

# City of Portland: Cannabis Social Equity Grant Program



# Cannabis Social Equity Grants

The Cannabis Social Equity Grant program is a tool for restorative justice, community reinvestment, and wealth creation in communities that have been most impacted by cannabis prohibition.

# Program aligns with the City of Portland Comprehensive Plan:

- Economic prosperity
- Equity
- Resilience

# Program also aligns with:

- Office of Community & Civic Life: 5-Year Racial Equity Plan
- Citywide Racial Equity Goal 3



OFFICE OF  
Community  
& Civic Life



# Year 1

Portland Ballot Measure 26-180 established a 3% local tax on sale of recreational cannabis to be used for:

- Drug and alcohol education and treatment
- Public safety investments
- **Support for small businesses, especially women-owned and minority-owned businesses... and economic opportunity and education to communities disproportionately impacted by cannabis prohibition**



# Cannabis Social Equity Grant Review of Year 1

- Community survey to identify priority areas for reinvestment of cannabis tax revenue
- Cannabis Tax Steering Committee recommendations

# Year 1 Priority Funding Areas:

## **\$350,000 – Office of Management & FinanceMF's Grants Office:**

- Expungement and record-clearing
- Workforce development

## **\$150,000 - Prosper Portland:**

- Small business development and technical support (NuLeaf)



# Selection process for \$350k managed by OMF Grants Office:

- Nine (9) applications received
- Selection committee recommended three projects for funding
- Recommended projects were approved by Council in August 2018

# Year 1 Projects Funded by \$350k

- **Metropolitan Public Defender Services:** Community Coalition  
Record Clearing Clinics
  - \$154,845
- **Green Hop:** Green Hop Academy
  - \$95,155
- **Portland Opportunities Industrialization Center + Rosemary Anderson High School:** Construction Pre-Apprenticeship Program
  - \$100,000

# Year 1 Outcomes to-date\*

- All projects are on track to meet outcomes ID's in grants
- More than 800 Portlanders have received services from programs funded by the Cannabis Social Equity Grant

