

Thank You for Joining!

Stakeholder Comment Period: 9:00 a.m. - 10:00 a.m. SPARK Session: 10:00 a.m. - 11:00 a.m.





SPARK Sessions Recording Disclaimer



The Department of Cannabis Regulation (DCR) is recording this meeting by audio and visual means. By continuing with this meeting, you consent to this recording and acknowledge that the Department of Cannabis Regulation owns the recording and may use or reproduce it in any manner it deems necessary. If you do not consent to being recorded, please discontinue your participation in this meeting.









- Raise your hand (or use *9 if calling from a phone) to provide stakeholder comment.
- Feel free to state your name, if interested.
- Participants have two (2) minutes to speak.
- Participants are allowed to speak once per Stakeholder Comment Period.
- Comment collection and not an engagement method.
- Comments must remain on topic.





REMINDER

BEGINNING APRIL 5, 2021

DCR VIRTUAL PUBLIC COUNTER SERVICE HOURS WILL CHANGE TO:

> MONDAY - THURSDAY 10AM - 4PM CLOSED ON FRIDAY





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REMINDER

Upcoming:

Cannabis Regulation Commission Meeting Thursday, May 20, 2021 Begins at 2:00 p.m. Access via DCR homepage, or Cannabis Regulation Commission menu.







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SPARK Virtual Meeting Room Now Available!

- RSVP for future SPARK Sessions.
- Watch past SPARK Sessions.
- Utilize SPARK Resource Station.
- Take a SPARK Survey.
- Provide feedback in the SPARK Comment Box.

Access the Virtual Meeting Room from the DCR website's SPARK landing page.







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Sign-Up for the SPARK Email List!

Get all the latest SPARK news, direct access to the Virtual Meeting Room and additional updates from DCR.

Sign-up link on the SPARK Landing Page on the DCR website.









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City of Los Angeles Complaint Portal

- Complaints about unlicensed or illegal commercial cannabis activity
- Complaints about licensed commercial cannabis activity that you are concerned may be happening in an unlawful or unsafe manner
- Non-emergency communications with the Los Angeles Police Department about cannabis or cannabis-related activities. If this is an emergency please call 9-1-1.









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Contacting the Department of Cannabis Regulation

Applicant and Licensees should contact DCR through the following methods:

Send an EMAIL to DCRLicensing@lacity.org. Call (213) 978-0738 to speak to a DCR representative.

Non-applicants and licensees with questions should contact DCR through the following methods: Send an EMAIL to Cannabis@lacity.org. Call (213) 978-0738 to speak to a DCR representative.









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Welcome and Introduction(s)



SPARK Updates







Upcoming SPARK Events and Engagement



The next SPARK SESSION will be held Wednesday, May 26, 2021 (Licensing and Regulation)

- Stakeholder Comment Period: 5:00 p.m. -6:00 p.m.
- SPARK Session #5: 6:00 p.m. 7:00 p.m.
- RSVP available in Virtual Meeting Room.
- BREAKOUT ROOMS!

SPARK SURVEYS and SPARK COMMENT BOX are available through June 30, 2021.



Upcoming Events

Visit the DCR website for additional event information and to RSVP.

	EVENT	DAY	DATE	STAKEHOLDER Comment period	TIME	
	SPARK Session (Community Impact)	SATURDAY	5/15/2021	9 A.M 10 A.M.	10 A.M 11 A.M.	
	SPARK Session (Licensing and Regulation)	WEDNESDAY	5/26/2021	5 P.M 6 P.M.	6 P.M 7 P.M.	
	SPARK Session (Corporate Social Responsibility)	THURSDAY	6/3/2021	5 P.M 6 P.M.	6 P.M 7 P.M.	
	SPARK Session (Social Equity Program)	TUESDAY	6/8/2021	5 P.M 6 P.M.	6 P.M 7 P.M.	
	SPARK Session (Community Impact)	SATURDAY	6/12/2021	5 P.M 6 P.M.	10 A.M 11 A.M.	
		A TIP	A REAL PROPERTY AND A REAL	REFFER		



Welcome and Introduction(s)







CANNABIS REGULATION COMMISSION







Which of the following best describes you? Please select all that apply.





