

SEED Program Lunch and Learn July 1, 2021



Background



The SEED Grant Program is utilizing funding from the 2019 and 2020 Cannabis Equity Grant for Local Jurisdictions (CEG Grant) to provide financial assistance to verified Social Equity Individual Applicants.

In June 2020 DCR selected Elevate Impact LA to administer the Financial Grant Program. In April 2021, the City of Los Angeles established the Social Equity Entrepreneur Development Grant Program (SEED) Grant Program formerly known as the Financial Grant Program.

To date, the City of Los Angeles has dedicated **\$ 6 million** to the SEED Grant Program.

- \$5 million available via SEED 1.0
- \$1 million available via SEED 2.0



SEED 1.0



- Total amount available: \$5 million
- Grant Eligibility: All Phase 3 Retail Round 1
- Social Equity Individual Applicants
- Individual Applicants Grant Amount: \$25,000





SEED 2.0



- Total Amount Available: \$1 million
- Grant Amount: A Total of \$10,000 Available in Two

Disbursements:

- (1) **\$5,000** when DCR deems the Applicant Eligible for Further Processing; and
- (2) \$5,000 when the Applicant is Eligible for a Notice of Local Compliance Underway



SEED Grant Disbursement



- SEED Grant Applicants must apply by August 18, 2021.
- SEED grant funds not distributed by 90 days prior to the end of the City's CEG Contract may be disbursed on a pro rata basis to eligible recipients who applied by August 18, 2021.
- Applicants who received funds under SEED 1.0 are not eligible for SEED 2.0. Applicants who receive funds under SEED 2.0 are not eligible for SEED 1.0.







Home P

Program Overview

Grant Features

Assessment

How to Apply



SEED City of Los Angeles Grant Program

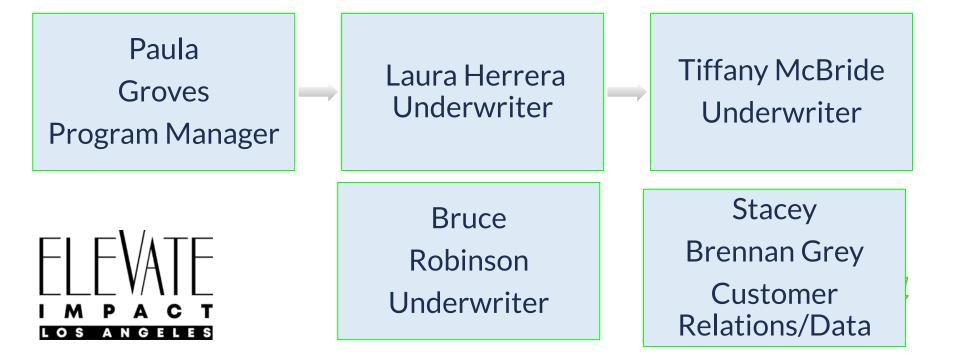
Welcome to the City of Los Angeles SEED Grant Program website. This program offers grants to verified City of Los Angeles Social Equity Individual Applicants who fulfill the program criteria.





Meet the Team







6-Step Grant Disbursement Process





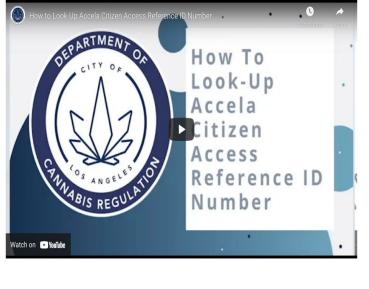


SEED Step 1 - Apply Online



- Register for an account at <u>www.ElevateImpactLA.com</u>
- Complete the grant application online
 - Paper applications will not be accepted
 - Provide ACA Reference number
 - Upload Grant Assessment documents
- Applicant eligibility will be confirmed

How to Look Up your Accela Citizen Access Reference ID Number





How to find your Accela Number







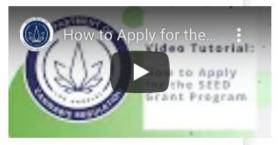


How to Find Information About the SEED Grant Program

How to Find Information is the find the SEED Grant Program -Grant Assessment Documents