*\*Final reports for Year 1 due Oct. 30, 2019*

# **Cannabis Social Equity Grants: Year 2**

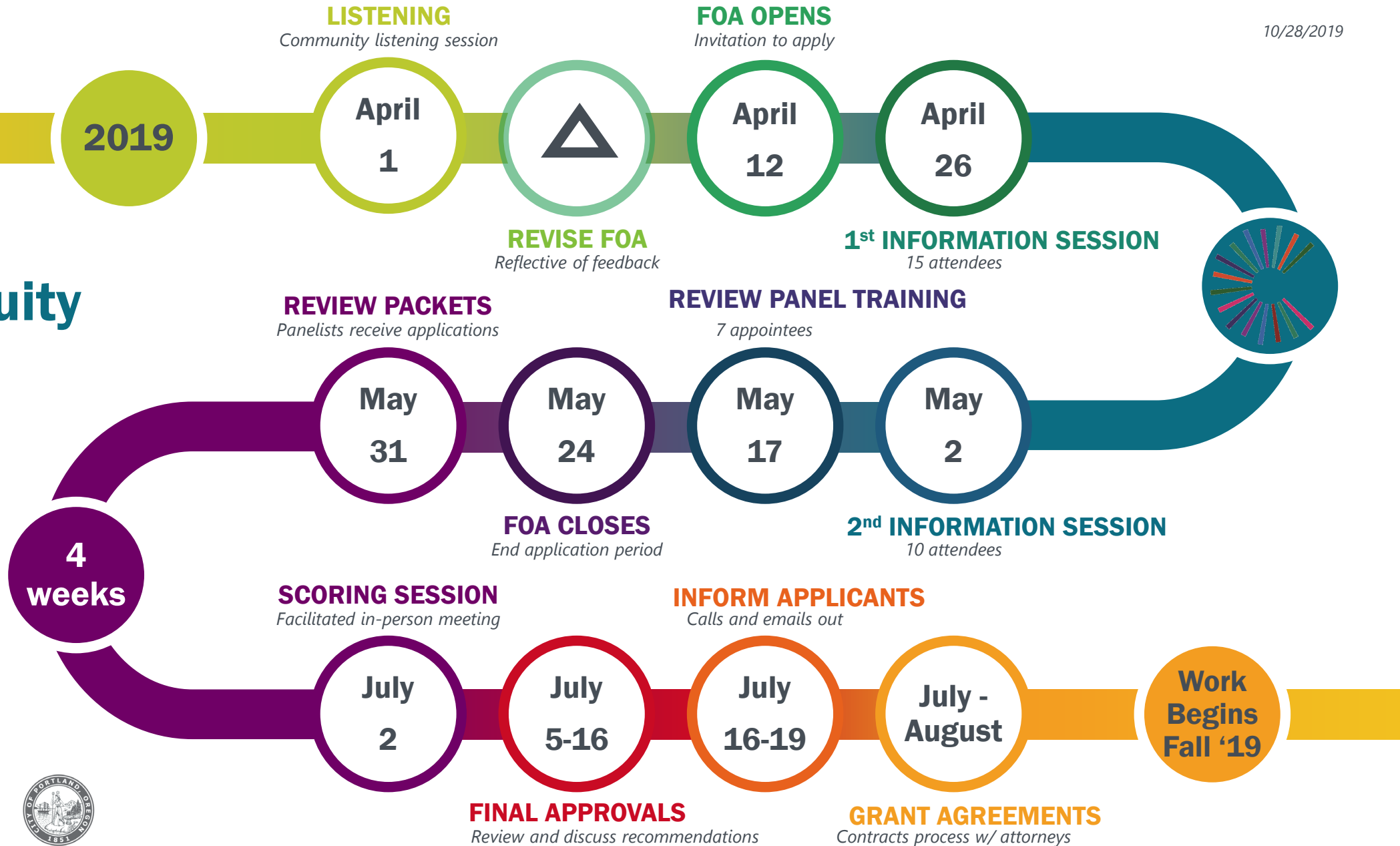


# Proposed funding for Year 2 of Cannabis Social Equity Grants:

- Received 32 apps. (\$3.8 million) - 3x more than Year 1
- Proposing to fund six (6) projects / programs at \$631,321
- Reinvestment in communities most harmed by cannabis prohibition

# Cannabis Social Equity Grant Year 2

Grantmaking  
Timeline



# Cannabis Social Equity Grants: Year 2

- Grants now administered by Civic Life's Cannabis Program
- One additional priority funding area
- Community listening session to shape application



# Year 2 priority funding areas

**\$490,000 for:**

- Expungement and record-clearing
- Workforce development
- Re-entry housing

**\$210,000 to Prosper Portland for:**

- Small business development and technical support (NuLeaf)

# Selection process

- 32 applications received
- \$3.8 million in need
- Review panel recommended six projects for funding
- Panel donated >230 hours of time
- All Year 1 projects were recommended for Year 2 funding

# Proposing Year 2 Grants:

- Requesting approval to fund these six (6) projects / programs at \$631,321
- Retroactive start date of October 1, 2019

# Proposing Year 2 Grants:

- Review Panel recommended the City utilize \$141,321 of currently available FY 19-20 cycle funds to fund the top six (6) applications
- Leaves \$758,679 for FY 19/20 cycle

# Projects proposed for continued Year 2 funding

- **Portland Opportunities Industrialization Center + Rosemary Anderson High School:** Construction Pre-Apprenticeship Program (\$100,000)
- **Metropolitan Public Defender Services:** Community Coalition Record Clearing Clinics (\$150,000)
- **Green Hop:** Green Hop Academy (\$150,000)

# New proposed projects for Year 2

- **SE Works:** YouthWorks (\$71,321)
- **Voz:** Building Economic Power for Day Laborers (\$60,000)
- **Constructing Hope:** Building Equity (\$100,000)

# One Year 2 applicant requested a scope modification:

- Increase pay rate for participants
- Increase 26-week apprenticeships from 5 to 7 total
- Reduce 10-week internships from 20 to 10 total
- No change to overall requested amount



