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City of LA SEP

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# **Eligibility Verification Training**



# WHAT WE'LL COVER

- Social Equity Program's Purpose and Background
- Eligibility Verification Highlights
- Social Equity Individual Applicant Eligibility Verification Criteria and Required Documentation
- Tools and Resources
- Conclusion



# CONGRATULATIONS!

You are taking the first steps to become a  
***Social Equity Individual Applicant***



# THE SOCIAL EQUITY PROGRAM

- Promotes equitable ownership and employment opportunities
- Addresses impacts of past cannabis enforcement



# THE SOCIAL EQUITY PROGRAM

In 2020, definition revisions were made for Low Income and Disproportionately Impacted Area, and changes to qualifying criteria for applicants.





THE **SEIA** ELIGIBILITY  
CRITERIA HAS CHANGED.



***SEIA*** ELIGIBILITY VERIFICATION  
REQUEST PERIOD WILL BE **OPEN**





**A NEW ELIGIBILITY VERIFICATION  
REQUEST **MUST BE SUBMITTED** &  
VERIFIED BY THE CITY OF LA TO  
PARTICIPATE IN THE LOTTERY AND/OR  
FOR UNVERIFIED INDIVIDUALS  
TO PARTICIPATE IN THE SEP.**





# **TIME IS OF THE ESSENCE!**

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Start collecting your documentation  
ASAP and planning.



# **TIME IS OF THE ESSENCE!**

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**NOTE:** The legal name on the document must match the legal name on the verification request or evidence linking the legal names must be provided.

Questions?

Please contact DCR at  
**dcr.sep@lacity.org**

Call **(213) 978-0738** during business hours  
(Mon-Thurs 10:00 a.m. – 4:00 p.m.)  
to speak to a DCR representative.



# **SOCIAL EQUITY INDIVIDUAL APPLICANT**

## **VERIFICATION CRITERIA**





# **SOCIAL EQUITY INDIVIDUAL APPLICANT**

## **VERIFICATION CRITERIA**

**Satisfy any two of the following three criteria:**

- 1)** A qualifying California Cannabis Arrest or Conviction
- 2)** Ten years cumulative residency in a Disproportionately Impacted Area
- 3)** Low Income in the calendar year 2020 or 2021





# WHAT IS A QUALIFYING **CA CANNABIS ARREST OR CONVICTION?**



# WHAT IS A QUALIFYING **CA CANNABIS ARREST OR CONVICTION?**

Cannabis arrest or conviction\* in California for any crime relating to the sale, possession, use, manufacture, or cultivation of Cannabis that occurred **prior to November 8, 2016.**

**\*An arrest, prosecution or conviction for a violation of Proposition D is not a California Arrest or Cannabis Conviction**





## **PROVE ARREST OR CONVICTION**

by providing at least one court or government document.



## **PROVE ARREST OR CONVICTION**

by providing at least one court or government document.

*ex.*

- > A physical copy of the ticket or citation
- > A court docket referencing your arrest or conviction
- > A letter of expungement from the jurisdiction who expunged your cannabis conviction or arrest record

# **REVIEW** LOW INCOME CRITERIA





# **REVIEW**

## LOW INCOME CRITERIA

#1

Applicant meets the low-income thresholds established in the annual U.S. Department of Housing and Urban Development (HUD) income limits.





# REVIEW

## LOW INCOME CRITERIA

#1

### Single person household

Below **\$66,250** is considered  
low income for 2021 and  
below **\$63,100** for 2020.



# REVIEW

## LOW INCOME CRITERIA

#1

### Household of four

Below **\$94,600** is considered  
low income for 2021 and  
below **\$90,100** for 2020.

# **REVIEW**

## LOW INCOME CRITERIA



More information on  
income limits based upon  
household sizes.

<https://www.huduser.gov/portal/datasets/il.html>

# **REVIEW**

## LOW INCOME CRITERIA

**Ask the following questions:**

- 1)** What household size did I declare?
- 2)** What is the total Gross Income?
- 3)** Is the gross income lower than the income limits?



# **REVIEW**

## LOW INCOME CRITERIA

#2

Does not have Assets in excess of the amount as defined in Los Angeles Municipal Code (LAMC).





# REVIEW

## LOW INCOME CRITERIA

### Examples of Assets:

#2

- > Saving accounts
- > Checking accounts
- > Certificates of deposit
- > Money market accounts
- > Stocks
- > Trusts
- > Gifts
- > Real estate



# Real life examples:

- ☒ I filed as married filing separately.
- ☒ My household size is 2 people.
- ☒ Gross income is \$70,000.
- ☒ Followed link to the Department of Housing and Urban Development (HUD) report.
- ☒ Report states threshold is \$75,700.
- ☒ \$75,000 times 4 equals \$300,000.
- ☒ All assets totaled \$250,000.



The individual meets the  
income-threshold based on  
their household size, and the  
asset requirement.



# **LOW INCOME REQUIRED DOCUMENTATION**



## LOW INCOME REQUIRED DOCUMENTATION

Provide one or more of the following:

- > Federal tax return for 2020 or 2021
- > Letter from IRS stating you were **NOT** required to file taxes.



