of any significant problems or changes that arise during the course of the project.
- D. Grantee shall immediately notify the BSCC if there is change in circumstances so that grantee no longer meets the eligibility criteria of the Proposition 64 PH&S Cohort 3 Program Request for Proposals. Grantee must immediately notify the BSCC if there is a change in grantee's nonprofit status or loss of good standing in the State of California (e.g., suspension or rescission of legal status by the Secretary of State for any reason, including but not limited to, failing to file forms, paying required fees, or making tax payments).

2. GRANTEE ASSURANCES AND COMMITMENTS

A. Compliance with Laws and Regulations

This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. Grantee shall at all times comply with all applicable State laws, rules and regulations, and all applicable local ordinances.

B. Fulfillment of Assurances and Declarations

Grantee shall fulfill all assurances, declarations, representations, and statements made by the Grantee in Attachment 1: Proposition 64 PH&S Grant Program Cohort 3 Request for Proposal and Attachment 2: Proposition 64 PH&S Grant Program Cohort 3 Application for Funding, documents, amendments, approved modifications, and communications filed in support of its request for grant funds.

C. Permits and Licenses

Grantee agrees to procure all permits and licenses necessary to complete the project, pay all charges and fees, and give all notices necessary or incidental to the due and lawful proceeding of the project work.

3. POTENTIAL SUBCONTRACTORS

- A. In accordance with the provisions of this Grant Agreement, the Grantee may subcontract for services needed to implement and/or support program activities. Grantee agrees that in the event of any inconsistency between this Grant Agreement and Grantee's agreement with a subcontractor, the language of this Grant Agreement will prevail.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

- B. Nothing contained in this Grant Agreement or otherwise, shall create any contractual relation between the BSCC and any subcontractors, and no subcontract shall relieve the Grantee of his responsibilities and obligations hereunder. The Grantee agrees to be as fully responsible to the BSCC for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Grantee. The Grantee's obligation to pay its subcontractors is an independent obligation from the BSCC's obligation to make payments to the Grantee. As a result, the BSCC shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.
- C. Grantee shall ensure that all subcontractors comply with the eligibility requirements stated in the Prop 64 PH&S Grant Cohort 3 RFP and described in Appendix B.
- D. Grantee assures that for any subcontract awarded by the Grantee, such insurance and fidelity bonds, as is customary and appropriate, will be obtained.
- E. Grantee agrees to place appropriate language in all subcontracts for work on the project requiring the Grantee's subcontractors to:

1) Books and Records

Maintain adequate fiscal and project books, records, documents, and other evidence pertinent to the subcontractor's work on the project in accordance with generally accepted accounting principles. Adequate supporting documentation shall be maintained in such detail so as to permit tracing transactions from the invoices, to the accounting records, to the supporting documentation. These records shall be maintained for a minimum of three (3) years after the acceptance of the final grant project audit under the Grant Agreement, and shall be subject to examination and/or audit by the BSCC or designees, state government auditors or designees, or by federal government auditors or designees.

2) Access to Books and Records

Make such books, records, supporting documentations, and other evidence available to the BSCC or designee, the State Controller's Office, the Department of General Services, the Department of Finance, California State Auditor, and their designated representatives during the course of the project and for a minimum of three (3) years after acceptance of the final grant project audit. The Subcontractor shall provide suitable facilities for access, monitoring, inspection, and copying of books and records related to the grant-funded project.

4. PROJECT ACCESS

Grantee shall ensure that the BSCC, or any authorized representative, will have suitable access to project activities, sites, staff and documents at all reasonable times during the grant period including those maintained by subcontractors. Access to program records will be made available by both the grantee and the subcontractors for a period of three (3) years following the end of the grant period.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

5. ACCOUNTING AND AUDIT REQUIREMENTS

- A. Grantee agrees that accounting procedures for grant funds received pursuant to this Grant Agreement shall be in accordance with generally accepted government accounting principles and practices, and adequate supporting documentation shall be maintained in such detail as to provide an audit trail. Supporting documentation shall permit the tracing of transactions from such documents to relevant accounting records, financial reports and invoices.
- B. Grantees are required to provide the BSCC with a financial audit within no later than the end of the contract term (October 31, 2028). The financial audit shall be performed by a Certified Public Accountant or a participating county or city auditor that is organizationally independent from the participating county's or city's project financial management functions. Expenses for this final audit may be reimbursed for actual costs up to \$25,000.
- C. The BSCC reserves the right to call for a program or financial audit at any time between the execution of this Grant Agreement and three years following the end of the grant period. At any time, the BSCC may disallow all or part of the cost of the activity or action determined to not be in compliance with the terms and conditions of this Grant Agreement or take other remedies legally available.

6. DEBARMENT, FRAUD, THEFT OR EMBEZZLEMENT

It is the policy of the BSCC to protect grant funds from unreasonable risks of fraudulent, criminal, or other improper use. As such, the Board will not enter into contracts or provide reimbursement to grantees that have been:

- 1. debarred by any federal, state, or local government entities during the period of debarment; or
- 2. convicted of fraud, theft, or embezzlement of federal, state, or local government grant funds for a period of three years following conviction.

Furthermore, the BSCC requires grant recipients to provide an assurance that there has been no applicable debarment, disqualification, suspension, or removal from a federal, state, or local grant program on the part of the grantee at the time of application and that the grantee will immediately notify the BSCC should such debarment or conviction occur during the term of the Grant contract.

