

# Cannabis Industry Navigation Grants – RFP Info Session

Office of Small Business and Innovation | Community Partnerships Team

# Agenda

- I. Introduction
- II. Program Overview
- III. Proposal Content & Evaluation
- IV. How to Apply
- V. Questions

# Timeline

- RFP Release: March 10
- Information Session: March 18
- Deadline for Questions: April 4
- Submission Deadline: April 11, 4:00 p.m.
- Award Notification: May
- Contracts Executed: June
- Grant End Date: June 30, 2026

# Office of Small Business and Innovation

- Department of Employment and Economic Development (DEED) is the State's economic development agency. Our mission is to empower the growth of the Minnesota economy, for everyone.
- The Office Small Business and Innovation (OSBI) serves Minnesota's small business sector, including entrepreneurs, startups, and small businesses. The office connects Minnesota's small businesses, entrepreneurs and small business support organizations across the state to DEED resources, including research and information, grant opportunities, technical assistance, and leadership development.

# Cannabis Industry Navigation Program

- Competitively awarded grants to service providers to help entrepreneurs and small business owners navigate the regulatory structure of Minnesota's legal cannabis industry
- Must fund services and resources for a variety of sectors in the legal cannabis industry, including both processing and retail sectors
- Emphasis is on serving social equity eligible individuals and communities, and individuals with barriers to employment
- \$1.9 million available for projects through June 30, 2026.

# Key Definitions

- **Regulatory structure of the legal cannabis industry:** local, state, and federal laws, regulations, guidelines and compliance requirements that relates to the cultivation, manufacture, distribution, sales, and consumption of cannabis products in Minnesota. This includes:
  - State Licensing
  - State, Local and Federal Taxes
  - Testing and Safety Requirements
  - Manufacturing, packaging and distribution
  - Local permitting & land Use
  - Employment regulations
  - Enforcement

# Key Definitions

- **Navigation and Technical Assistance:** Specialized assistance, education, and support services provided to individuals and organizations to help them understand and effectively interact with the complex regulatory, licensing, and compliance requirements of the legal cannabis industry. This includes but is not limited to:
  - Social Equity verification process.
  - OCM licensing application and renewal process
  - Local, state and federal compliance
  - Financial and tax planning

**This does not include direct financial assistance, marketing assistance, product development, cultivation, operations and management support that is unrelated to licensing and regulatory compliance**

# Pre-RFP Outreach

- DEED and OCM gathered public input for developing four state programs that will support the state's new legal cannabis industry (CanGrow, CanNav, CanStartup and CanTrain)
- RFI was open May-June 2024. The survey link was posted on the DEED website and sent via email to partners, OCM and other interested parties.
- Sought feedback on stakeholder needs for assistance and ideas for consideration when designing program criteria, administration and other aspects.



- Respondents want assistance and training from real people in real time (online and in-person)
- Most desired services:
  - Legal/Regulatory Compliance
  - Taxation/Accounting
  - Business Development/Operations
- Most desired assistance models:
  - In person education
  - Live and interactive online education
  - Recorded online videos (ie youtube)
  - Written material (physical and online)



# Program Overview

# Vision & Objectives

- Individuals seeking to start or grow a business in the legal cannabis industry will access timely high quality information and regulatory navigation services from trusted experts and community-based organizations
- These resources and services will accelerate individuals along the **continuum of readiness** to pursue opportunities in the cannabis industry
- This will result in:
  - Accelerated market entry and growth for individuals ready to start or grow a business
  - Cost & risk avoidance for individuals at all stages along the continuum of readiness
  - Reduced compliance risks, costs and infractions for cannabis business operators
  - Increase economic opportunities and vitality in communities that have been negatively impacted by the enforcement of cannabis prohibition

# Continuum of Readiness

- The continuum of readiness is defined by two dimensions:
  - Regulatory Knowledge: the “book knowledge” of what the regulations are and which apply and how they apply to their businesses.
  - Operational Capacity: this both the operational and management skills (“applied knowledge and experience”) and physical and financial capacities of the owner and business.

