

File ID: 2026-00596

3/17/2026

[Grant] Governor's Office of Business and Economic Development (GO-Biz) Cannabis Equity Grant for Local Jurisdictions

File ID: 2026-00596

Location: Citywide

Recommendation: Adopt a **Resolution** authorizing the City Manager or designee to: 1) execute any and all necessary documentation, including a standard agreement to accept the Governor's Office of Business and Economic Development (GO-Biz) Cannabis Equity Grant for Local Jurisdictions in the amount of \$3.5 million, subject to the City Attorney's approval as to form; and 2) establish the revenue and expenditure budgets for the GO-Biz Cannabis Equity Grant project (G02420900).

Contact: Peter Coletto, Director, (916) 808-5416, pcoletto@cityofsacramento.org, Department of Finance; Al Romero-Gibu, Cannabis Manager, (916) 808-4772, aromerogibu@cityofsacramento.org; Lindsay Brown, Administrative Officer, (916) 808-5931, lkbrown@cityofsacramento.org; Office of Cannabis Management

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A - GO-Biz Equity Grant Award Letter

Description/Analysis

Issue Detail: GO-Biz appropriated \$15 million in grant funds to qualifying jurisdictions that demonstrate an intent to develop a cannabis equity program or that has adopted and operates a cannabis equity program. The GO-Biz social equity grant focuses on the inclusion and support of individuals in California's legal cannabis marketplace who are from communities that have been disproportionately impacted by cannabis criminalization. The grant funds are intended to reduce barriers for entrance into the legal cannabis industry for social equity community members.

The City qualified for this grant due to Council's establishment of the Cannabis Opportunity Reinvestment and Equity (CORE) program on August 9, 2018 (Resolution 2018-0323). The CORE

program is intended to reduce the barriers of entry into cannabis businesses for a current or former resident of the city who previously resided in or currently resides in a low-income household and either: a) has been arrested for or convicted of a cannabis-related crimes between 1980 and 2011, b) is an immediate family member of such a person, or c) has lived in certain zip codes for at least five years during that timeframe.

On December 8, 2025, the Office of Cannabis Management (OCM) applied for these grant funds as Type 2: Assistance for Equity Program Applicants and Licensees. OCM was notified by GO-Biz on January 14, 2026, that the City would be awarded \$2.5 million in grant funds with a stipulation for \$1 million in matching funds. Per the grant guidelines, funds must be expended within one year from disbursement.

Accordingly, the GO-Biz grant funds will be used to support a grant program to assist local cannabis equity participants to enter and operate in the regulated cannabis marketplace. There continues to be a large gap between CORE participants and CORE applicants and cannabis business permittees. This is attributable in great part to the capital-intensive requirements to enter the regulated cannabis marketplace and the lack of generational wealth experienced by most CORE participants.

Attached is the resolution that includes the State-mandated language authorizing the City Manager, or City Manager's designee to execute all necessary documents to accept the GO-Biz grant funds (Attachment 2).

Policy Considerations: The recommendations in this report are consistent with Council Resolution 2021-0198, Section 11, which requires Council approval to accept grant funding, to establish a grant project, and to appropriate funding when the grant award is \$250,000 or more, and when such action is required by a grantor. In addition, to accept the grant, GO-Biz requires that the local agency enter into a standard agreement with GO-Biz and obtain a resolution authorizing the local jurisdiction to enter into the standard agreement and designating by title the individual authorized to sign the agreement on behalf of the local jurisdiction.

On November 18, 2025, Council approved agenda item 2025-01883 authorizing the City Manager, or the City Manager's designee to execute the application and subsequent agreement for the Governor's Office of Business and Economic Development (GO-Biz) Cannabis Equity Grant for Local Jurisdictions in the amount of \$2.5 million.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This action concerns administrative and professional activities that will not have a significant impact on the environment, and therefore, does not constitute a "project" as defined by the CEQA Guidelines, per Sections 15061 (b)(3) and 15378(b)

(2).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The GO-Biz grant funds will allow the City to continue its grant program that CORE program participants can utilize to fund start-up costs associated with securing a location and other expenses incurred when establishing a cannabis business.