Cannabis in the Community: Personal Cannabis Activity







How familiar are you with laws related to personal cannabis activity (i.e. what's legal for adults 21 and older) in California?



Personal Cannabis Activity



California voters approved <u>Proposition 64, the Adult Use of</u> <u>Marijuana Act (AUMA)</u>, in November 2016. Proposition 64 eliminates the criminal consequences for personal level possession and cultivation of marijuana by persons 21 years of age or older. Subject to certain exceptions, it allows persons 21 or older to:

- possess, process, transport, purchase, obtain, or give away to persons 21 years old or older without compensation 28.5 grams or less of marijuana and 8 grams or less of concentrated cannabis;
- possess, plant, cultivate, harvest, dry, or process six or fewer living marijuana plants and products produced by the plants;
- smoke or ingest marijuana and marijuana products; and
- possess, transport, purchase, obtain, use, manufacture, or give away without compensation to persons 21 or older, any marijuana accessories.





Legal Relief & Expungement



Proposition 64 also reduced criminal penalties for specified marijuana-related offenses for adults and juveniles; and authorized resentencing or dismissal and sealing of prior, eligible marijuana-related convictions. For additional <u>information about Proposition</u> 64, visit https://www.courts.ca.gov/prop64.htm.

In California, all County District Attorney's Offices were required to implement <u>AB 1793</u> which created a statewide process for automatic review of convictions that may qualify for a reduced punishment by July 1, 2020.

To find out if your record has been cleared, or for more information about this initiative, contact the Los Angeles County Public Defender's Office by phone at (323) 760-6763 or visit <u>http://pubdef.lacounty.gov</u>. The Public Defender's Office will reply to all inquiries.









Do you know how to identify licensed cannabis businesses in the City of Los Angeles?



Personal Cannabis Use (What Isn't Legal)



- Public Consumption
- Driving While Under the Influence
- Travel Restrictions





Finding an Authorized Retailer



The State of California has a California Cannabis Portal to do searches for locations licensed by the state.

Be sure to check out the <u>Bureau of</u> <u>Cannabis Control "Get #weedwise"</u> <u>campaign</u>, which aims to educate consumers about the risks associated with purchasing and using unlicensed cannabis, and increase awareness of the benefits of licensure.



SCAN OUR QR CODE TO CHECK OUR License status

You can also check CApotcheck.com to verify we are licensed and our cannabis is legal



Finding an Authorized Retailer



Within the City's new regulatory program, businesses must obtain local authorization to engage in commercial cannabis activity.

DCR has created a webpage that includes a comprehensive list and map of all businesses with Temporary Approval or a License to sell Medicinal or Adult-Use cannabis and cannabis products.

The State of California also has a California Cannabis Portal to do searches for locations licensed by the state.




Legal Cannabis Retailers



- Prominent Display of Temporary Approval or License Is Required
- Prominent Display of Neighborhood Liaison is Required
- Responsible Premises Management
- Hours of Operation
- Daily Limits









How familiar are you with laws related to commercial cannabis activity (i.e. business licensing requirements) in Los Angeles?





Cannabis in the Community: Commercial Cannabis Activity



California Commercial Cannabis Activity



Commercial cannabis activity includes activities that are plant touching such as cultivating, manufacturing, and transporting cannabis, as well as activities that are not plant touching such as procuring and selling cannabis.

A state license is required to engage in commercial cannabis activity in California. Applicants will also need to provide proof of approval from the local jurisdiction they'll be operating in before a license can be issued. Please note that if a local jurisdiction prohibits commercial cannabis activity, the state cannot issue a license for a premises within that local jurisdiction.





Commercial Cannabis Activity: Cannabis Laws and Regulations



In March 2017, Measure M, passed in the City of Los Angeles by more than 80% of voters, giving the City Council the full authority to regulate cannabis-related activity within the City of Los Angeles. With that authority, the Department of Cannabis Regulation was established by ordinance on July 30, 2017.