# Eligible Grantees

- Any organization capable of helping entrepreneurs and small businesses navigate the regulatory structure of the legal cannabis industry. This may include:
  - educational institutions
  - nonprofit organizations
  - private businesses
  - community groups
  - units of local government
  - or partnerships between different types of organizations

- Preference for funding to organizations that:
  - Have experience delivering technical assistance (TA) or navigation services to entrepreneurs and small businesses
  - Serve individuals facing barriers to education or employment
  - Serve areas where long-term residents are eligible to be social equity applicants

# Programmatic partnerships

- Partnerships are welcomed and encourage to provide comprehensive capacities including but not limited to:
  - 1) Cannabis industry regulatory expertise
  - 2) Cultural competency related to social equity (SE) eligible communities and/or individuals facing barriers to education and employment
  - 3) General small business development and technical assistance expertise
- A lead fiscal agent will need to be identified and will be solely responsible for program deliverables.

# What can these grants be used for?

Must fund the development and deployment of navigation and technical assistance for a variety of sectors in the legal cannabis industry, including both processing and retail sectors

## Developing services

- Research & development
- Curriculum writing
- Staff training
- Production cost

## Providing services

- Cohort based education services
- One-on-one consultation
- Publications (online and physical)



# Expertise and Sectors

- Areas of regulatory expertise

- Legal
- Taxation and accounting
- Banking and financial services
- Licensing and permitting
- Operational compliance
- Land use, zoning and environmental compliance
- Employment and operation
- Security and risk management

- Cannabis industry sectors

- Cultivation
- Manufacturing
- Testing
- Wholesaling
- Retail
- Events
- Transportation
- Delivery

# Service Models: Scalable Information Resources

- **Scalable Information Resources.** Development and Distributing instructional and information materials to individuals. Resources might include:
  - Online video tutorials;
  - Handbooks (virtual or print); and/or
  - Train-the-trainer curriculum.

# Service Models: One-on-One Services

- **One-on-One Services.** Providing individualized consultation services. Services might include:
  - Legal consultation
  - Licensing assistance
  - Accounting and tax assistance and/or
  - Mentoring

# Service Modes: Education & Networking

- **Education & Networking Opportunities:** Fostering group learning and connection. Services might include:
  - Conferences
  - Seminars
  - Workshops
  - Classroom based training

# Funding Amounts

- The amount of the request should reflect the geographic reach, scale and comprehensiveness of the expertise and services your program will provide
- To qualify as a “statewide project” at least 35% of the individuals served must be based outside of Minnesota’s Twin Cities 7-county metropolitan area
- The highest funded proposals will provide comprehensive services across multiple areas of cannabis regulatory expertise and reach hundreds of individuals across the state of Minnesota
- Consideration for lower grant requests will also be made for targeted, smaller-scale programs
- The state expects to fund 1-5 proposals ranging from \$50,000 up to \$1,920,000

# Funding Priorities

- Respondents will propose a project that will range from offering specialized services to more comprehensive services
- DEED will seek to fund a combination of projects that provide a comprehensive regional and community-based set of services for a range of cannabis start-ups
  - Statewide reach
  - Key sectors of the cannabis industry
  - Different stages of businesses



# Proposal Content & Evaluation

# Proposal Evaluation

Scoring will be on a 100-point scale with points available in 7 sections:

1. Organization Capacity and Relevant Experience (30 points)
2. Project Description (15 points)
3. Project Implementation Workplan (15)
4. Outreach and Community Engagement Workplan (10 points)
5. Partnerships and Collaboration (10 points)
6. Performance, Evaluation and Reporting (10 points)
7. Budget and Matching (10 points)



# Organizational Capacity & Relevant Experience

**30 points**

Strong proposals will demonstrate:

- Relevant staff expertise and cultural competency serving target populations;
- An organizational history of providing regulatory navigation and/or technical services;
- Past success in coordinating collaborative, partnership-based efforts; and
- Organizational experience in financial management and/or grants administration.

# Project Description

**15 points**

Strong proposals will:

- Clearly articulate a vision of the proposed project; and
- Provide a strong justification for the request by clearly explaining how the program will meet the CanNavigate program objectives.