Financial Considerations: The State grant program requires a local match of \$1 million. Existing resources in the City's CORE Multi-Year Operating Project qualify as local match and will be transferred to a new grant project for this program. The framework for this grant program is similar to the FY2024/25 Go-Biz cannabis grant. Approval of this item would establish a new grant project with a revenue and expenditure budget of \$3.5 million and support the City's goal of reducing barriers to entry into the legal, regulated cannabis industry for social equity community members.

Local Business Enterprise (LBE): Not applicable.

RESOLUTION NO.

Adopted by the Sacramento City Council

**GRANT: THE GOVERNOR'S OFFICE OF
BUSINESS AND ECONOMIC DEVELOPMENT CANNABIS EQUITY
GRANT PROGRAM FOR LOCAL JURISDICTIONS**

BACKGROUND

- A. On August 9, 2018, the City Council established the Cannabis Opportunity Reinvestment and Equity ("CORE") program to provide special assistance for entering in the commercial cannabis industry to individuals who were impacted by the disparate enforcement of cannabis related crimes.
- B. The members of the California Legislature have recognized the need for cannabis equity grant funding and passed AB 97 to provide equity grant funds to local governments (Stats. 2019, Ch. 40)
- C. Funding has been provided to the Governor's Office of Business and Economic Development (GO-Biz) to provide \$15 million in grant funds to local governments that implement a local equity program.
- D. On December 8, 2025 the Office of Cannabis Management applied to GO-Biz for the grant funds and on January 14, 2026, received \$3,500,000 in total funding, \$1,000,000 of which is matching funds from The City.
- E. The City of Sacramento has determined that it will use the GO-Biz grant funds to assist social equity applicants and permit holders through the CORE Program as described in the application for grant funds.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager, or the City Manager's designee, is authorized to execute by electronic signature on behalf of the City of Sacramento the grant agreement with the Governor's Office of Business and Economic Development, including extensions or amendments thereof, subject to the City Attorney's approval as to form.
- Section 2. It is agreed that any liability arising out of the performance of this grant agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the city. The Governor's Office of Business and Economic Development and the State of California disclaim responsibility for any such liability.

Section 3. The City Manager, or the City Manager's designee is authorized to establish the GO-Biz Cannabis Equity Grant Project (G02420900) in the amount of \$2,500,000 along with the revenue and expenditure budget in the Operating Grant Fund (Fund 2702)

Section 4. The City Manager, or the City Manager's designee is authorized to transfer \$1,000,000 for the City's grant match from the CORE Multi-Year Operating Project (I024200000) to the GO-Biz Cannabis Equity Grant Project (G02420900)

Section 5. Exhibit A is part of this Resolution.

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Exhibit A – GO Biz Equity Grant Award Letter



January 14, 2026

Lindsay Brown
Administrative Officer
Office of Cannabis Management
916 I Street, 3rd Floor
Sacramento, CA 95814

Dear Lindsay Brown,

Thank you for your Type 2 grant application for the Cannabis Equity Grants Program for Local Jurisdictions. Based on our review of your application, we are pleased to inform you that the **City of Sacramento** is eligible for a grant award of **\$2,500,000.00**. Your required matching funds amount is **\$1,000,000.00**. In order to proceed with providing you a grant agreement for signature, please provide the following to CEG@gobiz.ca.gov:

1. Please review your enclosed budget spreadsheets. As soon as possible, and no later than **January 23rd**, please make any updates in order to finalize your budget for inclusion in your grant agreement.
2. All grant agreements must be signed via our electronic signature platform, DocuSign. Please provide the name, title, and email address for the individual that will sign the grant agreement no later than **January 23rd**.
3. In order to receive grant funding a resolution is required from the jurisdiction's governing body authorizing the jurisdiction to enter into the grant agreement with GO-Biz and designating by title the individual who is authorized to sign the agreement on behalf of the jurisdiction. It is important to place a resolution request on the governing body's agenda immediately to avoid funding delays. A sample resolution is attached. Authorizing resolutions must be received by GO-Biz no later than **March 31, 2026**.

The approved resolution MUST contain all of the components found in the attached sample resolution exactly as indicated and must match its format.

The grant agreement must be signed by the jurisdiction using DocuSign no later than **March 31, 2026**.

Congratulations, and we look forward to working with you! Please contact us if you have any questions.

Best regards,

Katie Raley, Grant Supervisor
Community and Local Equity Grants Unit
Governor's Office of Business and Economic Development (GO-Biz)
CEG@gobiz.ca.gov