Commercial Cannabis Activity: Cannabis Business Tax Rates



Monthly Classification	Activities Taxed	Tax Rate
L711 – Medical Cannabis Sales	All sales related to medical use cannabis by Retail or Microbusiness operations.	\$50 per \$1,000 in Gross Receipts
L712 – Adult-Use Cannabis Sales	All sales related to adult or recreational cannabis use by Retail or Microbusiness operations.	\$100 per \$1,000 in Gross Receipts
L713 – Cannabis Transportation	Transportation or delivery of cannabis products.	\$10 per \$1,000 in Gross Receipts
L714 – Cannabis Testing	Activities related to the testing of cannabis products.	\$10 per \$1,000 in Gross Receipts
L716 – Cannabis Cultivation	Wholesale sales related to the cultivation of cannabis.	\$20 per \$1,000 in Gross Receipts
L718 – Cannabis Miscellaneous	Sales related to all other cannabis activities such as manufacturing and packaging.	\$20 per \$1,000 in Gross Receipts



Commercial Cannabis Activity: Cannabis Business Tax Revenue



Fiscal Year 2020-21

Business Tax receipts are estimated to be \$662.5 million. Non-cannabis Business tax receipts are estimated to decrease by %54.6 million (9.5%) based on economic estimates, while cannabis Business Tax is estimated to grow by \$61.2 million based on recent trends.

Fiscal Year 2021-22

Non-cannabis Business tax receipts are estimated to grow by 4.2% based on six months of reduced activity and six months of recovery. Cannabis Business Tax is estimated to grow by 11.4% based on conservative estimates of new permit approvals and business growth.





Department of Cannabis Regulation (DCR)



The Department of Cannabis Regulation (DCR) is responsible for administering the commercial cannabis licensing and regulatory program established by the Los Angeles City Council. Specifically, DCR processes all applications for commercial cannabis licenses in the City of Los Angeles, makes licensing decisions or licensing recommendations to the Cannabis Regulation Commission, and regulates the operations of licensed commercial cannabis businesses in the City.





Cannabis Regulation Commission (CRC)



The Cannabis Regulation Commission was established by <u>ordinance</u> on July 30, 2017 and holds a number of important roles in cannabis licensing in the social equity program in Los Angeles.





Cannabis Procedures Ordinance



<u>The City of Los Angeles Cannabis Procedures</u> establish the manner in which the Department and Commission are required to process commercial cannabis license applications and further establish requirements of commercial cannabis applicants and licensees.

The Cannabis Procedures authorize the Department and Commission to issue licenses for the following commercial cannabis activity types: cultivation, manufacturing, distribution, testing, retail and delivery.

The City of Los Angeles also established a Licensing and Social Equity Program that enumerates various restrictions related to licensing and application processing.

On July 1, 2020, the Los Angeles City Council approved an <u>ordinance</u> which comprehensively amends, clarifies and re-organizes portions of Article 4, Chapter X of the Los Angeles Municipal Code. The ordinance became effective upon publication.



Cannabis Location Requirements



The City of Los Angeles restricts where Commercial Cannabis Activity may lawfully occur. The City restricts Commercial Cannabis Activities to specific zones.

Sensitive use restrictions include but may not be limited to following:

- A licensed retail storefront must be outside of a 700-foot radius of a School, Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, Day Care Center, Permanent Supportive Housing, and any other licensed storefront retailer.
- A licensed non-storefront retailer (delivery), distributor, cultivator, non-volatile manufacturer or testing lab must be outside of a 600-foot radius of any School.
- A volatile manufacturer must be outside of a 600-foot radius of any School and a 200-foot radius of any Residentially Zoned Property.





Legal Cannabis Retailers



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How comfortable are you with a licensed cannabis business in your community?





Commercial Cannabis Activity: Participating in the Licensing Process



Licensing Program: Participating in the Licensing Process



There are a variety of ways for members of the public to stay informed about and engaged in cannabis licensing.

DCR releases regular news and updates to provide licensees, stakeholders, and consumers with the latest information on the City's commercial cannabis industry. We encourage you to stay engaged by attending and participating in our public meetings and events.

