



City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION:

- 1) **AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH C4C, INC. (DBA CASE 4 CANNABIS) FOR A TWO-YEAR PERIOD IN AN AMOUNT NOT TO EXCEED SEVEN HUNDRED AND FORTY-FIVE THOUSAND THREE HUNDRED AND FIFTY-SEVEN DOLLARS (\$745,357) TO IMPLEMENT CANNABIS WORKFORCE CERTIFICATION AND ON THE JOB TRAINING PROGRAMS FOR EQUITY EMPLOYEES; AND**
- 2) **AUTHORIZING THE CARRYOVER OF UNSPENT FISCAL YEAR 2022-2023 GENERAL PURPOSE FUNDS IN AN AMOUNT NOT TO EXCEED ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) TO FISCAL YEARS 2023-2025 TO IMPLEMENT THE CANNABIS WORKFORCE CERTIFICATION AND ON THE JOB TRAINING PROGRAMS FOR EQUITY EMPLOYEES**

WHEREAS, the City of Oakland (City) conducted the nation's first race and equity analysis of the cannabis industry and adopted the nation's first Equity Program in the spring of 2017 with the goal of promoting equitable ownership and employment opportunities in the cannabis industry to address the disproportionate impacts of the war on drugs in marginalized communities of color; and

WHEREAS, the City's action led to the creation of California's Cannabis Equity Grants Program for Local Jurisdictions administered annually by the Governor's Office of Business and Economic Development (Go-Biz), and on February 7, 2022 Go-Biz awarded the City \$5,435,140.82 in Cannabis Equity Grants Program funding for 2022-2023; and

WHEREAS, due to security concerns and the lack of formal training institutions, cannabis businesses tend to hire people they know, reinforcing existing socio-economic disparities; and

WHEREAS, traditional job training programs lack subject matter expertise regarding cannabis specific issues; and

WHEREAS, the City seeks to interrupt this status quo by funding cannabis specific workforce development programs to provide applicable training and develop equitable employment outcomes; and

WHEREAS, on March 22, 2022, the Oakland Workforce Development Board approved the usage of up to three hundred and thirty thousand three-hundred and fifty seven dollars (\$330,357) in Go-Biz grant funding and any additional funding allocated by the City Council in the Fiscal Year (FY) 2022-2023 midcycle budget towards cannabis workforce development programming; and

WHEREAS, on May 3, 2022, the City Council adopted Resolution No. 89163 C.M.S. authorizing the City Administrator to appropriate up to three hundred and thirty thousand three-hundred and fifty seven dollars (\$330,357) in Go-Biz funding and any additional funding from the FY 2022-2023 Midcycle Budget to assist in the recruitment, training, and retention or equity employees; and

WHEREAS, on June 30, 2023, the City Council adopted the FY 2022-2023 Midcycle Budget via Resolution No. 89283 C.M.S., which invested two-hundred and fifty thousand dollars (\$250,000) towards cannabis workforce development programs under the Economic and Workforce Development Department’s budget plus an additional one million two hundred and fifty thousand dollars (\$1,250,000) under City Council Amendment Item Number C3 for targeted grants to enhance job readiness for Oakland residents who in years past have been personally subjected to the war on drugs; and

WHEREAS, fifty thousand dollars (\$50,000) of the three hundred and thirty thousand three-hundred and fifty seven dollars (\$330,357) in Go-Biz funds authorized for cannabis workforce development programing have been repurposed to support cannabis equity applicants holding special events; and

WHEREAS, a total of two hundred and eighty thousand three hundred and fifty-seven dollars (\$280,357) in Go-Biz funding remains available for cannabis workforce development programing, which when combined with funding from the FY 2022-2023 Midcycle Budget leaves one million seven hundred and eighty thousand three hundred and fifty seven dollars (\$1,780,357) available for cannabis workforce certification and on the job training programs; and

WHEREAS, in December 2019 the Oakland City Council adopted Ordinance No. 13573 C.M.S., which amended the City’s tax rates for cannabis businesses and established a tax rebate program focused on equity; and