## LOW INCOME REQUIRED DOCUMENTATION

IRS Form 4506-T and  
filing instructions:



<https://www.irs.gov/pub/irs-pdf/f4506t.pdf>



# REVIEW RESIDENCY

See report for  
Police Reporting  
Districts





# REVIEW RESIDENCY

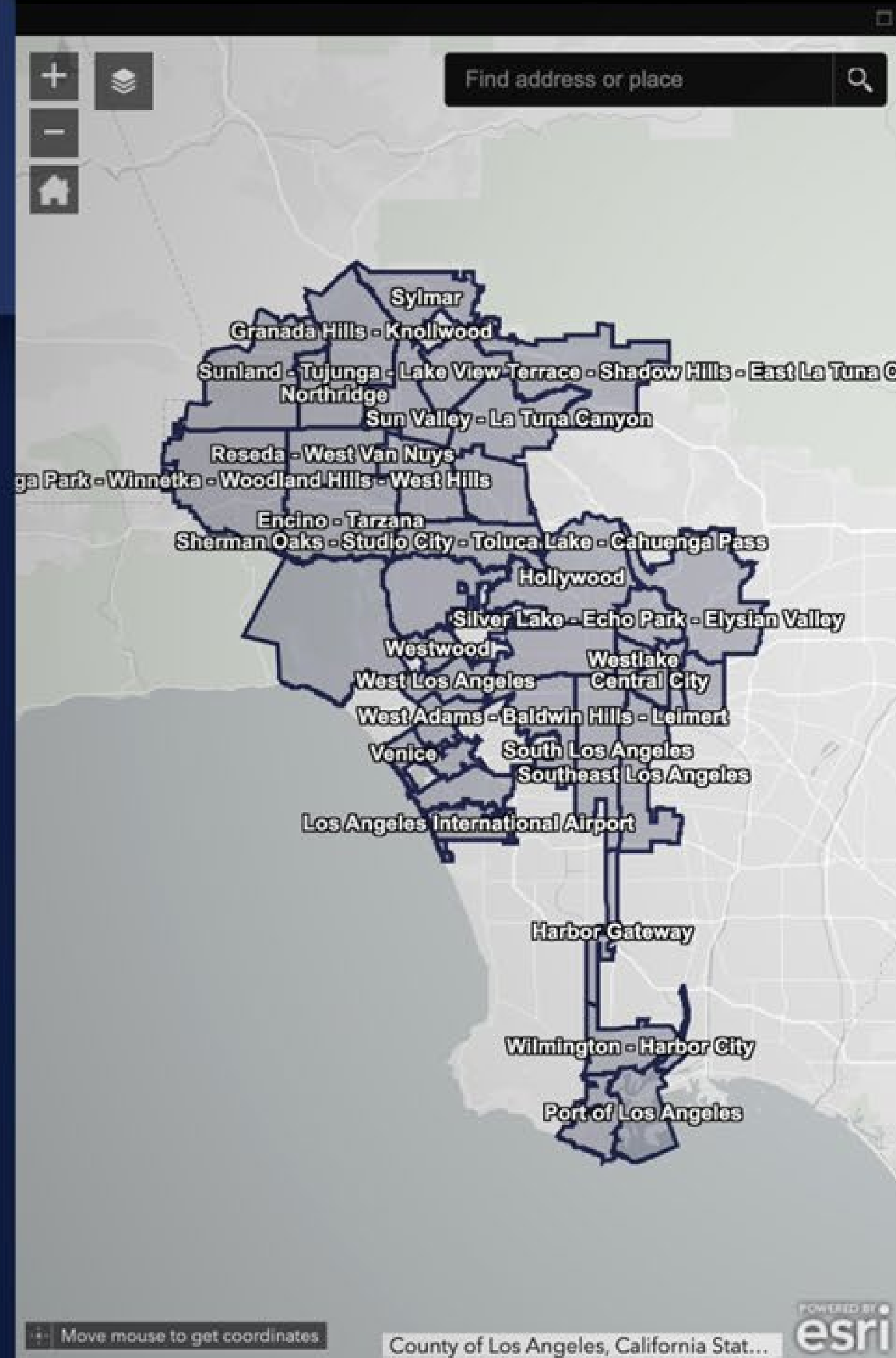
The first step to figuring out whether or not you meet these requirements is:  
**Have you lived in a DIA?**