BSCC also requires that all grant recipients include, as a condition of award to a subgrantee or subcontractor, a requirement that the subgrantee or subcontractor will provide the same assurances to the grant recipient. If a grant recipient wishes to consider a subgrantee or subcontractor that has been debarred or convicted, the grant recipient must submit a written request for exception to the BSCC along with supporting documentation.

All Grantees must have on file with the BSCC a completed and signed Certification of Compliance with BSCC Policies on Debarment, Fraud, Theft and Embezzlement (Required as Appendix F of the original Proposal Package).

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

7. MODIFICATIONS

No change or modification in the project will be permitted without prior written approval from the BSCC. Changes may include modification to project scope, changes to performance measures, compliance with collection of data elements, and other significant changes in the budget or program components contained in the Attachment 1: Proposition 64 PH&S Grant Program Cohort 3 Request for Proposals and Attachment 2: Proposition 64 PH&S Grant Program Cohort 3 Application for Funding. Changes shall not be implemented by the project until authorized by the BSCC.

8. TERMINATION

A. This Grant Agreement may be terminated by the BSCC at any time after grant award and prior to completion of project upon action or inaction by the Grantee that constitutes a material and substantial breach of this Grant Agreement. Such action or inaction includes but is not limited to:

- 1) substantial alteration of the scope of the grant project without prior written approval of the BSCC;
- 2) refusal or inability to complete the grant project in a manner consistent with Attachment 1: Proposition 64 PH&S Grant Program Cohort 3 Request for Proposals and Attachment 2: Proposition 64 PH&S Grant Program Cohort 3 Application for Funding, or approved modifications;
- 3) failure to meet prescribed assurances, commitments, recording, accounting, auditing, and reporting requirements of the Grant Agreement; and
- 4) if grantee no longer meets the criteria of an eligible applicant. A grantee no longer meets the criteria of an eligible applicant if grantee's nonprofit status changes or grantee is no longer in good standing with the State of California. A loss of good standing may include suspension or rescission of legal status by the California Secretary of State for any reason, including but not limited to, failing to file forms, pay required fees, or making tax payments.

B. Prior to terminating the Grant Agreement under this provision, the BSCC shall provide the Grantee at least 30 calendar days written notice stating the reasons for termination and effective date thereof. The Grantee may appeal the termination decision in accordance with the instructions listed in Exhibit D: Special Terms and Conditions, Number 9. Settlement of Disputes.

9. SETTLEMENT OF DISPUTES

A. The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute persists, the Grantee shall submit to the BSCC Corrections Planning and Grant Programs Division Deputy Director a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to, or involving this Grant Agreement. Grantee's written demand shall be fully supported by factual

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

information. The BSCC Corrections Planning and Grant Programs Division Deputy Director shall have 30 days after receipt of Grantee's written demand invoking this Section "Disputes" to render a written decision. If a written decision is not rendered within 30 days after receipt of the Grantee's demand, it shall be deemed a decision adverse to the Grantee's contention. If the Grantee is not satisfied with the decision of the BSCC Corrections Planning and Grant Programs Division Deputy Director, the Grantee may appeal the decision, in writing, within 15 days of its issuance (or the expiration of the 30-day period in the event no decision is rendered), to the BSCC Executive Director, who shall have 45 days to render a final decision. If the Grantee does not appeal the decision of the BSCC Corrections Planning and Grant Programs Division Deputy Director, the decision shall be conclusive and binding regarding the dispute and the Contractor shall be barred from commencing an action in court, or with the Victims Compensation Government Claims Board, for failure to exhaust Grantee's administrative remedies.

- B. Pending the final resolution of any dispute arising under, related to or involving this Grant Agreement, Grantee agrees to diligently proceed with the performance of this Grant Agreement, including the providing of services in accordance with the Grant Agreement. Grantee's failure to diligently proceed in accordance with the State's instructions regarding this Grant Agreement shall be considered a material breach of this Grant Agreement.
- C. Any final decision of the State shall be expressly identified as such, shall be in writing, and shall be signed by the Executive Director, if an appeal was made. If the Executive Director fails to render a final decision within 45 days after receipt of the Grantee's appeal for a final decision, it shall be deemed a final decision adverse to the Grantee's contentions. The State's final decision shall be conclusive and binding regarding the dispute unless the Grantee commences an action in a court of competent jurisdiction to contest such decision within 90 days following the date of the final decision or one (1) year following the accrual of the cause of action, whichever is later.
- D. The dates of decision and appeal in this section may be modified by mutual consent, as applicable, excepting the time to commence an action in a court of competent jurisdiction.

10. WAIVER

The parties hereto may waive any of their rights under this Grant Agreement unless such waiver is contrary to law, provided that any such waiver shall be in writing and signed by the party making such waiver.

CONFIDENTIALITY NOTICE: All documents submitted as a part of the Proposition 64 Public Health & Safety Grant Program proposal are public documents and may be subject to a request pursuant to the California Public Records Act. The BSCC cannot ensure the confidentiality of any information submitted in or with this proposal. (Gov. Code, § 6250 et seq.)

SECTION I - APPLICANT INFORMATION This section requires information about the applicant (County/City), grant funds being requested, proposed project synopsis and project officials.