# CanNavigate Program Objectives

- **Accelerated market entry and growth** for individuals ready to start or grow a business;
- **Cost & risk avoidance** for individuals considering entry into the Minnesota cannabis industry;
- **Reduced compliance risks, costs and infractions** for cannabis business operators; and/or
- **Opportunities for economic development and wealth building** in communities that have been negatively impacted by the enforcement of cannabis prohibition, reducing economic disparities and promoting community vitality.

# Project Implementation Workplan

**15 points**

Strong proposals will:

- Effectively operationalize the project description by breaking it down into action steps; and
- Provide a detailed and realistic project timeline.

# Project Implementation Workplan

## Cannabis Industry Navigation Program

Form 1: Project Implementation Workplan

<b>Objective Description</b>	<b>Activities</b> <i>Steps, activities, tasks to achieve objective, frequency (e.g., monthly, quarterly)</i>	<b>Projected Output(s)</b>	<b>Start Date</b>	<b>Completion Date</b>

# Outreach & Community Engagement Workplan

**10 points**

Strong proposals will:

- Clearly explain how the applicant organization and its partners plan to engage target populations.

# Outreach & Community Engagement Workplan

## Cannabis Industry Navigation Program

### Form 2: Outreach and Community Engagement Workplan

<b>Objective Description</b>	<b>Activities</b> <i>Steps, activities, tasks to achieve objective, frequency (e.g., monthly, quarterly)</i>	<b>Projected Output(s)</b>	<b>Start Date</b>	<b>Completion Date</b>

# Partnerships & Collaboration

**10 points**

Strong proposals will include:

- Partners that round out the full suite of expertise needed to successfully implement the proposed program;
- A clear division of both programmatic and administrative responsibilities; and
- Demonstrated community support.



# Partnerships & Collaboration

## Cannabis Industry Navigation Program

### Form 3: Partnership Matrix

Contact Information <i>Include applicant organization</i>		Organization Type(s) <i>Select all that apply</i>						Core Competencies <i>Select all that apply</i>			Area(s) of Service & Expertise <i>Select all that apply</i>								
<b>Partner Organization</b>	<b>Contact Person</b> <i>Include name, title, and email address</i>	Law Firm	Accounting Firm	Community-Based Nonprofit	Public Entity	Consulting Service	Other: _____.	Knowledge of Cannabis Industry Regulation	Cultural Competency Amongst Target Population	Grant Administration or Financial Management	Legal Services	Taxation & Accounting	Banking & Financial Services	Licensing & Permitting	Marketing Compliance	Land Use & Zoning	Operational Compliance	Security & Risk Management	Other: _____.
<i>Applicant Organization</i>																			

# Performance, Evaluation & Reporting

**10 points**

Strong proposals will:

- Outline detailed plans for tracking and measuring project outcomes; and
- Have a large impact, as demonstrated by widespread reach (high number of individuals or large geographic area served) and/or high-touch, individualized services resulting in measurable personal growth, especially amongst target populations.

# Performance, Evaluation & Reporting

## Examples of Cost and Service Estimations

### One-on-One Consultation

- Hours of one-on-one consultation
- Cost per hour of one-on-one consultation

### Cohort-Based Education Services

- Hours of direct cohort-based education services provided
- Cost per hour of direct cohort-based education services provided: Estimated # of participants per cohort

### Publications:

- Number of written publications produced
- Number of written pages produced
- Production cost per resource (ex: printing and distribution cost per guidebook copy)

### Audiovisual Resources:

- Number of individual audiovisual resources produced (i.e. individual videos or audio content)
- Total number of minutes of audiovisual material
- Total production cost
- Overall Client Demographics
- Anticipated number of social equity eligible individuals served
- Anticipated number of individuals served with barriers to education and/or employment: Anticipated number of individuals served in the Twin Cities 7-county metropolitan area
- Anticipated number of individuals served outside the Twin Cities 7-county metropolitan area

# Performance, Evaluation & Reporting

## Overall Project Outcomes

- Numbers of participant successfully received cannabis business license
- Number of new business starts
- Hours of direct service
- Average cost per hour of direct service
- Other project-specific outcomes

# Performance, Evaluation & Reporting

## Overall Project Outcomes

Use the table below to list any additional measures that will be tracked and the expected outputs and outcomes of said measures.