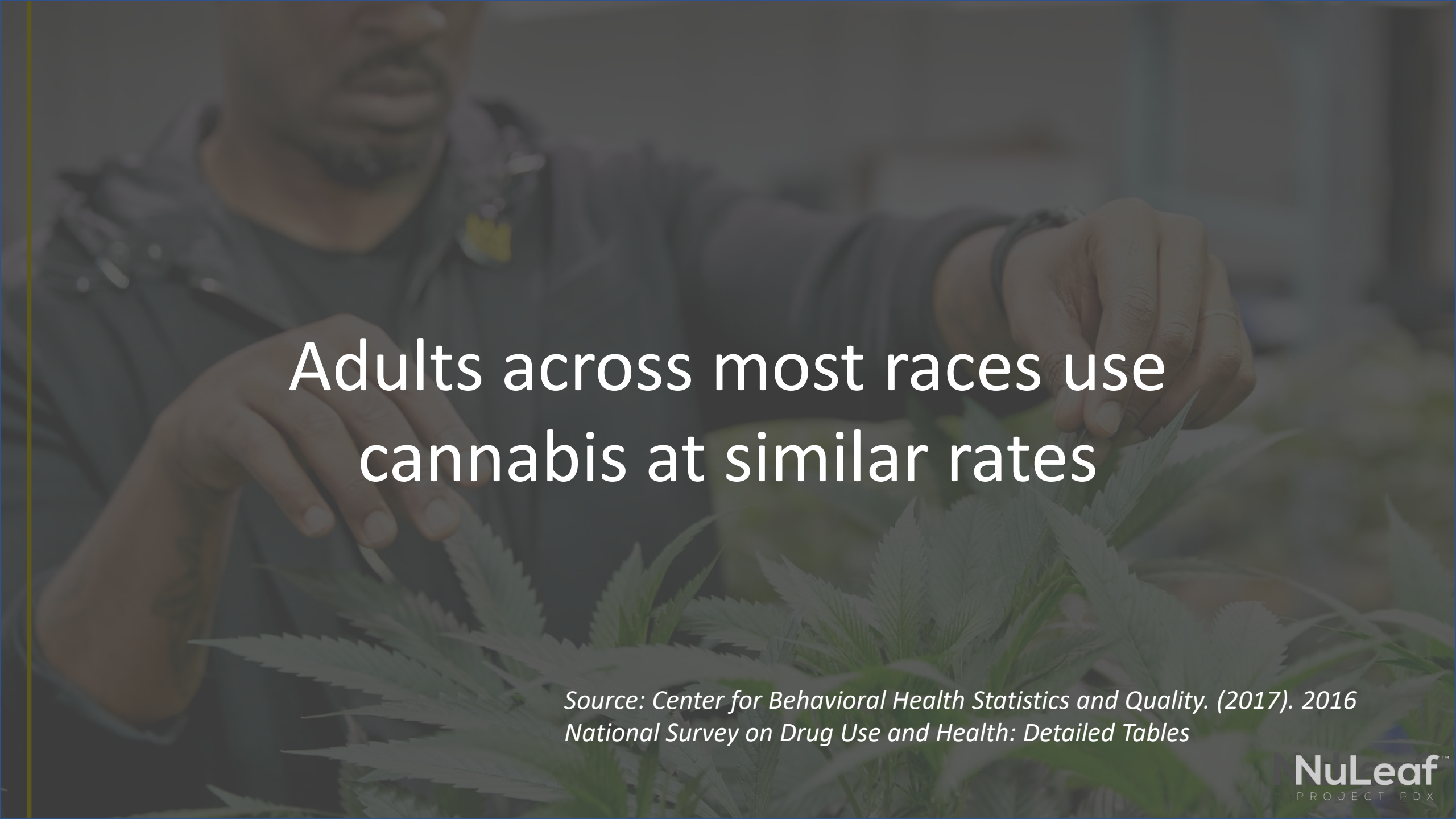
# What we've learned, how we've adapted, what we still need to do:

- Increase support for applicants
- Continue to improve our grantmaking process
- Seek out strategic opportunities to make upstream changes and investments
- Deepen community relationships and engagement

A man with a beard, wearing a dark lab coat over a grey t-shirt, is shown from the chest up. He is holding and examining a cannabis plant with serrated green leaves. The background is slightly blurred, showing more of the plants. A dark diagonal overlay covers the left side of the image, where the text is placed.

