



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** AUGUST 22, 2023  
**DEPARTMENT:** COMMUNITY DEVELOPMENT DEPARTMENT  
**FROM:** LISA BRINTON, DIRECTOR  
**BY:** MICHAEL GOMEZ, ECONOMIC DEVELOPMENT ANALYST  
**TITLE:** AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY OF SALINAS AND ROWE POLICY & MEDIA INC

RECOMMENDED MOTION:

A motion to approve a resolution authorizing:

1. the City Manager or designee to execute an Agreement for Professional Services (Agreement) with Rowe policy and Media Inc (RPM) for a total compensation amount not to exceed \$84,350 to apply for grant funding for and to prepare the Cannabis Social Equity Assessment for the City of Salinas; and
2. the submission of applications for, and acceptance of grants to offset the cost of Cannabis Equity Assessment preparation.

EXECUTIVE SUMMARY:

Pursuant to Chapter 16B and the California Medical Cannabis Regulation and Safety Act (MCRSA), the City of Salinas adopted regulations relating to the acceptance and processing of permits for commercial cannabis businesses (Resolution #20957, May 17, 2016) and began accepting applications for medical commercial cannabis businesses in June 2016. Article VII of the Salinas Municipal Code outlines the regulation of cannabis activity in the City of Salinas as well as the identification of policies and recommended measures that promote the development of businesses in the commercial cannabis industry.

In 2018, the State of California passed SB 1294, known as the California Cannabis Equity Act. The purpose of the Act was to ensure that people who were most harmed by past cannabis criminalization and poverty have assistance to enter the legal cannabis industry. Staff prepared a Request for Proposals seeking a consultant team to secure funding from grants in order to complete a comprehensive Cannabis Equity Assessment (Study) for the cannabis industry in the City of Salinas. RPM is the recommended consultant team to complete the Study and to assist in developing an equity program.

## BACKGROUND:

### ***Request for Proposals***

On April 12, 2023, the City released a Request for Proposals (RFP) to assist with securing grants to complete a comprehensive study of the cannabis industry in the City of Salinas. The RFP, provided as an attachment to this staff report, sought consultant services to provide data collection and analysis through an equity lens, including but not limited to disaggregating existing data and data collected to identify disproportionate impacts by racial, ethnic, and economic demographics. The selected consultant would also need to understand grant application processes and the capacity to carry out the Study once funding is secured.

### ***Consultant Selection***

The City received six proposals by the April 21, 2023, deadline. Consultant selection was divided into three phases.

1. City staff reviewed, rated, and ranked the written proposals based on qualifications and experience related to the requested scope of work.
2. All firms were selected to move forward to a panel interview. Panelists included City staff.
3. The highest scored consultant utilizing the average of both RFP score and panel interview score was selected.

Based on rating and ranking, RPM scored the highest, meeting all the requirements of the RFP scope of work and demonstrated grant writing and community engagement experience.

## DISCUSSION:

RPM is a collaborative team of researchers that have been working on social equity efforts through workforce development, entrepreneurial technical support, educational attainment, criminal justice reform and harm reduction projects for over two decades. This team will bring insights to the questions asked, listen patiently, then apply local knowledge to what they have learned across the state. The result will be a multiphase study, done on a lean budget that will leave the City of Salinas and its Community Development efforts with the best chances for successful, compliant cannabis businesses and create new opportunities for good jobs and wealth creation especially in communities disproportionately impacted by the “War on Drugs”.

The RPM’s research, design, and implementation team are currently at the forefront of California Department of Cannabis Control funded research in the areas of sociodemographic of owner operators in the state, which gives them an understanding of illicit markets, and the conditions of failure and success with the cannabis industry labor pool. They have been a part of the inception and evolution of the cannabis industry and are working with cities across the State and Country to meet great market and financial challenges.

### **Scope of Work and Schedule**

The complete phased scope of work and schedule are provided as an attachment to this report. In summary, the grant application and preparation of the study is projected to take nine months from project kick off. The term of the Agreement is August 22, 2023, to September 30, 2023. Primary deliverables that will become part of the Study include

- preparation and submittal of Type 1 GO-Biz application for funding,
- preparation of a standard grant proposal application template for Salinas (City staff may modify this grant for other funding opportunities that come along),
- completion of a data-informed Cannabis Social Equity Assessment, and
- policy recommendations to guide the creation of a local cannabis equity program alongside on community investment of cannabis revenue on neighborhoods most harmed by the “War on Drugs.”

Community engagement will include surveys, pop-ups, and stakeholder and community meetings.

### **DEPARTMENT COORDINATION:**

Community Development Department staff led RFP preparation, consultant selection process, and final scope and budget negotiation. The Legal Department also assisted with finalizing the Agreement for Professional Services.

### **CEQA CONSIDERATION:**

The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

### **STRATEGIC PLAN INITIATIVE:**

The preparation of the Study furthers the City Council Strategic Plan Goals of Economic Development by supporting and engaging small, large, and entrepreneurial business. Promote Salinas as a desired destination for business and Effective and Culturally Responsible Government by establishing an Equity Plan. Provide Diversity, Equity, and Inclusion (DEI) training for policymakers. Make the government services more accessible and culturally responsible for non-English speaking residents.

### **FISCAL AND SUSTAINABILITY IMPACT:**

The total not to exceed compensation amount is \$84,350. The initial direct impact to the general fund will be a total of \$10,500 for the submittal of the grant application to offset the remaining balance of \$73,850. If the grant is not awarded, the City intends to move forward, and the entire amount will be funded by the General Fund – Non Departmental (1000.80.8005-64.5820).

ATTACHMENTS:

1. Resolution for Professional Services between the City of Salinas and Rowe Policy and Media Inc.
  - a. Exhibit A: Agreement for Professional Service with Rowe Policy and Media Inc.
2. Rowe Media Policy and Media Inc. Proposal
3. Request for Proposal for Cannabis Social Equity Assessment for the City of Salinas