Name of Applicant ('Name' County or City of 'Name') City and County of San Francisco

Tax Identification Number 94-6000417

Grant Funds Requested - Whole dollars only \$3,000,000

Applicant's Physical Address 49 South Van Ness, Suite 660
San Francisco
CA
94103
US

Applicant's Mailing Address (if different than physical address) n/a

Mailing Address For Reimbursement Payments 49 South Van Ness, Suite 660
San Francisco
CA
94103
US

Project Title Prop 64 Public Health and Safety Grant Program

Project Summary To fund projects addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act. The San Francisco Office of Cannabis (OOC), through its Office of the City Administrator, seeks to leverage this grant opportunity to strengthen compliance, enforcement, and inspection efforts.

Proposed Project County/City Size for Funding Distribution Large-sized county or a city within a large-sized county

Project Purpose Areas (PPAs) PPA 2: Public Health
PPA 3: Public Safety

Lead Public Agency (LPA) Information **This sub-section requires information about the governmental agency with local authority of or within the county or city that will be acting as the LPA. Additionally, this section requires names and contact information for the individuals identified as the Project Director, Financial Officer, Day-to-Day Project Contact, Day-to-Day Fiscal Contact, and the Authorized Officer with signing authority.**

Lead Public Agency (LPA) **Office of the City Administrator, City and County of San Francisco**

Project Director **Jeremy Schwartz**

Project Director's Title **Deputy Director, Office of Cannabis**

Project Director's Physical Address **49 South Van Ness, Suite 660
San Francisco
CA
94103
US**

Project Director's Mailing Address (if different than physical address) n/a

Project Director's Email Address **jeremy.schwartz@sfgov.org**

Project Director's Phone Number **+14153073906**

Financial Officer **Hazelle Fernandez**

Financial Officer's Title **Accounting and Finance Manager**

Financial Officer's Physical Address **1 Dr. Carlton B. Goodlett Place, Room 357
San Francisco
CA
94102
US**

Financial Officer's Mailing Address (if different than physical address) n/a

Financial Officer's Email Address **hazelle.fernandez@sfgov.org**

Financial Officer's
Phone Number **+14155547517**

Day-To-Day Program
Contact **Jeremy
Schwartz**

Day-To-Day Program **Deputy Director, Office of Cannabis**
Contact's Title and
Agency/Department/Organization

Day-To-Day Program **49 South Van Ness, Suite 660**
Contact's Physical
Address **San Francisco
CA
94103
US**

Day-To-Day Program **jeremy.schwartz@sfgov.org**
Contact's Email
Address

Day-To-Day Program **+14153073906**
Contact's Phone
Number

Day-To-Day Fiscal
Contact **Hazelle
Fernandez**

Day-To-Day Fiscal **Accounting and Finance Manager**
Contact's Title with
Agency/Department/Organization

Day-To-Day Fiscal **1 Dr. Carlton B. Goodlett Place, Room 357**
Contact's Physical
Address **San Francisco
CA
94102
US**

Day-To-Day Fiscal **hazelle.fernandez@sfgov.org**
Contact's Email
Address

Day-To-Day Fiscal **+14155547517**
Contact's Phone
Number

Name of Authorized
Officer* **Katharine
Petruccione**

I hereby certify I am **checked**
vested by the
Applicant with the
authority to enter into
contract with the
BSCC, and the
grantee and any
subcontractors will
abide by the laws,
policies, and
procedures
governing this
funding.

Date of Assurance **11/29/2022**

Authorized Officer's Title and Agency/Department **Deputy City Administrator**

Authorized Officer's Physical Address **1 Dr. Carlton B. Goodlett Place, Room 362
San Francisco
CA
94102
US**

Authorized Officer's Email Address **katharine.petrucione@sfgov.org**

Authorized Officer's Phone Number **+14155544851**

SECTION II - PROPOSAL ABSTRACT **The Proposal Abstract should provide a brief summary of the proposed project. This section will not be included in the rating of the proposal.**

The City and County of San Francisco's (CCSF) Office of Cannabis (OOC), through its Office of the City Administrator, seeks grant funds to assist with law enforcement efforts and other projects to address public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA).

The purpose of these funds will be to address: (a) Public Health (PPA 2); and (b) Public Safety (PPA 3).

CCSF seeks to leverage grant funds to conduct additional compliance and inspection efforts for prospective and permitted cannabis businesses. Moreover, funding will strengthen the OOC's ability to facilitate cross-departmental collaboration.

CCSF also seeks to leverage funds to conduct law and code enforcement activities against illicit cannabis operators. Funds will help to issue notices of violation, conduct abatements, among other related activities.

SECTION III -
PROPOSAL
NARRATIVE

This section requires responses

Proposal Narrative
Instructions

The Proposal Narrative section must address the following Rating Factors- Project Need, the Project Description, and the Project Evaluation - as outlined in the Prop 64 Cohort 3 RFP Information Packet, beginning on page 18 of the Prop 64 Cohort 3 RFP Instruction Packet. Narrative in this section must clearly identify and delineate each Factor Section (i.e., Project Need, the Project Description, and the Project Evaluation) when responding. Sources cited must be included within Proposal Narrative or may be referenced within the optional RFP- Additional Information attachment . It is up to the applicant to determine how best to use the total character limit in addressing each section (i.e., Project Need, the Project Description, and the Project Evaluation) . However, the Applicant may use the percent of total point value for each section as a guide. The Rating Factors and weighted value are provided in the Prop 64 Cohort 3 RFP Instruction Packet (Page 15). The Project Work Plan must also be uploaded to this Section as it is rated under the Project Description Rating Factor (2.6).