How to Apply for the SEED Grant Program











Home Prog

Program Overview

w Grant Features

tures Assessment

How to Apply



SEED Grant 1.0 & 2.0 Application Process Overview

STEP 1: Apply. Visit the ElevateImpactLA.com website to review and complete the application within 120 days of the opening of the Grant Application period. As a part of the Grant Application process, SEED Grant Applicants must provide the following information and upload grant assessment documents to their online grant application:

- 1. ACA Reference Number
- 2. Written narrative of how funds will be used
- 3. Budget or line item list of expenditures for the requested grant amount
- 4. Business Executive Summary (3-5 pgs.)
- 5. Monthly Expense Projections for a 12-month period

STEP 2: Application Review. A SEED Grant Application will be reviewed by Elevate Impact LA to ensure that the Grant Applicant has provided the required grant assessment documents and that such materials are up to date, have not expired and are in compliance. Thereafter:

1. If the SEED Grant Application is complete, the Grant Applicant will receive an email saying that the application has been sent to the Elevate



SEED Step 1 - Apply Online





Home

Program Overview

Assessment

How to Apply



Log in

City of Los Angeles SEED Grant 1.0 Application

Grant Features

PURPOSE

The purpose of the City of Los Angeles Social Equity Entrepreneur Development Grant 1.0 Program ("SEED Grant Program") is to provide grants of \$25,000 to Phase 3 Retail Round 1 Social Equity Individual Applicants deemed eligible for further processing pursuant to Los Angeles Municipal Code 104.06.1(b).

Save & Return

Use an account to return to saved work. You'll need to create a new account if you haven't saved your progress on this application before.

Save Progress

Next >>



SEED Step 2 - Application Review



- Grant applications are reviewed by Elevate Impact LA Staff to ensure eligibility is met and required documents are submitted
- If complete, the Applicant receives email saying that the application is complete
- If not complete, the Applicant receives email stating what is missing





SEED Step 2 (cont'd) - Application Review





Grant Application is assessed by Elevate Impact Staff.



Once the applicant is assessed, email is sent saying application has been approved and grant documents will be prepared



If applicants are not approved, they are coached on how to improve their application and Applicant can then re-submit their grant application



SEED Assessment Documents



- Budget Narrative of how funds will be used
- Budget or line item list of expenditures for the requested grant amount
- Business Executive Summary (3 to 5 pages)
- Monthly expense projections for a 12-month period





SEED Assessment Documents

ions Template



City of Los Angeles SEED Grant Program Business Executive Summary

Questions

Please use the questions below to create your short executive summary (3-5 pgs). This document should be a guide to help you describe your particular business. Not all questions will necessarily be applicable at this moment, but please describe what you can to the best of your ability.

I. OVERVIEW OUESTIONS

- a. Company Information
- i) Name
- ii) Website (if available)
- iii) Company description (less than 50 words)
- iv) Slogan or tagline (if available)

I. PRODUCT QUESTIONS

- a. Describe your product or service
- b. What are your top features and benefits?
- c. How much will you spend setting up and developing your product?

II. COMPETITION QUESTIONS

- a. Who are your top three competitors?
- b. How are you different from your competitors?

III. MARKETING AND SALES QUESTIONS

- a. How will you find customers?
- b. How will you convince customers to buy?

IV. STAFF OUESTIONS

a. List the total number of staff including owners with titles (if applicable).

City of Los Angeles SEED Grant Program

Samp.	ŀ¢.	м	on	h	у.	E.X	per	ise.	P	°°,	lec	t

		Month 1	Month 2	Month 3	Month 4	Month 5	Month	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	1
EXPEN	SES													
1	Rent			3,000										
2	Lease													
3	Equipment													
	Laptop Computers Tablets													
	Printer													
	Mobile Phone													
	Software P.O.S.													
	Safe													
	Security Cameras													
	Desks													
	Equipment Total													
4	Local and State Application, licensing and regulatory fees						6000							
	Local application fees													
	State application fees													
	State licensing fees													
	Local licensing fees													
	Regulatory fees (please describe)													
	Fees total													
5	Legal assitance													
6	Regulatory compliance													
	Insurance -general liability												7000	
	Insurance - workers' compensation													
	Insurance - auto													
	Insurance - property													
	Insurance - other (please describe)													
	Track and Trace													
	Accounting													
	Regulatory compliance total													
-	Testing of cannabis													
8	Furniture													
9	Fixtures and equipment													
10	Capital improvements			4000										
11	Marketing			4000										
	EXPENSES													

