

Office of Cannabis: Direct Grants Frequently Asked Questions  
03.24.21\_v5

Questions	Responses
Where can I find additional information about the the Direct Grants?	Our <a href="#">website</a> includes grant-related information. The site is also translated in the following languages: Chinese, Spanish, and Tagalog.
Do I have to pay taxes associated with my grant?	It's likely that receiving grant funds will be taxable. The OOC is unable to provide tax advice and <b><i>strongly encourages</i></b> grantees to consult with tax professionals about any tax implications associated with the grant award.
Will you be posting a recording of the Direct Grants Webinars?	Direct Grants Webinars are available on our <a href="#">website</a> .
Can I sign up for electronic funds transfer?	You can enroll in Paymode-X to receive grant funds electronically. Sign-up is easy and takes less than 10 minutes. Use <a href="#">this link</a> to join.
If I want to receive my grants by check, how will it be issued?	A check will be issued to your registered <b>supplier name</b> .
If I am an equity operator with two licenses (but on separate LLCs) I would like to split the grant between, is that possible?  If so, do I need to apply as a supplier with both entities separately?	No, an eligible equity applicant with multiple locations/applications must decide on one entity to become a supplier for this current grant cycle.  The equity applicant may use their grant funds to support the permit/license associated with the entity registered as a supplier.
What are the limitations when it comes to advancing grant funds?	Grantees are limited to receiving an advancement of up to one half (1/2) of an eligible expense.  Grantees can seek multiple advancements, however, there's a limit of up to a total of twenty-five thousand dollars (\$25K) for advancements. The rest of the grant award must be sought via reimbursement.
I'm not yet a permitted operation, do I need insurance?	The insurance requirement is for permitted operators. Notably, unpermitted grantees will not be able to receive their permit until they provide the City with the applicable insurance documents and/or waivers.

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<p>Is anybody else having issues with the 12b declaration?</p>	<p>If you have any questions related to the PeopleSoft system, contact User Support at 415.944.2442 or via email at <a href="mailto:sfcitypartnersupport@sfgov.org">sfcitypartnersupport@sfgov.org</a> or <a href="mailto:cmd.equalbenefits@sfgov.org">cmd.equalbenefits@sfgov.org</a>.</p>
<p>Are there technical assistance opportunities to help me with grant support?</p>	<p>The OOC developed, with the support of its partners, robust technical assistance opportunities for the community. Resources and contact information to connect with our partners can be <a href="#">found here</a>.</p>
<p>Do I need to have my Planning Department application submitted in order to qualify for the Direct Cannabis Grant application?</p>	<p>No, you do not need to have your Planning application submitted in order to qualify for direct grants.</p> <p>For information about the Direct Grants eligibility criteria, please visit our <a href="#">website</a>.</p>
<p>What are the eligible expenses?</p> <p>What is the cutoff date the OOC will be looking at for those expenses?</p>	<p>You can get reimbursed for expenses related to:</p> <ul style="list-style-type: none"> <li>• Capital improvements</li> <li>• Fixtures and equipment</li> <li>• Legal services</li> <li>• Local and State application, licensing, and regulatory fees</li> <li>• Regulatory compliance</li> <li>• Rent payments</li> <li>• Laboratory testing of cannabis</li> <li>• Taxes</li> </ul> <p>Invoices are subject to review and the OOC may follow up with inspections.</p> <p>Generally, eligible businesses can get reimbursed for expenses incurred between July 1, 2020 through July 1, 2021. Permitted operators will want to check their grants contract regarding their own reimbursement window.</p>
<p>Can I get reimbursed if I incur an expense before the reimbursement term, but pay for that expense during the reimbursement term?</p>	<p>Eligible expenses must be incurred and paid during the applicable reimbursement period.</p>

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Can I get reimbursed for architecture drawings?	Yes, so long as there's a clear connection between those drawings to support an eligible expense such as capital improvements or to support regulatory compliance.
Do I need to complete my application in one sitting or can I return to it later?	The application must be completed at once. Eligible applicants will not be able to return to their grants application at a later time.
How can I get reimbursed for rent if I paid rent in cash?	The grantee must provide clear supporting documentation, including the relevant parties, explaining the circumstance and acknowledging receipt of payment.
Do I need to know exact expenses when I complete my application?	No, you do not need to provide exact figures. Please estimate your expenses. Your estimates will not lock you in – you can adjust your eligible expenses at a later time.
Can I prepay my rent and then seek reimbursement for the total amount?	Generally, yes. However, all funding requests are subject to review. If an applicant prepays rent and the lease is subsequently terminated, then the applicant must return the pro-rated portion of the unused prepaid rent.