

REQUEST FOR PROPOSALS ADDENDUM CANNABIS BUSINESS DEVELOPMENT EQUITY PROGRAM

RFP Coordinator	Proposal Delivery Location
Amanda Park 503-823-3340 (direct) parka@prosperportland.us (email)	Email to: parka@prosperportland.us Subject Line: RFP: Proposal for CBD Equity Program
Addendum Number:	01
Issue Date of this Addendum:	Wednesday, May 23, 2018
Proposals Due:	Monday, June 4, 2018 by 2:00 p.m.

Prosper Portland is issuing this Addendum to the Request for Proposals named-above (the “RFP”) to make changes to the RFP funding allocation and answers question we received about this RFP.

1. Changes to the RFP

As noted in the RFP, the total funding available for this project is \$150,000. In the Budget section of the RFP (page 3), Prosper Portland indicated that \$100,000 should be allocated to deliver cannabis business technical assistance and that \$50,000 be allocated to direct grants to minority-owned cannabis businesses.

CHANGE: Upon receiving feedback from the public, Prosper Portland is modifying this funding split. Proposers may propose a different split, as long as the minimum available for technical assistance is \$75,000. In the budget chart, modified below, please indicate the amount you are proposing for direct grants to businesses in the line labeled “Grants Subtotal.”

PROGRAM DELIVERY (costs related to direct service)	
Staff 1	\$
Staff 2	\$
Staff 3	\$
Taxes & Benefits	\$
Materials and Services (office supplies, printing, consultant fees, etc)	\$
Operating Expenses (rent, utilities, insurance, etc)	\$
Other	\$
Program Delivery Subtotal	\$
<u>DIRECT GRANTS TO MINORITY-OWNED CANNABIS BUSINESSES</u>	
<u>Grants Subtotal (New)</u>	<u>\$</u>
PROGRAM ADMINISTRATION/OVERHEAD (not to exceed 15%)	
Staff	\$
Taxes & Benefits	\$
Other	\$
Program Administration Subtotal	\$
TOTAL	\$

2. Questions and Answers Regarding the RFP

a) What is the goal of Cannabis Business Development RFP?

The goal of the Inclusive Business Resource Network (IBRN) and the Cannabis Business Development (CBD) Equity Program is to help business owners build wealth and stability. The CBD Equity Program will also address the gap for specialized assistance to populations that have been disproportionately impacted from the prohibition of cannabis that would like to start a business in the cannabis industry.

b) Define ‘cohort model’

In a cohort model, business support services are delivered to a small group of business owners that are able to meet regularly and experience the training together. In this way they are able to build a network of support with other entrepreneurs.

c) Are you looking for one candidate or a few?

Given the grant size we can award up to two proposals.

d) Should collaborators be part of the proposal or could there be letters of support?

We are looking for proposers to demonstrate their ability to work collaboratively; this could be shown with letters of support. We also welcome partnership proposals.

e) Can you further describe the access to capital component mentioned in the RFP?

This RFP is an opportunity for organizations to propose how mini-grants could support small businesses, addressing one of the identified barriers for cannabis entrepreneurs. The grant funding should support between 10 and 20 businesses. *(see also #1 above)*

f) Are mini-grants sustainable for businesses in their infancy?

The mini-grants are meant to supplement other resources and would most likely not be sufficient to fully resource a start-up. However, we hope that the mini-grant can lessen the burden. We also encourage proposers to indicate how the mini-grant can be leveraged to maximize the benefit for small businesses, and to develop their program tailored to a specific business stage (i.e. start-up, growth, stable).

g) Are there any restrictions on serving start-ups?

Proposal can target businesses at any stage. Please indicate which stage of business you intend to target, how your program will address the unique challenges those businesses face, and how the mini-grant will be leveraged to maximize impact.

h) How long are services provided to recipients of the mini-grants?

Businesses awarded the mini-grant should receive 40 hours of technical assistance and would be eligible for the suite of city-funded services in the Inclusive Business Resource Network ([link](#)).

i) Have you identified gaps in technical assistance for cannabis businesses? What topics are you hoping that technical assistance will include?

