

QUESTIONS AND ANSWERS REGARDING
THE CANNABIS EQUITY PROPERTY PURCHASE PROGRAM

Date January 1, 2021

- 1. Will the City of Oakland allow equity applicants who are part of group selected to purchase a property with City of Oakland funds to exit the project at some point in the future?**
 - a. Yes, equity applicants that are part of a group selected to purchase a property may exit the project in the future and even transfer their interest in the project to different equity applicants who are interested in being involved in the project. The precise requirements for equity applicants exiting and entering the project will be outlined in the loan agreement between the City of Oakland and the equity applicants selected through the RFP process.
- 2. Can equity applicants seek funds from investors to supplement the funds they receive from the City of Oakland to purchase a property, and if so, from the City's perspective, what is acceptable for investors to ask for in return?**
 - a. Yes, equity applicants can supplement City funds with funds from investors and other lenders. The City will evaluate proposed financing and project projections in addition to any investor and lender terms when evaluating the project's feasibility at the time of reviewing the applicant's proposal. The City will require the ability to cure certain defaults and seek other protections to protect the City's investment in the project, however.
- 3. Are specific points to be awarded based on the number of equity licensees involved in the proposed project?**
 - a. No.
- 4. Can activity on the property be cannabis related, while not being commercial cannabis activity? In other words, can programs be sited at the facility, in addition to commercial cannabis activity?**

- a. Yes, however, the goal of the project is to support as many viable equity employees and businesses as possible so any space utilized for non-commercial cannabis activity should support the businesses and employees onsite. Requests will be reviewed in connection with the City's review of the applicant's proposal.

5. Will proposals submitted by qualified equity applicants still awaiting full licensure be entertained? Will it hurt their chances to not yet be permitted and licensed?

- a. Equity applicants are not required to be permitted and licensed in order to submit a proposal.

6. Are funds specifically limited to property purchasing? Or can they be used for build out, staffing needs, property taxes, or other purposes?

- a. The funds for this project are limited to the purchasing and improving of property(ies) that support equity businesses and employees.