# NuLeaf<sup>TM</sup>

PROJECT FDX

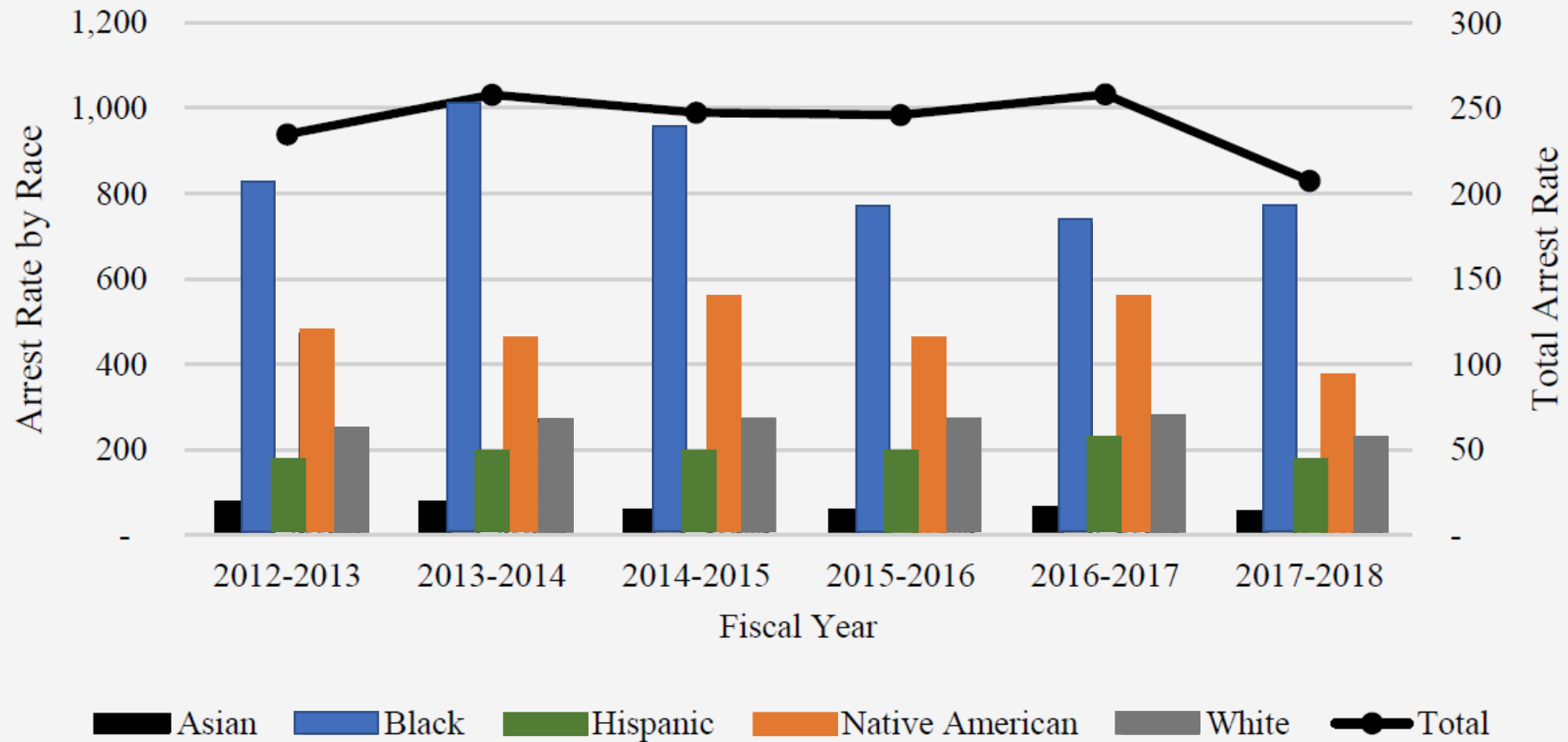
A person wearing a uniform with a badge is shown from the chest up, tending to a large cannabis plant. The person's hands are visible, carefully handling the leaves. The background is slightly blurred, showing more of the plant and the person's uniform. The overall tone is professional and focused on cannabis cultivation.