Proposal Narrative

Project Need (Percent of Total Value: 25%)

Describe the needs related to the impact of the passage of Proposition 64:

The passage of Proposition 64 paved the way for new opportunities and new challenges in the cannabis space. In July 2017, the City and County of San Francisco (CCSF) established the Office of Cannabis (OOC), via legislation, to regulate the local commercial cannabis industry and administer a social equity program.

The OOC's core responsibilities include: (i) equity verification and support; (ii) permitting businesses and events; (iii) rulemaking; (iv)

enforcement; (v) community outreach; (vi) cross-departmental collaboration; (vii) limiting youth access and exposure to cannabis and cannabis products; (viii) supporting an Oversight Committee; (ix) racial equity development; and (x) administering grants and developing technical assistance.

The OOC has a whole panoply of needs associated with the transition of an industry from an unregulated market to a regulated one. Specific to this grant opportunity, the OOC seeks to leverage funds to strengthen: (a) educational outreach, inspections, and enforcement of permitted cannabis businesses (i.e. PPA 2); and (b) educational outreach and cross-departmental collaboration for law enforcement and code enforcement efforts against illicit cannabis businesses (i.e. PPA 3).

Demonstrate how the need(s) is related to Project Purpose Area (PPA) 1 – Youth Development/Youth Prevention and intervention:
The OOC will leverage grant funds for PPA 2 and 3. Implicitly, ensuring compliance of permitted operators (e.g. checking IDs) and enforcing against the illicit market will help to mitigate youth access to cannabis and cannabis products.

Demonstrate how the need(s) is related to other PPA(s) selected:
PPA 2 (Public Health)

The OOC has limited staff dedicated to inspection and enforcement efforts. It's difficult for the OOC to keep-up with inspecting the growing cannabis footprint in CCSF – which undermines broader public health efforts.

The time needed for inspections include: (i) 30 minutes of prep work; (ii) 1 hour of travel; (iii) 1 hour for inspection; and (iv) at least 1 hour to draft the inspection report and follow-up with permittees. It is estimated that time allocated for a typical inspection will take about 5 hours – may be less or more – depending on the size of the premise and scope of activities. (e.g. operator with multiple permits at the same premises).

There are approximately 300+ applications for 500+ cannabis business permits. These permittees require an inspection at least once a year. Ideally, the OOC would be able to inspect these premises at least twice per year. About 300 unique locations will require at least 1,000 hours for inspections for one-site visit. At least 2,000 hours for two site visits per year.

A grant award will help to provide additional support to the OOC's inspection arm including, but not limited to: administrative support, educational outreach, and abatement.

PPA 3 (Public Safety)

San Francisco's adult-use cannabis legalization ordinance contains language that CCSF shall ensure the safety of customers, employees, and the public at large. An important sentiment, in light of this historic transition, is to support the regulated cannabis market

while mitigating the effects of the unregulated market.

A grant award will help to strengthen the OOC's ability to coordinate cross-departmental efforts to combat the unregulated market (e.g. notice of violations, warrant, subpoenas, cease and desist orders, joint site inspections).

Provide local service gaps that contribute to the need for the proposed Proposition 64 project are identified:

The OOC is a lean office charged with many responsibilities.

Additional support is needed in order to effectively and substantively administer the OOC's duties. For example, resources will support a more proactive approach to battle the unregulated market and to stand-up regulated businesses – including additional education on compliance and supporting public health/safety for permitted operators.

Provide relevant qualitative and/or quantitative data with citation in support of the need(s):

Relevant qualitative and or quantitative data, includes, but is not limited to the following:

As of 2017, 36% of high school students tried cannabis and 20% of high school students use cannabis. (Centers for Disease Control and Prevention: Trends in the Prevalence of Marijuana, Cocaine, and Other Illegal Drug Use National YRBS: 1991-2017).

As of 2017, 26% of San Francisco high school students have tried cannabis and 16% of San Francisco high school students use cannabis. (Centers for Disease Control and Prevention: San Francisco, CA 2017 Results).

A 2019 audit found approximately 2,835 unlicensed dispensaries and delivery services operating in California (United Cannabis Business Association).

As much as 80% of the cannabis market in California remains illicit. (Cannabis Advisory Committee, Annual Draft Report).

San Francisco's Office of the Controller published a report about cannabis in San Francisco. A part of that report includes quotes from the social equity community who explain, "How [is the city] going to enforce the illicit market component of this? You need to recognize the illicit market and do something about it before the legal market can take hold" and "Illicit operators are benefiting from fewer legal operators, while there is little enforcement against the illicit market. Why would they want to go legal?" (Office of the Controller, Cannabis in San Francisco, A Review Following Adult-Use Legalization).

Describe the process that was used to determine the need(s), including soliciting input from key stakeholders (e.g. community, public, private):

The OOC prides itself on accessibility and transparency. This includes pivoting to virtual meetings during the pandemic in order to

maintain open lines of communication. Many of the sentiments discussed in this proposal are echoed throughout the community.

Mechanisms to solicit stakeholder input include, but are not limited to: public comment during Cannabis Oversight Committee meetings, regular updates through our distribution channels to equip stakeholders with the latest information, office hours, input via our general inbox, multiple listening sessions, and candid conversations as a part of meetings with stakeholders.

