



Jo Ann Hardesty, *Commissioner*
Michael Montoya, *Interim Director*
1120 SW 5th Avenue, Suite 114
Portland, OR 97204
503-823-4519
portlandoregon.gov/civic/cannabis

Exhibit A

Cannabis Emergency Relief Fund (CERF)

The Cannabis Emergency Relief Fund (CERF) has been developed to provide \$456,901 in grants of *up to* \$25,000 to small, licensed Cannabis businesses within Portland city limits and *up to* \$5,000 to Cannabis industry workers economically impacted from Covid-19, vandalism, robberies, wildfire, and the residual effects of illness, trauma, and grief suffered from such impacts.

Business Eligibility:

- Business is located in the City of Portland.
- Business headquarters must be located in Oregon and business must be doing business in Portland, Oregon.
- Business must be a licensed, cannabis business in good standing with the City of Portland Cannabis Program AND
 - Historically Disadvantaged-owned OR
 - Hold three (3) or less pending or active Marijuana Regulatory Licenses by Oregon Liquor Control Commission (OLCC) AND
 - If business began operating on or after January 1, 2020 had annual receipts of less than \$2.0 million in annual revenue for calendar year 2020
 - If business began operating on or after January 1, 2021 had annual receipts of less than \$2.0 million in annual revenue for calendar year 2021
- Business has at least one full time employee (unless sole proprietorship/owners may also count as an employee).
- Applicants' employees must be on their payroll and have payroll taxes withheld. Independent Contractors do not count toward employee numbers
- Be registered, current, and in good standing with the Oregon Secretary of State Office
- Be current and in good standing with local, state, and applicable federal taxing and licensing authorities.



The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 503-823-4000, Relay: 711.

503-823-4000: Traducción o interpretación | Chuyển Ngữ hoặc Phiên Dịch | 翻译或传译 | Письменный или устный перевод | Traducere sau Interpretare | Письмовий або усний переклад | 翻訳または通訳 | Turjumida ama Fasiraadda | ڤولڤورتون ڤولڤورتون ڤولڤورتون | الترجمة التحريرية أو الشفهية

- Applicable licenses be compliant and in good standing with local and state licensing agencies.
- Meet program technical requirements including ability to provide financial records.
- Certify intent to remain in operation for at least six months.
- One-time eligibility within the fiscal year.
- Funds must be applied only to licensed business and/or its employees within Portland.
- Businesses with multiple licenses are not eligible for multiple grants. Business must choose which license/location to apply funds to.
- Not eligible for expenses covered by other grants and/or insurance.
- Ancillary cannabis businesses are also eligible to apply, as a business, for grant funding if they are located in the city of Portland and have a Portland business license.
 - An ancillary business is defined as :
 - (A) A business able to document that 80% or more of their revenue is generated from providing services to the cannabis industry or
 - (B) A business that is operating under, or partnered with, an OLCC licensed cannabis businesses through any type of agreement including but not limited to licensing agreements or co-packing agreements and 80% of their revenue is derived from cannabis businesses holding a Portland and OLCC marijuana license.

Individual Eligibility:

- Working in the City of Portland
- Must be working on behalf of an OLCC licensed producer, processor, wholesaler, or retailer, including the licensees working in a licensed business or managing information in CTS, AND
 - Have an approved and active OLCC Marijuana Worker Permit or have taken the marijuana worker permit test and submitted their marijuana worker permit application to OLCC prior to working for a licensed OLCC recreational marijuana business AND
 - Be part of a historically disadvantaged population, OR
 - Annual Income does not exceed 70% of median income for City of Portland metro area
- OR Must have previously worked on behalf of an OLCC licensed producer, processor, wholesaler, or retailer and laid off and/or terminated after March 2020, AND

- Have proof of an OLCC Marijuana Worker Permit expired after March 2020
- Be part of a historically disadvantaged population, OR
- Annual Income does not exceed 70% of median income for City of Portland metro area

Eligibility Expenses:

- Personal Protective Equipment associated with Covid-19
- Rent or mortgage payments on real property
- Other expenses reasonably necessary to keep the Eligible Business operational, and to safely meet local, state, and federal COVID-19 mitigation
- Utility expenses
- Telephone & Internet expenses
- Business Insurance
- Maintenance and repairs needed to restore premise following damage from vandalism or break-in
- Increased security measures needed to maintain safe working environment (does not include armed security guards or purchase of firearms or other weapons)
- Payroll costs and expenses
- Expenses associated with employees need for time off due to Covid-19 for self or to care for dependents (Not to exceed two (2) weeks or 80 hours of pay)
- Expenses to cover trauma or grief counseling associated with robberies or wildfire
- Cost to cover medical expenses due to Covid19 for self or dependents
- Cost to cover past due balances of Marijuana Regulatory Licenses in order to remain in compliance
- OLCC Marijuana Worker Permit costs
- This list is not exhaustive and may include reimbursable expenses