CITY OF LOS ANGELES

SEED GRANT PROGRAM

BUDGET NARRATIVE

Explanation: The Narrative should provide more detail as to how the funds will be used as outlined in the budget.

Business Type: We are a dispensary company based in Los Angeles, California. We seek grant funds to scale and grow operations, as summarized below:

- <u>Rent</u>: Our monthly rent is \$3,000. We will use \$3,000 in grant funds to cover rent for one month.
- Licensing Fees: We will use some of the grant funds to pay our state licensing fees. The anticipated cost is \$6,000.
- Legal Assistance: We require legal assistance to help negotiate our partnership agreements and to ensure our employee handbook is in compliance. We anticipate this cost to be \$5,000.
- · Regulatory Compliance: We will also purchase general liability business insurance for a cost of \$7,000.
- <u>Capital Improvements</u>: We need to add storage to our current location. We plan to use \$4,000 of the grant funds to cover the build-out costs.

City of Los Angeles SEED Grant Program Sample Budget

Name: Joe Green		
Grant Budget		
Description	Amo	ount
Rent	\$	3,000
Lease	\$	
Local and state application, licensing, and regulatory fees	s	6,000
Legal assistance	\$	5,000
Regulatory compliance	\$	7,000
Testing of cannabis	\$	-
Furniture	\$	-
Fixtures and equipment	\$	
Capital improvements	\$	4,000
Staff		
Marketing		
TOTAL BUDGET AMOUNT	\$	25,000



SEED Written Budget Narrative



CITY OF LOS ANGELES

SEED GRANT PROGRAM

SAMPLE Written Narrative of How Funds will be Used

Explanation: The Written Narrative should provide more detail as to how the funds will be used as outlined in the budget.

Business Type: We are dispensary company based in Los Angeles, California. We seek grant funds to scale and grow operations, as summarized below:

- <u>Rent</u>: Our monthly rent is \$3,000. We will use \$3,000 in grant funds to cover rent for one month.
- <u>Licensing Fee</u>: We will use some of the grant funds to pay our state licensing fees. The anticipated cost is \$6,000.
- <u>Legal Assistance</u>: We require legal assistance to help negotiate our partnership agreements and to ensure our employee handbook is in compliance. We anticipate this cost to be \$5,000.
- <u>Regulatory Compliance</u>: We will also purchase general liability business insurance for a cost of \$7,000.
- <u>Capital Improvements</u>: We need to add storage to our current location. We plan to use \$4,000 of the grant funds to cover the build-out costs.



Questions







Budget



EXPE	NSES	
1	Rent	\$3,000
2	Lease	
3	Equipment	
	3a Laptop Computers/Tablets	
	3b Printer	
	3c Mobile Phone	
	3d Software/P.O.S.	
	3e Safe	
	3f Security Cameras	
	3f Desks	
	Equipment Total	
4	Local and State Application, licensing and r	egulatory fees
	4a Local application fee	
	4b State application fee	\$6,000
	4c Licensing fee	
	4d Regulatory Fee (please describe)	
	Fees Total	\$6,000
5	Legal Assistance	\$5,000
6	Regulatory compliance	
	6a Insurance -general liability	\$7,000
	6b Insurance - workers' compensation	
	6c Insurance - auto	
	6d Insurance - property	
	6e Insurance - other (please describe)	
	Packaging	
	6F Track and Trace	
	6g Accounting/Bookkeeping	
	Regulatory compliance Total	\$12,000
7	Testing of cannabis	
8	Furniture	
9	State License	
10	Fiztures and equipment	
11	Capital improvements	
	Architect Fees	
	Structural Engineer	1.
	Buildout costs to bring space into compliane	
	Capital improvements Total	\$4,000
12	Vorkforce training and retention	
13	Other	
	Marketing and Advertising	
	Consultant	
	Total Other	
UTA	L EXPENSES	\$25,000

BUDGET: Must total requested funding amount. Excel/Google Sheets format required. PDFs will not be accepted.