Project Description (Percent of Total Value: 50%)

Describe the proposed project that will address the need(s) discussed in the Project Needs section including:

Describe the components of the proposed project linked to each PPA(s), where applicable:

PPA 2 (Public Health)

A grant award will help to provide additional support to the OOC's inspection arm including, but not limited to: administrative support, educational outreach, and abatement for permitted operators.

Administrative support, such as scheduling and identifying subject properties, and prepping inspection materials, will help to free up time for the OOC's inspector to conduct additional inspections.

PPA 3 (Public Safety)

A grant award will help to provide additional support to the OOC's enforcement arm. Support includes, but is not limited to, administrative support, abatement costs, and cross departmental collaboration.

A grant award will help to strengthen the OOC's ability to coordinate cross-departmental efforts to combat the unregulated market (e.g. notice of violations, warrants, subpoenas, cease and desist orders, joint site inspections).

Describe the target area and/or population which will be the focus of the project, including how and why it was selected:

Regarding PPA 2, CCSF will target permitted operators by leveraging our permitted operator database. This effort will help strengthen operator compliance.

Regarding PPA 3, CCSF will target unpermitted operators via a complaint driven system. This effort will mitigate the effects of illicit operations.

If applicable, provide an estimate of how many individuals will be served and the process for determining which services/activities an individual/group will receive:

Regarding PPA 2, CCSF seeks to target approximately 300 unique locations, which contemplates approximately several hundred individuals involved in the cannabis business.

Regarding PPA 3, CCSF seeks to target approximately 100 unique

locations. It's unclear how many individuals will be served with regards to targeting the unregulated market. However, the benefit of cannabis enforcement activity will likely spillover to other aspects include public health and public safety.

Describe the proposed Proposition 64 project goals and objectives and the impact that includes the relationship to the need and intent of the Proposition 64 Grant:

Please refer to the Project Work Plan for additional details.

Regarding PPA 2, the OOC seeks to increase the volume of inspections for permanent permitted operators by at least 10%. Administrative and peripheral support will alleviate capacity issues associated with conducting additional inspections. Additional inspections will support compliance amongst the regulated industry. Moreover, the OOC seeks to increase its issuance of cannabis business permits by at least 5%. The OOC will seek to strengthen its compliance efforts to permit additional regulated cannabis businesses. Ensuring applicant compliance will help the OOC issue additional permits, which also helps to mitigate the effects of illicit operations.

Regarding PPA 3, OOC will seek to increase enforcement against the unregulated market by at least 10%. Administrative support, peripheral support, and funds for abatement will enable the OOC and its City partners to more aggressively pursue enforcement action.

Provide rationale to support the selection of the proposed project which includes relevant evidence or research supporting its use to address the need as described in the Project Need section (include citations if appropriate):

PPAs 2 and 3 share overlapping characteristics with regards to enforcement and inspections. An audit by the United Cannabis Business Association found that there are thousands of unlicensed dispensaries and delivery services throughout the state. Moreover, the Cannabis Advisory Committee's Annual Draft Report, indicates that a disproportionate amount of cannabis operators are unregulated.

Describe the extent to which the proposed project will utilize existing resources or projects:

The OOC has set up a number of systems to coordinate enforcement efforts across City departments. This includes strengthening relationships with other City departments such as Police, Fire, Building, Planning, Public Health, and the City Attorney's office. The issue here is money and capacity. Funds will help to alleviate the financial component and provide additional administrative support to alleviate capacity issues.

Describe the experience, staffing, and/or partnerships your organization will use to implement the proposed project (include partners' letters of commitment, if applicable). If partners are to be selected after the grant is awarded, then specify the process and

criteria for selecting those partners:

OOC staff includes experienced government professionals who have a variety of professional and educational backgrounds (JDs, Masters). Moreover, OOC staff speaks 7 languages in order to provide culturally competent services to the diverse local community.

OOC regularly collaborates with its City partners including DPH, San Francisco Police Department (SFPD), San Francisco Fire Department (SFFD) and the City Attorney's office (CAT). Our City partners are experienced professionals who routinely engage in public health and safety issues.

Provide a Project Work Plan (Appendix L-Sample) that: Please find attached in the application materials the Project Work Plan.

Project Evaluation (Percent of Total Value: 15%)

Describe a plan to determine the staff and/or entity that will conduct the project evaluation and how evaluation activities will be incorporated in the various phases of the project (e.g. implementation, service delivery period):

The OOC has a staff member who is experienced in grants efforts, including the prior BSCC grant award. This individual will conduct project evaluation and will thoughtfully incorporate phases of the project. Monitoring will take place through a number of systems, including spreadsheets and shared spreadsheets amongst relevant team members.

Identify process and outcome measures that are quantifiable and in line with the intent of the grant:

The OOC will track figures associated with these efforts. Additionally, the OOC would seek to delineate between enforcement/inspection efforts across unpermitted and permitted operators. This effort will include collaboration with relevant team members to track the volume of compliance efforts, inspections, and permits issued to ensure we remain on track with increasing corresponding figures (e.g. 5% increase for permits, 10% increases to both compliance and enforcement efforts).

Describe a preliminary plan for monitoring the project to ensure that the project components are implemented as intended:

The OOC views this opportunity as an iterative effort – meaning that it would regularly check-in with its staff and partners to update numbers and refine efforts where needed. Specifically, the OOC foresees checking-in with staff not less than once per quarter and ideally multiple times per quarter.