Measure	Output	Outcome

**10 points**

Strong proposals will feature:

- Strong fiscal capacity;
- A realistic, proportional project budget that is cost effective; and
- Strong leveraging of matching funds, as applicable.



# How to Apply

# Application Submission

- RFP, Checklist, Application, and Webinar Recording will all be available at <https://mn.gov/deed/about/contracts/open-rfp.jsp>
- Download the application form, save to your computer, and complete
- Submit the completed application package as a PDF to [cannavigate.deed@state.mn.us](mailto:cannavigate.deed@state.mn.us)
- Deadline for submission: **April 11, 2025, at 4pm CST**
- All required forms and attachments must be included for the application to be considered complete – Utilize the checklist! (1<sup>st</sup> page of the Application)

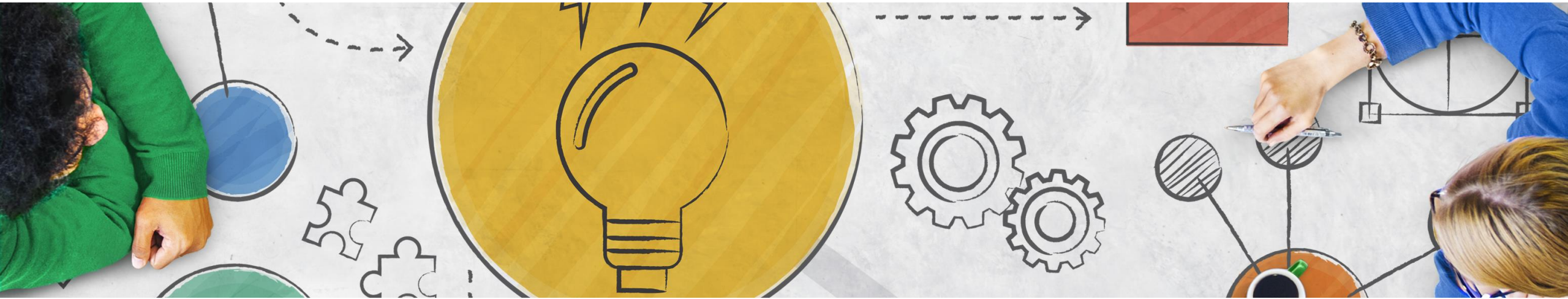


# Award Determinations

- The Commissioner of DEED will review all panel recommendations and is responsible for award decisions
- The award decisions of DEED are final and not subject to appeal
- The Commissioner of DEED reserves the right to change the amount awarded to any selected project
- Award determinations will be made in May
- Projects cannot start until contracts are executed (no later than June 30, 2025)

# Receiving an Award

- If you are awarded a grant....
  - Receive an official award letter with the final award amount
  - Submit an updated work plan/budget if the final award is different from the request
  - Receive, review, and sign the grant contract and send to DEED
  - Receive an executed grant, a payment request form with instructions and begin your project!
  - Participate in the payment request, monitoring, reporting and close out process
- All grants funds are dispersed on a reimbursement basis



# Questions

# Questions

- Can you be a license seeker or license holder AND be a grantee under this program?
  - No. You may contract some services out to license seekers/holders for certain services (education, mentoring).
- Can you be a legal non-licensed cannabis business and receive services from this program?
  - Yes.
- Can tribal entities and business be providers?
  - Yes
- Can tribal entities receive services?
  - Yes

# Questions

- Can out of state orgs be service providers?
  - Yes. They must be legally operating under Minnesota law.
- Can non-residents with Minnesota-based operations receive services?
  - Yes. They must have Minnesota-based operations, be legally operating in Minnesota and be seeking or hold a cannabis license.
- Can clients be charge for services paid for with this grant?
  - No.

# Thank You!

- Email questions to [cannavigate.DEED@state.mn.us](mailto:cannavigate.DEED@state.mn.us)
- All questions and answers will be published in a FAQ and posted at <https://mn.gov/deed/about/contracts/open-rfp.jsp>
- FAQ will be updated regularly