# Adults across most races use cannabis at similar rates

*Source: Center for Behavioral Health Statistics and Quality. (2017). 2016 National Survey on Drug Use and Health: Detailed Tables*

# Possession of Controlled Substances: Arrest Rates by Race

Figure 3.5.1.1. Statewide PCS Arrest Rates by Race

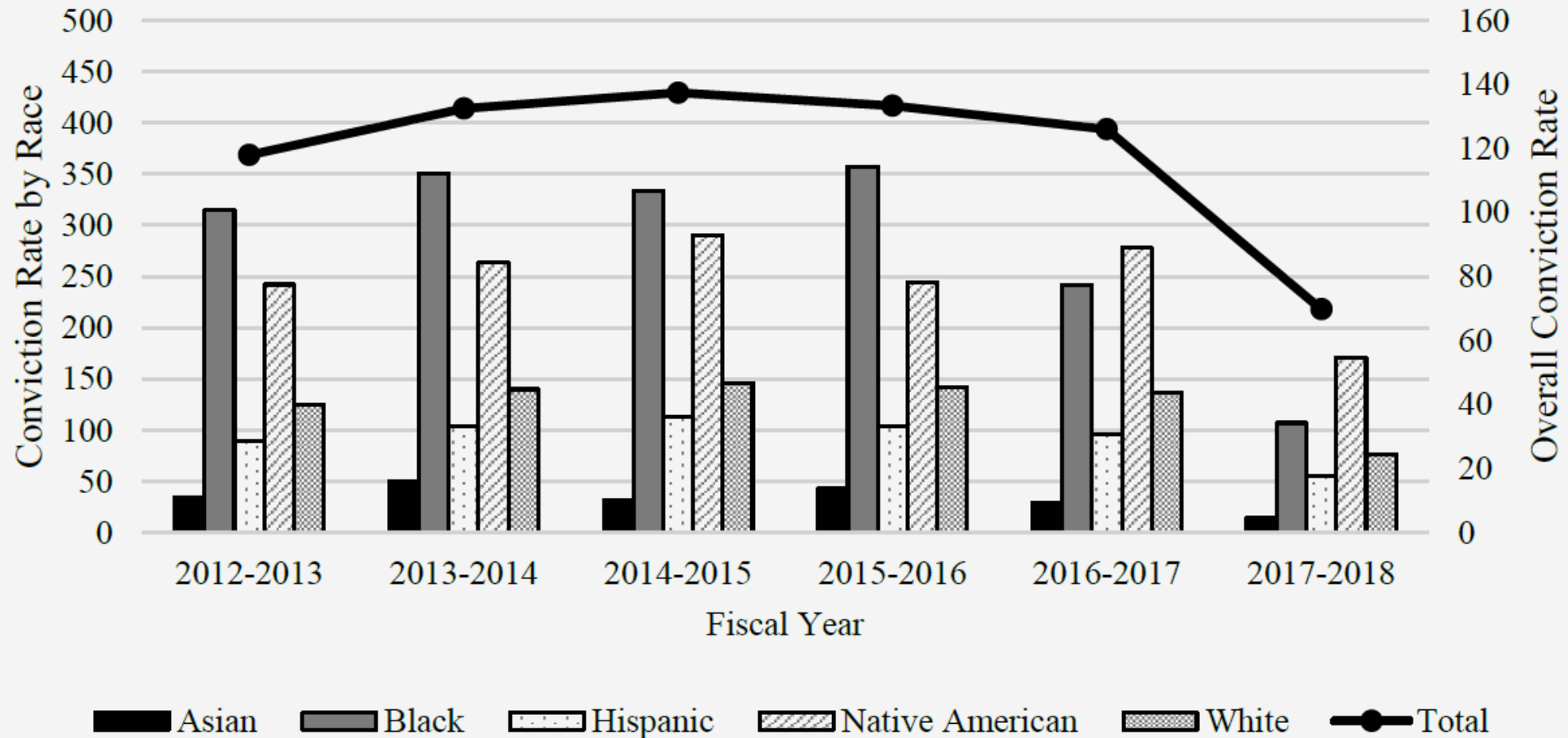


**Source:** Possession of Controlled Substances Report Per House Bill 2355 (2017)



# Possession of Controlled Substances: Felony Conviction Rates by Race

Figure 3.5.1.2. Statewide Felony PCS Conviction Rates by Race



**Source:** Possession of Controlled Substances Report Per House Bill 2355 (2017)

# Cannabis arrest and/or conviction can lead to...

- Loss of work
- Loss of freedom
- Legal fines and fees
- Loss of a parent
- Loss of a partner
- Loss of custody
- Denied loans
- Denied assistance
- Denied right to vote
- Denied housing
- Denied student aid
- Deportation