The OOC is confident that it can accomplish this goal, given that a staff member will spearhead this effort.

Describe a preliminary plan for how to collect and evaluate baseline and outcome data related to the the process and outcome measures identified in 3.2. Describe a plan for entering into data sharing

agreements, if necessary:

The OOC plans to check-in with its partners on a regular basis – no less than once per quarter – in order to evaluate baseline and outcome data.

The OOC regularly maintains records pursuant to its record retention policy in order to evaluate the volume and scope of various enforcement and inspection efforts.

Describe a research design or methodology that will allow for an assessment of whether the strategy that was implemented achieved the intended outcomes:

Regarding PPAs 2 and 3, the OOC will track the number of inspections, permitting, and enforcement activities - a quantifiable effort. Inspections of permitted operators will enlighten the City about common compliance issues. Enforcement activities will shed light into not only issues with permitted operators, but also issues with illicit operators. Permitting will help to bolster the regulated industry and to mitigate against illicit operations. Moreover, the local evaluation plan will supplement quantifiable efforts with a qualitative narrative.

Prop 64 PH&S Grant Program Project Work Plan

Applicants must complete a Project Work Plan. This Project Work Plan identifies measurable goals and objectives, activities and services, responsible parties for those activities and services, and estimated timelines. Completed plans should (1) identify the project's top goals and objectives; (2) identify how the top goals will be achieved in terms of the activities, responsible staff/partners, and start and end dates; and (3) provide goals and objectives with a clear relationship to the need and intent of the grant. As this grant term is for five (5) years, the Project Work Plan must attempt to identify activities/services and estimate timelines for the entire grant term. Include data and sources that will be used to measure project outcomes.

Applicants must use the Project Work Plan provided below. You will be prompted to upload this document to the BSCC-Submittable Application.

(1) Goal:	> Increase inspections of permanent permitted operators by at least 10% (PPA 2)		
Objectives (A., B., etc.)	> Office of Cannabis (OOC) to increase the volume of inspections for permanent permitted cannabis operators.		
Process & Outcome Measures:	> The OOC conducts about 40 inspections per quarter. Beginning in April 2024, the OOC will seek to increase inspections for permitted cannabis operators by 10% in an effort to strengthen compliance.		
Project activities/services that support the identified goal and objectives: > Administrative and peripheral support will alleviate capacity issues associated with conducting additional inspections. Additional inspections will support compliance amongst the regulated industry.	Responsible staff/ partners	Timeline	
	> Jeremy Schwartz, Ray Law (OOC)	> April 2024	> April 2028
List data and sources to be used to measure outcomes: > Excel/Sharepoint spreadsheet trackers			
(2) Goal:	> Increase enforcement against the unregulated market by at least 10% (PPA 3)		
Objectives (A., B., etc.)	> Pursue enforcement efforts based on the OOC's complaint driven system to mitigate the effects of the unregulated market.		
Process & Outcome Measures:	> The OOC responds to about 30 complaints per quarter. Beginning in April 2024, the OOC will seek to increase the initiation of enforcement activities by 10% in an effort to mitigate the effects of illicit operations.		
Project activities/services that support the identified goal and objectives: > Administrative support, peripheral support, and funds for abatement will enable the OOC and its City partners to more aggressively pursue enforcement action.	Responsible staff/ partners	Timeline	
	> Jeremy Schwartz, Ray Law (OOC), Sarah Crowley (Deputy City Attorney), Public Health, Police, Building	> April 2024	> April 2028
List data and sources to be used to measure outcomes: > Excel/Sharepoint spreadsheet trackers and corresponding narrative explanation(s); Engagement/Complaints Management Tracker			
(3) Goal:	> Increase issuance of cannabis business permits by at least 5% (PPA 2)		
Objectives (A., B., etc.)	> Support the regulated market by increasing the permitting of regulated businesses.		

Process & Outcome Measures:	> Over 2021 and 2022, the OOC has permanently permitted about 30 cannabis businesses for an average of 15 permits over those two years. Additional resources will help the OOC permit additional businesses at a rate 5% higher than previous years..		
Project activities/services that support the identified goal and objectives: > The OOC will seek to strengthen its compliance efforts to permit additional regulated cannabis businesses. Ensuring applicant compliance will help the OOC issue additional permits, which also helps to mitigate the effects of illicit operations.	Responsible staff/ partners > Jeremy Schwartz, Ray Law, Yuliya Iskenderava (OOO)	Timeline	
		Start Date	End Date
		> April 2024	> April 2028
List data and sources to be used to measure outcomes: > Excel/Sharepoint spreadsheet trackers.			
(4) Goal:	>		
Objectives (A., B., etc.)	>		
Process & Outcome Measures:	>		
Project activities/services that support the identified goal and objectives: >	Responsible staff/ partners	Timeline	
		Start Date	End Date
		>	>
List data and sources to be used to measure outcomes: >			

Request for Proposals Section IV: Project Budget and Budget Narrative

Proposition 64 Grant Program Cohort 3

Applicant: City and County of San Francisco

Project Budget: Enter estimated costs for reimbursement for the full five (5) year grant term.

Note: This top table will auto-populate based on the information entered in the sections below.

