



# Venice Neighborhood Council

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## Cannabis Committee

February 5, 2019 Meeting Minutes  
Extra Space Storage Community Room  
658 Venice Blvd., Venice, CA 90291

1. CALL TO ORDER. Meeting was called to order at 7:15 pm. Present were Cindy Chambers (CC), Roseann Boffa (RB), Sailene Ossman (SO), and Shep Stern (SS).
2. AGENDA. The agenda was approved as presented (4-0-0); motion to approve by SS; seconded by RB.
3. ANNOUNCEMENTS
  - VNC Cannabis Chair announcements/updates
    - Noted resource link available: [LACityClerk Connect](#)
4. PUBLIC COMMENT
  - Randolph ~ CBD Business. He's a "born and raised" resident and owns a Cannabis shop in Silver Lake area. Would be nice to see if someone from Venice open a shop.
  - Conor Raftery and Darius Kemp of Ease Delivery, invited us to visit on Windward.
  - Green Goddess with over 10,000 p/month.
5. APPROVAL OF MINUTES
  - The VNC Cannabis Committee did not hold a regularly scheduled meeting in January 2019 as this date fell on a holiday.
  - Therefore, December 4, 2018, minutes were presented for discussion and a vote to approve with changes
    - Requested changes: SS did not attend the December 4, 2018, meeting; revise December meeting minutes to reflect his absence
    - Motion to approve by RB; seconded by SS.
    - Revised committee meeting minutes were approved unanimously
6. OLD BUSINESS
  - A. ITEM FOR DISCUSSION AND POSSIBLE ACTION: Follow up on VNC Cannabis Committee webpage; linking [City of Los Angeles Department of Cannabis Regulation \(DCR\) legal cannabis businesses map](#) and other relevant resources.
    - Chair provided an update on linking Department of Cannabis Regulation (DCR) resources to VNC Cannabis Committee page and subsequent workarounds and change requests
    - Current resources are provided in PDF form
    - Committee page cannot accommodate live or hyperlinks
    - Chair spoke with George Francisco, VNC vice president about enabling hyperlinks for all committee pages
7. NEW BUSINESS
  - A. ITEM FOR DISCUSSION AND POSSIBLE ACTION: Neighborhood Councils' role in cannabis business applications (7:25–7:55 pm). See language below from the [DCR website's FAQs](#).

- How will a neighborhood council know if a business has applied to open a cannabis business in its boundaries? After DCR deems an annual license application complete, it will mail notice of the application to all occupants and property owners within a 500-foot radius of the proposed business premises as well as provide the same notice to the council district office and the closest neighborhood council and business improvement district. DCR will also require each applicant to offer to appear before the closest neighborhood council to answer questions about the application.
  - What role does a neighborhood council have in the licensing process for cannabis businesses in its boundaries? An applicant for a City cannabis license does not have to obtain the approval of a neighborhood council as a condition of receiving a license. Nor does an applicant have to enter into a community benefits agreement or any other agreement with a neighborhood council prior to obtaining a license. However, applicants and neighborhood councils are free to engage with one another, and applicants can enter into agreements to support the community.
  - Who decides whether an applicant receives a cannabis license? Licensing determinations are made by DCR and/or the Cannabis Regulation Commission (CRC). DCR makes the licensing decision for all applications for non-retail licenses in business premises less than 30,000 square feet. For all retail licenses and non-retail licenses in business premises 30,000 square feet or larger, DCR may deny the application or recommend to the CRC that it issue a license. After conducting a public hearing, the CRC may issue or deny issuance of a license pursuant to the procedure specified in LAMC Sec. 104.06.
  - Will the City deny an application if a neighborhood council opposes it? The City may only deny a cannabis license for one or more of nine enumerated reasons specified in LAMC Sec. 104.06, and community opposition is not among those nine reasons. If a neighborhood council or any other member of the public wants to oppose an application, they should present the City with evidence that is relevant to one of the nine reasons for denying a license. For questions about submitting evidence to the City, please inquire at [cannabis@lacity.org](mailto:cannabis@lacity.org).
  - What responsibilities does a new cannabis business have with their local neighborhood council? A licensee is not required by City law to engage with a neighborhood council as a condition of its license. But a licensee is required to conduct its business in a manner that does not adversely impact the quality of life of the surrounding areas. If a neighborhood council or any member of the public believes a licensee's operation is adversely impacting the surrounding areas, they should contact the business's Neighborhood Liaison or submit a complaint on DCR's complaint portal at [cannabis.lacity.org/#submitcomplaint](https://cannabis.lacity.org/#submitcomplaint).
  - Committee members discussed possible actions including adopting and following a similar format as that outlined and followed by the VNC Land Use and Planning Committee
  - Committee members agreed that any committee action must happen in the next two months
  - Committee members decided to continue the discussion in March's meeting, encourage community/stakeholder input, and determine any action/motions at the March meeting
- B. ITEM FOR DISCUSSION AND POSSIBLE ACTION: EMMD (Existing Medical Marijuana Dispensary) cannabis retail re-location requests amended ordinance. Per the DCR, an EMMD must have submitted a relocation request to DCR by November 30, 2018, if it wanted to move to a new location while it is awaiting a final licensing decision from DCR. For a request submitted between October 19, 2018, and November 30, 2018, DCR must seek and consider the recommendation of the impacted Councilmember before approving the requests (7:55–8:10 pm).
- Committee discussed what if any impact this might have on Venice
  - Committee decided to revisit this issue at the next meeting
- C. ITEM FOR DISCUSSION AND POSSIBLE ACTION: State temporary and provisional licenses eligibility phases and dates announced (8:10–8:20 pm).
- Phase 1—the DCR expects to begin accepting annual license applications from Phase 1 applicants in January 2019. Before the applications are accepted, DCR will provide Phase 1 applicants with further direction about what must be submitted as part of the annual license application. After an application