Questions







SEED Monthly Projections



City of Los Angeles SEED Grant Program Sample Monthly Financial Projections Template

		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year 1
EXPEN														
1	Rent Lease													
3	Equipment													
5	Laptop Computers/Tablets Printer Mobile Phone Software/P.O.S. Safe Security Cameras Desks													
	Equipment Total													
•	Local and State Application, licensing and regulatory fees Local application fees State application fees State licensing fees Local licensing fees Regulatory fees (please describe)													
	Fees total													
5 6	Legal assitance Regulatory compliance Insurance - general liability Insurance - workers' compensation Insurance - auto Insurance - property Insurance - other (please describe) Track and Trace Accounting													
	Regulatory compliance total													
7 8 9 10	Testing of cannabis Furniture Fistures and equipment Capital improvements													
	EXPENSES													



Questions





SEED Business Executive Summary



City of Los Angeles SEED Grant Program Business Executive Summary Questions

Please use the questions below to create your short executive summary (3-5 pgs). This document should be a guide to help you describe your particular business. Not all questions will necessarily be applicable at this moment, but please describe what you can to the best of your ability.

OVERVIEW QUESTIONS

- a. Company Information
 - i) Name
 - ii) Website (if available)
 - iii) Company description (less than 50 words)
 - iv) Slogan or tagline (if available)

Questions





SEED Grant Assessment Checklist



City of Los Angeles

SEED Grant Assessment Checklist

The City of Los Angeles established the Social Equity Entrepreneur Development Grant Program (SEED Grant Program) to provide grant funding for Verified Equity Applicants. SEED Applicants must undergo an assessment process where their application will be evaluated based upon checklist below.

> SEED Grant applications will be scored on a pass/fail basis Applicants can re-apply if their Application does not pass

	Complete or
	Incomplete
1 Assessment of how the funding will be used	
a. Did Applicant provide a Written Explanation of how funding will be used in line with industry standards?	
2 Assessment of the Budget	
a. Did Applicant provide a Budget in line with industry standards?	
3 Business Executive Summary completeness	
a. Did Applicant provide a Business Executive Summary in line with industry standards?	
4 Financial projection completeness	
a. Did Applicant provide monthly projections for 12 months in line with industry standards?	
GRAND TOTAL SCORE	



SEED Step 3 - Grant Approval



- A completed Grant Application will be reviewed by the Elevate Impact LA Grant Committee
- If approved, Email will be sent to the Applicant and City of Los Angeles stating grant is approved and applicant becomes and "Approved Applicant"
 - If not approved, applicant can re-apply



SEED Step 4 - Virtual Signing



- Once approved, Grant Agreement is created
- Elevate Impact meets virtually with the Approved Applicant to review and sign the Grant Agreement.
- Approved Applicant's identity will be verified via video conference
- The City of LA will then electronically sign the grant documents





SEEDStep 5 - Grant Disbursement



- Approved Applicant creates an account at ElevateImpactFunds.com
- Approved Applicant to provide information for preferred receipt of funds
- Elevate to disburse funds







Approved Uses



1	Rent		4	Local	and State Application, licensing and regulatory fees	7	Testing	of cannabis
2	L ease			4a	Local application fee	8	Furnit	ure
3	Equipm	ent		4b	State application fee	9	State L	icense
	3a	Laptop Computers/Tablets		4c	Licensing fee	10	Fixture	es and equipment
	3b	Printer		4d	Regulatory Fee (please describe)	11	Capita	l improvements
	3c	Mobile Phone		Fees T	Total			Architect Fees
	3d	Software/P.O.S.	5	Legal	Assistance			Structural Engineer
	3e	Safe	6	Regul	atory compliance			Buildout costs for compliance
	3f	Security Cameras		6a	Insurance -general liability		Capita	l improvements Total
	3f	Desks		6b	Insurance - workers' compensation	12	Workf	orce training and retention
	Equipm	ent Total		6c	Insurance - auto	13	Other	
		C2 / D2		6d	Insurance - property		13a	Marketing and Advertising
				6e	Insurance - other (please describe)		13b	Consultant
					Packaging		Other	Total
				6f	Track and Trace			
				6g	Accounting/Bookkeepping			
				_	atory compliance Total			