Budget Line Item	Grant Funds
1. Salaries and Benefits	\$2,794,451
2. Services and Supplies	\$180,549
3. Professional Services	\$0
4. Non-Governmental Organizations (NGO) Contracts	\$0
5. Equipment / Fixed Assets	\$0
6. Data Collection / Enhancement	\$0
7. Program Evaluation	\$0
8. Sustainability Planning	\$0
9. Other (include any travel and/or training costs)	\$0
10. Financial Audit (Up to \$25,000 may be allocated for an end of project financial audit.)	\$25,000
11. Indirect Costs/Administrative Overhead (Costs may be charged at an amount not to exceed ten percent (10%) of the actual total direct project costs.)	\$0
TOTAL	\$3,000,000

1. Salaries and Benefits		
Title	(% FTE <u>or</u> Hourly Rate) & Benefits	Grant Funds
Example (Hourly): Fiscal Manager	\$60/hour x 10 hours/month x 3 years = \$21,600 + benefits @ 22% = \$4,752	\$26,352
Example (FTE): Counselor	.25 FTE @ \$60,000 x 3 years = \$45,000	\$45,000
Administrative Analyst (1822)	1 FTE @ \$163,655/year x 37 months = \$504,603	\$504,603
Administrative Analyst (1822)	1 FTE @ \$163,655/year x 37 months = \$504,603	\$504,603
Administrative Analyst (1822)	1 FTE @ \$163,655/year x 37 months = \$504,603	\$504,603
Senior Administrative Analyst (1823)	1 FTE @ \$187,783/year x 3 years = \$751,132	\$751,132
Senior Management Assistant (1844)	1 FTE @ \$171,733/year x 37 months = \$529,510	\$529,510
TOTAL		\$2,794,451

Salaries and Benefits Narrative:

The three (3) Administrative Analysts will support both compliance evaluations for permitted cannabis business operators and inspections for illicit operations. The Senior Administrative Analyst will help to coordinate compliance and inspection efforts across the Administrative Analysts and other City Departments. The Senior Management Assistant will support record keeping/reporting, scheduling, and related administrative tasks to support the above efforts.

2. Services and Supplies

Description of Services or Supplies	Calculation for Expenditure	Grant Funds
Example: Supportive Services (bus passes, gas cards, office supplies, uniforms)	\$350 x 50 Participants for each of the 5 years	\$87,500
METRC Subscription	\$36,109.80/year x 5 years = \$180,549	\$180,549
TOTAL		\$180,549

Services and Supplies Narrative:

METRC and the DCC announced that local jurisdictions will be able to access METRC's Track and Trace system. The associated costs have not yet been announced. San Francisco plans to earmark BSCC grant dollars for this purpose. For this exercise, we estimate costs to be about \$36,109.80/year x 5 years = \$180,549.

3. Professional Services

Description of Professional Service(s)	Calculation for Expenditure	Grant Funds
Example: Contract with Social Marketing Firm to design content for website, social media channels and support.	Initial year \$50,000 for design and implementation Each subsequent year technical support and ongoing monitoring/maintenance for website. \$15,000 per year for 4 years	\$110,000
		\$0
TOTAL		\$0

Professional Services Narrative:

N/A

4. Non-Governmental Organizations (NGO) Subcontracts

Description of Subcontract	Calculation for Expenditure	Grant Funds
Example: NGO Contract- To be identified	Cannabis Prevention Classes \$150 x 24 classes per year (x 5 years)	\$18,000
		\$0
TOTALS		\$0

Non-Governmental Organizations (NGO) Subcontracts Narrative:

N/A

5. Equipment/Fixed Assets

Description of Equipment/Fixed Asset	Calculation for Expense	Grant Funds
Example: Purchase of Vehicle	4x4 Truck and tow package as available (Market Value)	\$85,000
		\$0
TOTALS		\$0

Equipment/Fixed Assets Narrative:

N/A

6. Data Collection / Enhancement

Description	Grant Funds
Example: Data ad hoc reporting and upgrades for BSCC Quarterly Progress Report measures	\$10,329
	\$0

TOTAL	\$0

Data Collection / Enhancement Narrative:

N/A

7. Program Evaluation

Description	Grant Funds
Example: Contract with ABC Researchers to develop Evaluation Plan, Final Report, and assist with Quarterly Progress Reports	\$25,750
	\$0
TOTAL	\$0

Program Evaluation Narrative:

N/A

8. Sustainability Planning

Description	Grant Funds
Example: Room rental for quarterly strategic planning meeting for community & gov't partners to continue services post-award.	\$8,575
	\$0
TOTAL	\$0

Sustainability Planning Narrative:

N/A

9. Other (Travel, Training, etc.)

Description	Calculation for Expense	Grant Funds
Example: Training Classes for Enforcement Officers	\$2,500/partipant x 3 participants; includes training costs, travel, and per diem.	\$7,500
		\$0
TOTAL		\$0

Other (Travel, Training, etc.) Narrative:

N/A

10. Financial Audit

Description	Grant Funds	
Example: Contract with XYZ Certified Public Accountant to provide final fiscal audit	\$25,000	
Work Order with San Francisco's Controller's Office.	\$25,000	
TOTAL		\$25,000

Financial Audit Narrative:

Similar to the prior BSCC Prop 64 Award, the City Administrator/Office of Cannabis intends to secure the services of the City's Controller's Office for the purpose of conducting the required audit.

