[Accept and Expend Grant - Retroactive - The Governor's Office of Business and Economic Development - Cannabis Equity Grants Program for Local Jurisdictions - \$3,324,052.50]

Resolution retroactively authorizing the Office of Cannabis to accept and expend a grant award in the amount of \$3,324,052.50 and to expend interest earned or accrued on grant funds for the grant term of April 1, 2025, through October 31, 2026, from the Governor's Office of Business and Economic Development for the Local Equity Grants Program for Local Jurisdictions; to execute the agreement with the Governor's Office of Business and Economic Development, and any extensions or amendments thereto, on behalf of the City and County of San Francisco; and to indemnify the Governor's Office of Business and Economic Development for liability arising out of the performance of this contract; and approving the grant agreement pursuant to Charter, Section 9.118(a).

WHEREAS, The members of the California Legislature have recognized the need for equity grant funding; and

WHEREAS, Funding has been provided to the Governor's Office of Business and Economic Development ("GO-Biz") to provide grant funds to local governments pursuant to the Business and Professions Code, Section 26240; and

WHEREAS, The Office of Cannabis ("Office of Cannabis") operates a local equity program for commercial cannabis activity, created by Ordinance No. 230-17, approved on December 6, 2017, and went into effect on January 5, 2018; and

WHEREAS, In December 2024, the Office of Cannabis submitted to GO-Biz an application for a grant from the Local Equity Grant Funding program to support the San Francisco Cannabis Equity Program and Equity Program participants; and

WHEREAS, In January 2025, GO-Biz awarded the Office of Cannabis a grant of \$3,324,052.50 in funds to support its Cannabis Equity Program; and

WHEREAS, The grant budget includes provision for indirect costs of \$332,405.25; and WHEREAS, The GO-Biz grant does not require an Annual Salary Ordinance amendment; and

WHEREAS, Matching funds are in the amount of \$1,793,767 and are sourced from eligible personnel costs and equity contributions; and

WHEREAS, The Office of Cannabis intends to use GO-Biz grant funds, including any positive interest accrued on the grant funds, to assist local equity applicants and permittees through its local equity program as described in its application for grant funds; now, therefore, be it

RESOLVED, That the Office of Cannabis is hereby retroactively authorized under Administrative Code, Section 10.170-1 to accept and expend up to \$3,324,052.50 of GO-Biz funds to assist local equity applicants through its local equity program for commercial cannabis activity; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby retroactively approves under Charter, Section 9.118 the grant agreement with GO-Biz included in the official file with a total not to exceed amount of \$3,324,052.50 for a grant term of April 1, 2025, through October 31, 2026, for grants to benefit equity cannabis businesses; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby approves inclusion of indirect costs in the amount of \$332,405.25 in the grant budget, and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Deputy City Administrator to execute by electronic signature on behalf of the Office of Cannabis and the City and County of San Francisco the grant agreement included in the official file, and any extensions or amendments to the grant agreement; and, be it

FURTHER RESOLVED, That any liability arising out of the performance of this contract, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency; GO-Biz and the State of California disclaims responsibility for any such liability; and, be it

FURTHER RESOLVED, Within 30 days of the Grant Agreement being fully executed by all parties, the Director of the Office of Cannabis shall provide a copy to the Clerk of the Board of Supervisors for inclusion in the official file.

Recommended:	/s/	Approved:	<u>/s/</u>
	NIKESH PATEL,		DANIEL LURIE
	Director, Office of Cannabis		Mayor
			•
		Approved:	/s/
			GREG WAGNER
			Controller



## City and County of San Francisco Tails

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

## Resolution

File Number: 250638 Date Passed: July 15, 2025

Resolution retroactively authorizing the Office of Cannabis to accept and expend a grant award in the amount of \$3,324,052.50 and to expend interest earned or accrued on grant funds for the grant term of April 1, 2025, through October 31, 2026, from the Governor's Office of Business and Economic Development for the Local Equity Grants Program for Local Jurisdictions; to execute the agreement with the Governor's Office of Business and Economic Development, and any extensions or amendments thereto, on behalf of the City and County of San Francisco; and to indemnify the Governor's Office of Business and Economic Development for liability arising out of the performance of this contract; and approving the grant agreement pursuant to Charter, Section 9.118(a).

July 09, 2025 Budget and Finance Committee - RECOMMENDED

July 15, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250638

I hereby certify that the foregoing Resolution was ADOPTED on 7/15/2025 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Daniel Lurie Mayor **Date Approved**