POVERTY


ENTREPRENEURIAL  
OWNERSHIP

ARREST RATES

EDUCATION

NEIGHBORHOOD  
& NETWORKS





**“Differences in startup capital are one of the **biggest factors** behind racial disparities in entrepreneurial success.”**

(Center for Global Policy Solutions, 2016)

**“Lower levels of startup capital explain **much of the difference** between the success rates of Black and White businesses.”**

(Race & Entrepreneurial Success, MIT, 2010)

# NULEAF IMPACT

\$30,000 grantee

+143% Sales as of April 2019

+1 employee hired first employee to support CEO/founder

-58% COGS through volume purchasing

SEO strength Achieved 1<sup>st</sup> position Google ranking





[nuleafproject.org](https://nuleafproject.org)

**NuLeaf**<sup>™</sup>  
PROJECTED<sup>™</sup>



**Portland  
Opportunities  
Industrialization  
Center + Rosemary  
Anderson High  
School**

**POIC**®

Portland Opportunities Industrialization Center

+

**RAHS**®

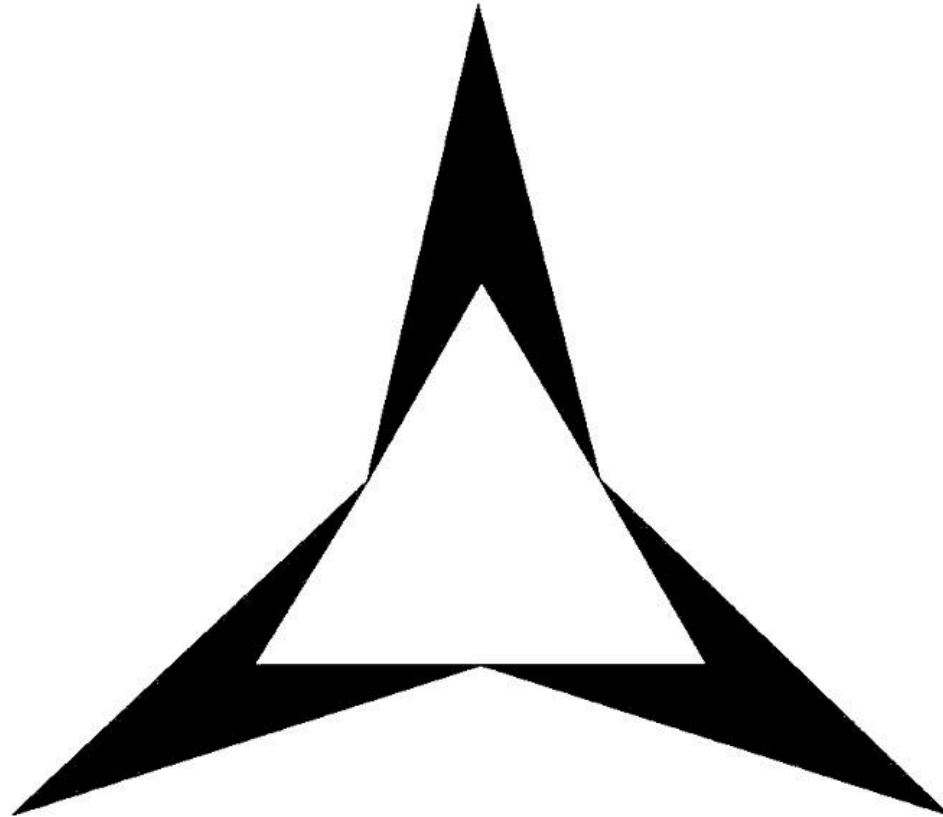
Rosemary Anderson High School



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# Metropolitan Public Defender Services





# GREEN HOP

**The Hip Hop Dispensary**



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**voz**

**WORKERS'  
RIGHTS  
EDUCATION  
PROJECT**



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# Constructing Hope

## Pre-Apprenticeship Program



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# Cannabis Social Equity Grants

[portlandoregon.gov/CannabisTax](http://portlandoregon.gov/CannabisTax)