11. Indirect Costs

Description: Indirect costs may be charged at an amount not to exceed ten percent (10%) of the actual total direct project costs.	Grant Funds	
TOTAL		\$0

Indirect Costs Narrative:

N/A



OFFICE OF THE CITY ADMINISTRATOR



London N. Breed, Mayor
Carmen Chu, City Administrator

Dear Board of State and Community Corrections,

Please consider this letter to be the City and County of San Francisco's (CCSF) Letter of Commitment regarding the Proposition 64 Public Health and Safety Grant.

The City and County of San Francisco (CCSF), through the Office of the City Administrator, seeks grant funds to assist with enforcement efforts and other projects to address public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA).

This effort will be spearheaded by the San Francisco Office of Cannabis (OOC). Additional City partners may include, but are not limited to, the Department of Public Health relating to certain on-site inspections and the City Attorney's Office relating to code enforcement efforts.

Details regarding specific roles and responsibilities within the Prop 64 Public Health and Safety Grant Program are reflected in the *Project Work Plan*.

Sincerely,

Jeremy Schwartz
Deputy Director
Office of Cannabis
jeremy.schwartz@sfgov.org
(628) 652-0420
49 South Van Ness, Suite 660
San Francisco, CA 94103

APPENDIX A
PROPOSITION 64 PH&S GRANT PROGRAM COHORT 3
SCORING PANEL ROSTER

	Name	Title	Organization
1	Guillermo Viera Rosa (Chair)	BSCC Board Member Director, Div. of Adult Parole	CA Department of Corrections and Rehabilitation
2	Devin Gray	Policy Research	Department of Cannabis Control – Policy and Research Division
3	Jim Keddy	Director	Youth Forward
4	Ata Khan	Planning Manager	City of Pomona – Development Services
5	Charles Smith	Commander	Department of Cannabis Control – Law Enforcement Division
6	America Velasco	Pre-Trial Services Coordinator	Solano County Superior Court

APPENDIX B
CRITERIA FOR NON-GOVERNMENTAL ORGANIZATIONS RECEIVING
PROPOSITION 64 PUBLIC HEALTH AND SAFETY GRANT FUNDS

The Proposition 64 Public Health and Safety (Prop 64 PH&S) Grant Program Cohort 3 Request for Proposals (RFP) includes requirements that apply to non-governmental, community-based organizations. Grantees are responsible for ensuring that all contracted third parties continually meet these requirements as a condition of receiving Prop 64 PH&S Cohort 3 funds. The RFP describes these requirements as follows:

The Prop 64 PH&S Grant Program Cohort 3 RFP includes requirements that apply to non-governmental organizations that receive funds under this grant. All grantees are responsible for ensuring that any contracted third parties continually meet these requirements as a condition of receiving Prop 64 PH&S Grant Program Cohort 3 funds. The RFP describes these requirements as follows.

Any non-governmental organization that receives Prop 64 PH&S Grant Program Cohort 3 funds (as either subgrantee or subcontractor) must:

- Have been duly organized, in existence, and in good standing for at least six months prior to the effective date of its fiscal agreement (i.e., December 1, 2022) with the BSCC or with the Prop 64 PH&S grantee. Non-governmental entities that have recently reorganized or have merged with other qualified non-governmental entities that were in existence prior to the six-month date are also eligible, provided all necessary agreements have been executed and filed with the California Secretary of State prior to the start date of the grant agreement with the BSCC or the start date of the grantee-subcontractor fiscal agreement.
- Be registered with the California Secretary of State's Office, if applicable;
- Have a valid business license, Employer Identification Number (EIN), and/or Taxpayer ID (if sole proprietorship);
- Have any other state or local licenses or certifications necessary to provide the services requested (e.g., facility licensing by the Department of Health Care Services), if applicable; and
- Have a physical address.

Non-Governmental Organizations (NGOs) include: community-based organizations (CBOs), faith-based organizations (FBOs), nonprofit organizations/501(c)(3)s, evaluators (except government institutions such as universities), grant management companies and any other non-governmental agency or individual. Note: These criteria do not apply to government organizations (e.g., counties, cities, school districts, etc.).

**APPENDIX B
 CRITERIA FOR NON-GOVERNMENTAL ORGANIZATIONS RECEIVING
 PROPOSITION 64 PUBLIC HEALTH AND SAFETY GRANT FUNDS**

In the table below, provide the name of the Grantee and list all contracted parties.

Grantee: City and County of San Francisco

Name of Contracted Party	Address	Email / Phone	Meets All Requirements
			Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>

Grantees are required to update this list and submit it to BSCC any time a new third-party contract is executed after the initial assurance date. Grantees shall retain (on-site) applicable source documentation for each contracted party that verifies compliance with the requirements listed in the Prop 64 PH&S Grant Program Cohort 3 RFP. These records will be subject to the records and retention language found in Appendices A and C of the Standard Agreement.

The BSCC will not disburse or reimburse for costs incurred by any third party that does not meet the requirements listed above and for which the BSCC does not have a signed grantee assurance on file.

A signature below is an assurance that all requirements listed above have been met.

AUTHORIZED SIGNATURE (This document must be signed by the person who is authorized to sign the Grant Agreement.)			
NAME OF AUTHORIZED OFFICER	TITLE	TELEPHONE	
STREET ADDRESS	CITY	STATE	ZIP CODE
EMAIL ADDRESS			
SIGNATURE (Blue Ink Only or E-signature) x		DATE	