Technical assistance for this RFP might include these topics:

- Providing or referring legal, bookkeeping, and accounting support (including advice on taxes)
- Providing one-on-one business development support (e.g., business and financial planning, marketing plan, digital marketing)
- Provide or coordinate training workshops for entrepreneurs, Inclusive Business Resource Network providers, or for cannabis entrepreneurs

3. Questions and Answers Regarding the RFP

[Attachment 1: Cannabis Tax Steering Committee Summary](#)

[Attachment 2: Community Survey Notes](#)

END OF THIS ADDENDUM



To: City Council

CC: City Budget Office

From: Commissioner Eudaly and Commissioner Fritz

Date: November 30, 2017

Re: Progress report on Recreational Marijuana Tax Budget Allocation

In its 2017-2018 budget cycle, City Council adopted the following budget note to address a portion of projected annual revenues from a tax on recreational marijuana sales, referred to the ballot by Council and passed by Portland voters in November 2016.

The note reads as follows:

Community-Driven, Inclusive Budgeting Process

The FY 2017-18 budget includes \$500,000 in Recreational Marijuana Tax revenue to be allocated via a community-driven, inclusive process, to be managed by the City Budget Office with guidance from Commissioners Eudaly and Fritz. The project managers shall report to Council by November 30th, 2017 on their progress.

Funding allocated through this process will go toward the following: support for neighborhood small businesses, especially women-owned and minority-owned businesses, including but not limited to business incubator programs, management training, and job training opportunities; and providing economic opportunity and education to communities disproportionately-impacted by cannabis prohibition.

Process Update

Since September, staff from the offices of Commissioner Eudaly and Commissioner Fritz, in partnership with the City Budget Office, convened a steering committee to develop a set of broadly-scoped project proposals that meet the intent of City Code. Representatives included minority-owned cannabis business owners, small business and workforce development program staff and restorative justice and legal advocates (see attached roster).

The steering committee met a total of five times and plans to convene for a final meeting in December. Participants were asked to propose and discuss various projects that met the allocation requirements as outlined in the budget note.

Proposed Projects

Record Clearing: Undo direct harm to those disproportionately impacted by cannabis prohibition by removing barriers to housing, employment, and education through legal support including but not limited to expungement, fine reduction, and charge reduction

Workforce Development: Create pathways for people of color to obtain family-wage jobs, including, but not limited to, training, mentorship, stipends for worker permits, and innovation within the cannabis industry

Industry Support: Remove financial barriers to entering the cannabis industry, including, but not limited to, startup capital, incubator/office space, and grants to existing businesses for one-time costs (such as equipment, etc.).

Technical Assistance: Provide support for entrepreneurs, including but not limited to business education, navigators, OSHA, and legal services

Next Steps

These proposed projects will be included in a survey and distributed to impacted communities in December and January for direct feedback. It is our intention to ask the populations most directly impacted by previous cannabis laws to not only weigh in on these proposals, but to suggest any additional project ideas that were not otherwise identified through the steering committee process.

Our offices will evaluate the feedback received and then facilitate a special appropriation grant process to distribute the money to organizations best suited to do the work as identified by the community. We anticipate that the grant process will begin by February 2018 and will conclude sometime in March or April, at which time we will come before Council for final approval of the grant awards. Grant recipients must spend the funds awarded to them by June 30, 2019.

Please contact our offices if you have questions or would like a more detailed briefing on the process to-date.

Respectfully submitted,



Commissioner Chloe Eudaly



Commissioner Amanda Fritz

Attachment 2

Cannabis Tax Steering Committee – Community Survey Feedback

Community Survey

Subsequent to the steering committee process, the City received 120 responses from an online survey, in which respondents were asked to prioritize four potential funding areas identified by the steering committee: record clearing, workforce development, cannabis industry support and technical assistance.

Synopsis of survey results: there was overwhelming support for record clearing and workforce development, with 75-85% of respondents deeming these funding areas important or very important. On the industry support/technical assistance side, closer to 45-55% of respondents put these areas in the important/very important category. Over 50% of participants said they or someone they know is negatively impacted by cannabis prohibition. In the short answer section, respondents stressed the need to address barriers that people with prior records face in getting a job, loan or housing. In our steering committee discussions, we talked about the “pipeline” or chronology of helping folks first on the criminal justice side, through reentry, and then moving into small business development opportunities. The survey respondents reflected this chronology as a priority order of action, leading us to the decision to allocate, of the total \$500,000: \$350,000 to the areas of record clearing and workforce development (which is not specific to the cannabis industry and includes a broader range of re-entry support) and \$150,000 to cannabis industry support/technical assistance in this funding cycle.