is submitted, DCR will vet ownership information and review premises diagrams and operational plans. Next, DCR will send out public notice of the application, hold a community meeting for the applicant's retail application, and conduct a pre-license inspection of the applicant's business premises. Then, if the applicant meets all requirements for the licenses applied for, DCR will issue licenses for the non-retail activities and recommend to the Commission that a retail license be issued and the Commission will hold a public hearing to consider the recommendation. Also, before any type of license is issued, DCR or the Commission will have to make all necessary findings required under the California Environmental Quality Act. This general overview does not describe all application requirements and the factors unique to each application will ultimately determine the manner and order in which it is processed and the City's licensing decision. DCR may deny an application at any time during application processing for one or more of the reasons listed in LAMC Sec. 104.06(a)(1).

- Phase 2—DCR expects to begin accepting annual license applications from Phase 2 applicants in Spring 2019. The application process for these applicants will be very similar to the non-retail licensing process for Phase 1 applicants described above, with the addition of the Social Equity Program and its specific program requirements.
- Social Equity Fee Deferral Program—applicants who applied for a License for Non-Retailer Commercial Cannabis Activity pursuant to Los Angeles Municipal Code (LAMC) Section 104.8 (Phase 2 Priority Processing) and meet the Tier 1 Social Equity Program ownership requirements stated in LAMC Section 104.20© may register for the Social Equity Program's Tier 1 Fee Deferral Program.

Pursuant to LAMC Section 104.20(c), a Tier 1 Social Equity Program Applicant shall meet the following criteria at time of applying for a license: 1. Low Income and prior California Cannabis Conviction; or 2. Low Income and a minimum of five years cumulative residency in a Disproportionately Impacted Area. A Tier 1 Social Equity Applicant shall own no less than a 51 percent equity share of the business that would benefit from the issuance of the License.

If an applicant registers for the Social Equity Program's Tier 1 Fee Deferral Program, its application will permanently be deemed a Tier 1 Social Equity Program application. That means that under no circumstance will the applicant be eligible for an annual license as a part of Phase 2 Priority Processing other than as a Tier 1 Social Equity Applicant that meets the 51% Equity Share requirements, as well as other requirements, proscribed in LAMC Sec. 104.20.

- Committee members discussed upcoming dates and determined no action needed at this point
- Committee members shared that regulation and licensing updates are pending and may require revisiting this agenda item during March's committee meeting

- D. Phase 3—in addition to processing Phase 1 and Phase 2 applications, DCR will be preparing for the start of Phase 3 of licensing. For the start of Phase 3 to be successful, DCR must be in a position to process applications according to the processing ratios specified in the City's Social Equity Program. In general, Tier 1 and Tier 2 Social Equity retailer applications must be processed on a 2:1 ratio with all non-Social Equity retailer applications, and Tier 1, Tier 2 and Tier 3 Social Equity non-retailer applications must be processed on a 1:1 with non-Social Equity non-retail applications. (Please refer to LAMC Sec. 104.20(a) for the exact processing requirements.) To adhere to these processing ratios, DCR will have to be able to verify which applicants meet the requirements to be Tier 1 or Tier 2 Social Equity Applicants. Accordingly, DCR will start Phase 3 by accepting applications for verification of Tier 1 or Tier 2 status, which will require applicants to submit relevant information and evidence relating to prior California Cannabis Arrests or Convictions, residency in a Disproportionately Impacted Area, Low Income status, and all documents and information necessary to prove that the Tier 1 or Tier 2 Equity Share requirement is met. After DCR verifies an applicant is a Tier 1 or Tier 2 Social Equity Applicant, the applicant will have to identify a business premises and submit the information and documents required for the regular annual license application. Once DCR has verified enough Tier 1 or Tier 2 Social Equity Applicants to comply with the processing ratios, it will begin accepting non-Social Equity applications. DCR expects to begin accepting Phase 3 verification applications in Spring 2019.

- Committee members discussed information currently available with regard to licensing and noted here as with the item above that more information will be released soon

- Committee members decided to revisit this agenda item during March's committee meeting
8. COMMITTEE COMMENTS: Bring a few suggestions of what the Cannabis Business owners can give to the community.
  9. MEETING ADJOURNED at 8:00 pm.