



Social Equity Financial Assistance (SEFA) Grant Fact Sheet

Overview: The Delaware Office of the Marijuana Commissioner (OMC), pursuant to 4 *Del. C.* §1339, offers the opportunity for eligible Delaware marijuana social equity licensees to apply for free financial assistance through the SEFA Grant program. This grant is designed to support qualified social equity licensees by providing access to funding—an area that has historically posed significant barriers for individuals impacted by past marijuana laws—thereby fostering broader and more equitable participation in the regulated cannabis industry. Grant amounts will be based on the applicant licensee’s license type and awarded in the following total amounts. Funds will be distributed in milestone-based installment payments.

Micro-Cultivation: \$120,000

Cultivation Tier 1: \$120,000

Cultivation Tier 2: \$130,000

Cultivation Tier 3: \$140,000

Cultivation Tier 4: \$150,000

Manufacturer: \$125,000

Retailer: \$65,000

Lab Testing: \$150,000

Applications will be submitted on the Salesforce platform, where applicants previously completed their license applications. Applicants must provide a plan and strategy for the funds that complies with the eligible uses. OMC will provide a template to help guide applicants as they draft their project proposals. Fund usage must be reported quarterly and prior to the release of subsequent disbursements.

Disbursements:

Milestone 1: 25% disbursed upon submission and OMC approval of the Terms & Conditions Agreement and proof of vendor registration with First State Financials.

Milestone 2: 25%* disbursed upon submission and OMC approval of evidence demonstrating site control (as evidenced by a bill of sale, deed, fully executed lease or other agreement showing the control of a property for use as a marijuana establishment) and municipal approval.

*NOTE: At this milestone, awardees may request a **large capital expenditure (LCE) advancement**, if needed, or may continue with the standard milestone distribution model. LCE advancement requests must be submitted as described in the Terms and Conditions Agreement, including submission of supporting documents. After the disbursement supporting a LCE request, if the remaining funds are greater than or equal to \$10,000, the balance will be split evenly and disbursed over milestones 3 & 4. If the balance is less than \$10,000.00, the remaining funds will be distributed when the awardee reaches milestone 4.

Milestone 3: 25% disbursed upon submission and OMC approval of standard operating procedures (SOPs), security plan, and staffing plan.

Milestone 4: 25% disbursed upon successful completion of all required inspections, confirmation of license activation, and submission of any final compliance checklists or documentation.

**Prior to the second, third, or fourth installments, a current expense report will be required.

Eligibility Criteria:

To be eligible for a grant, the business must:

- Be an existing business in good standing within the State of Delaware.
- Have completed and submitted a Social Equity Marijuana Business License application that has met the minimum qualifications, was selected in the Lottery, and has been approved for a conditional license
- 51% Social Equity Ownership of the license.

*NOTE: Applicants awarded multiple licenses may receive multiple grants, 1 for each license awarded.

Eligible Expenses:

- Building infrastructure/Cosmetic enhancements
- Essential equipment
- Website design and business software applications
- Rent assistance for business spaces
- Assist with Purchase of Real estate (Business Space ONLY)
- Consulting fees

Ineligible Expenses:

- Payroll expenses
- Salaries or payments made to company ownership
- Permits of government fees
- Taxes
- Improvements to residential property

The expenses identified above are representative examples, and do not represent the only permissible or impermissible uses of grant funds. The burden to ensure grant funds are used for “eligible” expenses falls on the awardee. Funds used for expenses deemed “ineligible” are subject to repayment requirements and could result in termination of the grant award. Awardees should *contact OMC* at OMC_Grants@delaware.gov or 302-244-3662 with any questions about the eligibility of an expense *prior to using grant funds* for such purpose(s).

**Note: Grant funds awarded through the SEFA program may be considered taxable income under federal and/or state law.*

Required Templates & Forms:**GRANT APPLICATION MATERIALS:**

[Project Proposal Template](#)

ON-GOING REPORTING (POST-AWARD):

[Expense Report Excel Sheet](#)