- Contact Department of Cannabis Regulation
- Attend Department of Cannabis Regulation Events
- Contact Cannabis Regulation Commission
- Attend Cannabis Regulation Commission Meetings
- Community Meetings
- Public Notice
- Stakeholder Input



Licensing Program: Application and Licensing Processing Restrictions



License Type	License CAP	Are Applications Currently Being Accepted?	Application Processing Restrictions	Comments
Testing	No	Yes	No	Application processing opened on October 20, 2020.
Distribution	No	Yes	No	Application processing opened on October 20, 2020.
Non-Volatile Manufacturing	No	Yes	No	Application processing opened on October 20, 2020.
Volatile Manufacturing	Yes	No	No	
Cultivation	Yes	No	No	
Delivery	No	Yes	Yes. Limited to Social Equity Applicants until January 1, 2025 (Phase 3)	SEAs must be verified. SEAs may be verified under the original eligibility criteria or the expanded eligibility criteria. Application processing opened on October 20, 2020.
Retail	Yes	No	Yes. Limited to Social Equity Applicants until January 1, 2025 (Phase 3 Round 2)	Licenses are limited per CPA. To apply in a CPA that has reached Undue Concentration, eligibility must be verified pursuant to LAMC Sections 104.20(b) and 104.06.1(c)(3) before submitting a PCN Request. A lottery will be administered to determine which eligible SEAs are selected to apply fo a License in a CPA that has not reached Undue Concentration. SEAs must be verified pursuant to LAMC Sections 104.20(b) and 104.06.1(c)(3) before being determined eligible to participate in the lottery.



Licensing Program: **Application Process**



APPLICATION PROCESS

land use

ownership

restrictions.



If necessary, City Council must make a PCN finding.

The Individual pays DCR determines the Pre-Application compliance with Filing Fee and submits the regulations and required Pre-Application documents via Accela (DCR Licensing Portal).



DCR determines that the application is eligible for further processing.

The Temporary Approval Filing Fee is paid.





Licensing Program: Corporate Social Responsibility



The Department of Cannabis Regulation is dedicated to ensuring community engagement, equitable property, and corporate social responsibility within the commercial cannabis industry in Los Angeles. The Cannabis Procedures Ordinance mandates that DCR shall develop criteria and guidelines for Cannabis Corporate Responsibility Reports (Report).

Community members can provide their feedback on what should be included in a Corporate Social Responsibility Report via a Corporate Social Responsibility Survey or through the Comment section of the Virtual Meeting Room.









Would you participate in programming designed to promote community engagement and community service by the cannabis industry?





Cannabis in the Community: Social Equity Program



Social Equity Program



The Mission of the Social Equity Program is "to promote equitable ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities, and to address the disproportionate impacts of the War on Drugs in those communities."



PROGRAM STATUS **Application Processing Available Available SEED Grant Program Pro Bono Legal Program Available Business, Licensing & In Development** Compliance **Fee Waiver Program New Details Forthcoming Fee Deferral Program New Details Forthcoming**





Cannabis in the Community: Compliance and Enforcement







Is your community adversely impacted by one or more unlicensed cannabis businesses?







Do you know how to report unlicensed cannabis businesses?



Compliance and Enforcement: Mayor's Enforcement Task Force















LOS ANGELES CITY PLANNING







Compliance and Enforcement: City of Los Angeles Complaint Portal



City of Los Angeles Complaint Portal

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Cannabis in the Community: Additional Resources



Cannabis in the Community: Additional Resources







Law Offices of Los Angeles County **PUBLIC DEFENDER**

California Department of PublicHealth Los Angeles County

COUNTY OF LOS ANGELES Public Health

COUNTY OF LOS ANGELES Public Health

MEDICAL MARIJUANA IDENTIFICATION CARD PROGRAM



Cannabis in the Community: SPARK Fact Sheets and FAQs











Select any topic that you would like to receive more information about. (Select all that apply).



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Stay Connected to SPARK!



SPARK Virtual Meeting Room DCR Website DCR Email Blast SPARK Comment Box SPARK Surveys SPARK Sessions *NEW* Email List







Closing Remarks