WHEREAS, Ordinance No. 13573 C.M.S offers a tax rebate for cannabis businesses that hire “Equity Employees” under Oakland Municipal Code (OMC) 5.04.481; and

WHEREAS, OMC 5.04.481 defines an “Equity Employee” as either (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; and

WHEREAS, in the spring of 2022 the Economic and Workforce Development Department released a Request for Proposals (RFP) for an organization to develop (1) an Equity Employee certification training program to establish a pipeline of qualified prospective employees for the regulated cannabis marketplace and (2) an on the job training referral program for equity employees at Oakland cannabis businesses; and

WHEREAS, staff reviewed and scored the four RFP responses received and found C4C, Inc., doing business as Case 4 Cannabis, as the top respondent; and

WHEREAS, C4C, Inc. proposes partnering with Merritt College for training and the Oakland Private Industry Council for recruitment and verification of Equity Employees; and

WHEREAS, C4C, Inc. will be responsible for disbursing One Million Thirty-Five Thousand Dollars (\$1,035,000) in funds already approved by Council through Resolution No. 8923 C.M.S. and Resolution No.89163 C.M.S. for an on the job training program, among other responsibilities; and

WHEREAS, the City Administrator has determined that the aforementioned contract is of a professional and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

WHEREAS, staff is seeking authorization to carryover the unspent FY 2022-2023 General Purpose funds in an amount not to exceed one million five hundred thousand dollars (\$1,500,000) to fund the cannabis workforce certification and on the job training programs to FY 2023-2025; and

WHEREAS, OMC 2.04.030 requires City Council approval of professional service contracts in excess of two hundred fifty thousand dollars (\$250,000); therefore be it

RESOLVED: That the City Council hereby authorizes the City Administrator to enter into a two-year Professional Services Agreement with C4C, Inc. in an amount not to exceed seven hundred and forty-five thousand three hundred and fifty-seven dollars (\$745,357) to implement cannabis workforce certification and on the job training programs; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the carryover of unspent fiscal year 2022-2023 General Purpose funds in an amount not to exceed one million five hundred thousand dollars (\$1,500,000) to fiscal years 2023-2025 to implement cannabis workforce certification and on the job training programs, of which one million two hundred and fifty thousand (\$1,250,000) is currently available in General Purpose Fund (1010), Workforce Development (85311), Job Readiness Programs (1006467), Third-Party Grants (54912) and two hundred and fifty thousand (\$250,000) available in General Purpose Fund (1010), Workforce Development (85311), Cannabis Cooperative (1000105), Services: Miscellaneous Contract (54919); and be it

FURTHER RESOLVED: That funding for the professional services agreement with C4C, Inc. will be from two hundred and eighty thousand three hundred and fifty-seven dollars (\$280,357) in funding currently available in State of California Fund (2159), Special Activity

Cannabis (85621), Go Biz 3 Grant Project 1006381, Contract Services Account (54911), as well as with available General Purpose Funds carried forward from the FY 2022-2023 Budget; and be it

FURTHER RESOLVED: That following execution of the professional services agreement with C4C, Inc., C4C, Inc. is authorized to disburse One Million Thirty-Five Thousand Dollars (\$1,035,000) in available General Purpose Funds; and be it

FURTHER RESOLVED: That in accordance with Article IV, Section 401(6) of the City Charter, the agreements authorized by this resolution shall be approved by the City Attorney's Office as to form and legality before execution, and a copy of the fully executed agreements shall be placed on file with the Office of the City Clerk; and be it

FURTHER RESOLVED: That the City Administrator is authorized to complete all required negotiations, certifications, assurances, and documentation required to accept, modify, extend, and/or amend the above-referenced grants for services without increasing the amount of the grants except as specified above.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES – FIFE, GALLO, KALB, JENKINS, KAPLAN, RAMACHANDRAN, REID, , AND
PRESIDENT BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of
the City of Oakland, California