Unapproved Uses



- Unlicensed cannabis business
- Non-cannabis businesses that serve the cannabis industry
- Buying inventory
- Personal expenses or the acquisition of personal property such as cars, homes, etc.
- Relending or investing
- To engage in prohibited operations



SEED Step 6 - Post Grant Disbursements 😡



Grant Recipients will be required to upload receipts detailing all approved uses of grant funds at ElevateImpactFunds.com







Disbursement Overview



- □ STEP 1: Grant Approval Email
- □ STEP 2: Legal Document Review
- □ STEP 3: Document Signing
- □ STEP 4: Video Identity Verification
- □ STEP 5: Establish account to receive funds
 - Elevateimpactfunds.com Account
 - STEP 6: Grant Funds Disbursement

SEED Step 1: Grant Approval Email



- Approved Applicants receive legal documents via email
- Approved Applicants have the opportunity to review these documents with Elevate Impact Staff
- Approved Applicants will then sign and return documents to Elevate Impact

Step 2: Legal Document Review



- ✓ SEED Grant Agreement
- Document Review Consultation Form
- ✓ W-9
- Attachment A Standard Provisions (no signature required)



Step 3: Document Signing



- DocuSign is an electronic platform which allows for the e-signing of documents remotely
- You have received your documents via email via the Grant Approval Email
- You can sign and email them back to Elevate or you can request a DocuSign... Let us know which you prefer
- City officials will then e-sign the documents via DocuSign

SEED Step 4: Video Identity Verification



- Elevate will hold a Video Call with Approved Applicant to verify their identity
- This step is required to get your password to set up an Elevate Impact Funds Account
- Verification Steps include:
 - Hold up your ID and match it to the Underwriter file
 - Hold up your bank statement and match it to the Underwriter file

SEED Step 5: Establish Elevate



- Elevate Impact Funds Account
 - First, Complete Video call to verify your identity
 - Next, You will receive Elevate Impact Funds account credentials including username and password so you can establish an account to receive grant funds
 - You will need to have an electronic version of the driver's license and bank statement or voided check ready for to be uploaded to Elevate Impact Funds when establishing account to receive funds

SEED Establish Account at Elevateimpactfunds.com



Open email with Elevate Impact email and a Password sent earlier



		No.		-
		Sector of the sector		
	paula@elevateimpactla.com	-		
	•••••			- Hone
-	Remember me		the former of	Salay Manual Contract
	Log in \rightarrow			
	Did you forget your passcode? Your username is the email address provided in your grant		///////	
	greement.			



Enter Contact Information



Verify identity by entering contact information that is listed in the grant document (name, address and email)

ID and a voided check	or bank statement on step 2	(you'll need to upload a picture o 2).
First Name *	Last Name *	
Street Address (from gra	nt application) *	
Address Line 2		
Address Line 2		
City *	State *	Zip Code *
	8	~
		Powered by 🗐 formsi



Enter Banking Information



Enter banking information provided on the bank statement on file (Routing Number and Bank account can be found on a check or online)

Bank Account Number*	Re-enter Account Number*
Bank Routing Number*	Re-enter Routing Number*
ull Name on Account*	
Checking	



Receive Micro-Deposits



Confirm Approved Applicant's bank account is enabled to receive grant funds:

- Approved Applicant will receive micro-deposits to confirm the account has been established
- Approved Applicant should let Underwriter know when they have received the micro-deposits and the amount of the micro-deposit (not instantaneous deposit may take as much as 2 business days)
- Underwriter to let Program Manager know micro-deposits have been received by the Approved Applicant

SEED Funds Disbursement



- Grant agreement is signed by you and the City
- 2. Your Elevate Account is verified
- 3. Grant funds are disbursed

Questions



Please Stand By