Not Eligible Expenses:

- Hiring of armed security guards
- Purchase of firearms or other weapons
- Purchase of product
- Expenses associated with new business start-up
- Taxes
- Lost profits
- Lost revenue
- Entertainment and lobbying expenses
- Damages covered by insurance

- Costs that have been, or are expected to be reimbursed by any other local, state, or federal government or private program
- Value of any products or cash taken during robbery or lost due to wildfire
- Severance pay and benefits
- Legal expenses or settlements, fines, or penalties
- Other expenses may be deemed ineligible in accordance with program rules

Examples of Documents Needed:

- Proof of good standing from Oregon Secretary of State
- OLCC documentation showing licenses and/or permits in good standing
- Federal/State tax records filed for 2020 and/or 2021
- Proof of current employment status and/or termination after March 2020
- Profit and Loss Revenue Forms
- Verification of rent/mortgage expenses
- Bills for cost of doing business (utility, telephone, internet, etc.)
- Certified payroll documentation
- Documentation showing expenses incurred due to business interruption caused by Covid-19, vandalism, robbery, wildfire etc.
- Verification of expenses not covered by insurance
- Bank or credit card statements
- Invoices, purchase orders, receipts

Application Process:

- City of Portland Cannabis Program will work with Community Partners for administration of funds.
 - Community partners will receive up to 20% administrative fee
 - Community partners will only be allowed to utilize funds to administer CERF and not for their own operating budgets.
 - The administrative fee is for marketing, outreach, intake, processing, verification, payment and reporting for CERF.
 - Emergency funds will be available starting in October 2022 and must be fully disbursed by June 2023.
 - Eligible applicants are encouraged to apply directly to the Community Partner of their choice for emergency relief funds
- CERF Applications will be accepted and reviewed on a rolling basis until all funds are disbursed or end of FY (June 30, 2023), whichever is first
- CERF Applications will be assessed on level of need and relief request. Community partners have a discretion to award less than requested based on assessment.

- Funds are prioritized for historically disadvantaged populations (Minority, Women, Veteran, Small and/or Low-Income) and will be disbursed based on level of need
 - Individuals are eligible for *up to* \$5,000 in emergency relief
 - Businesses are eligible for *up to* \$25,000 in emergency relief
 - Individuals and entities may only qualify for and receive funds ONE TIME in the FY applied for
- Verification must be provided for how funds are applied if selected. Acceptance of grant funds are agreeing to be subject to an audit.
- Grant awards are subject to state and federal tax laws. Community Partners will issue IRS Form 1099 to each grant recipient
- Funds do not need to be repaid unless it is determined the information contained within the application was false, fraudulent, or misleading or if payment is otherwise prohibited by CERF program rules

CERF Community Partners:

NuLeaf Project (\$456,901)

- NuLeaf Project's (NLP) mission is to build generational wealth via the legal cannabis industry for the communities disproportionately harmed by cannabis criminalization – Black, Indigenous, and Latina/o/x communities. NLP's programs are designed to increase success outcomes for people of color in the cannabis industry either as business owners or professionals. Founded in 2018, NuLeaf Project provides funding, education, and business coaching to cannabis entrepreneurs of color. NuLeaf Project also helps professionals of color find careers in cannabis via a jobs board. To date, NuLeaf Project has funded more than \$1,500,000 to cannabis businesses 100% owned by founders of color and/or founders arrested for cannabis.
- Under the incubation of NuLeaf Project and a dedicated **\$50,000, Cannabis Workers Coalition** will help extend support specifically to individuals working in the cannabis industry.
 - The Cannabis Workers Coalition (CWC) is a non-profit community-based work center that organizes and provides support to low wage workers who are not already members of a collective bargaining organization or have been legally excluded from coverage by U.S. labor laws. CWC continuously strives to reduce barriers to access by educating employers and industry leaders on how to implement fair and equitable workplace conditions and shift toward more inclusive systemic practices.

TIMELINE:

- a. Phase I CERF: Partner vetting, contract process and development of the CERF Program requirements, application and details,
- b. Phase II CERF: Meeting with Commissioner-in-Charge and preparation for City Council Emergency Ordinance
 - Time certain ordinance: **July 27, 2022 at 2:00pm**
 - Communication & Media Outreach for initial announcement
- c. Phase III CERF: Finalize grant agreement, process disbursements and CERF program “training” with Community Partners to prepare for launch & roll-out.
 - CERF Grants available **starting in October 2022**
 - Communications & Media Outreach for ongoing promotion