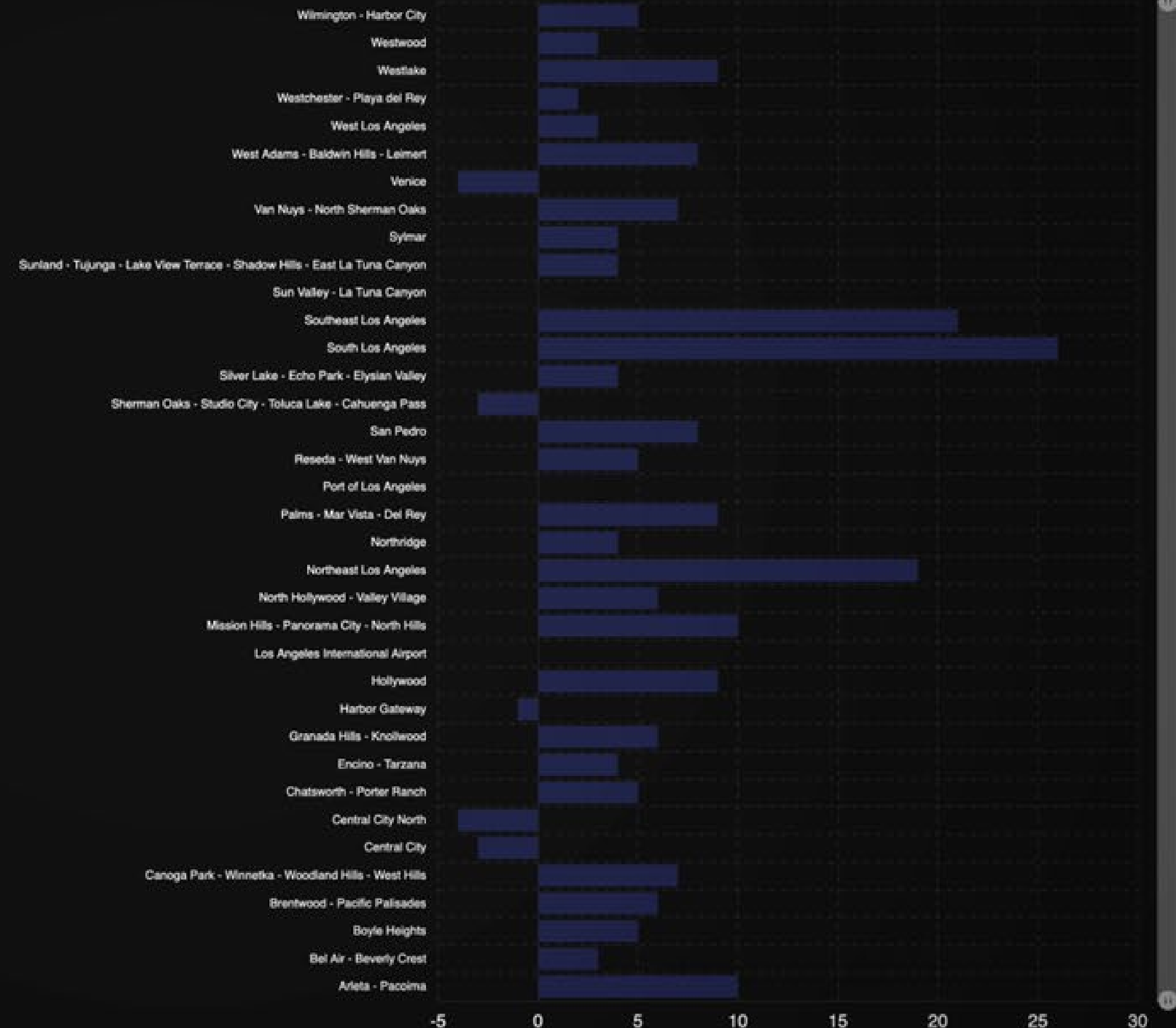
# Undue Concentration Limits

This map is for informational purposes only



## Capacity Summary

### COMMUNITY PLAN AREA SUMMARY



Description: Hover mouse over each bar to display specific Community Plan Area. Click on desired Community Plan Area on map to also display information.





# Undue Concentration Limits

This map is for informational purposes only



Find address or place



## Capacity Summary

CO

Wilmington - Harbor C

Westwo

Westla

Westchester - Playa del R

West Los Angel

West Adams - Baldwin Hills - Leim

Veni

Van Nuys - North Sherman Oa

Sylm

Sunland - Tujunga - Lake View Terrace - Shadow Hills - East La Tuna Canyon

Sun Valley - La Tuna Canyon

Southeast Los Angel

Silver Lake - Ech

Sherman Oaks - Studio City - Tolu



## Layer List



### Layers



▶ ☒ Social Equity Program



▶ ☐ Pending Applications



▶ ☐ Retail Temporary Approvals Authorized



▶ ☐ Retail Temporary Approvals Authorized (Social Equity)



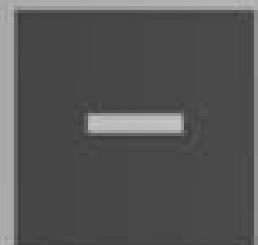
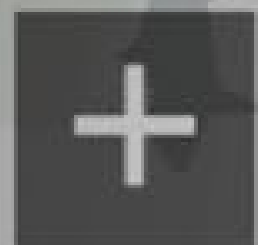


# Undue Concentration Limits

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Capacity Sum



Find address or place



**Sylmar**

**Granada Hills - Knollwood**

**Sunland - Tujunga - Lake View Terrace - Shadow Hills - East La Tuna Ca**

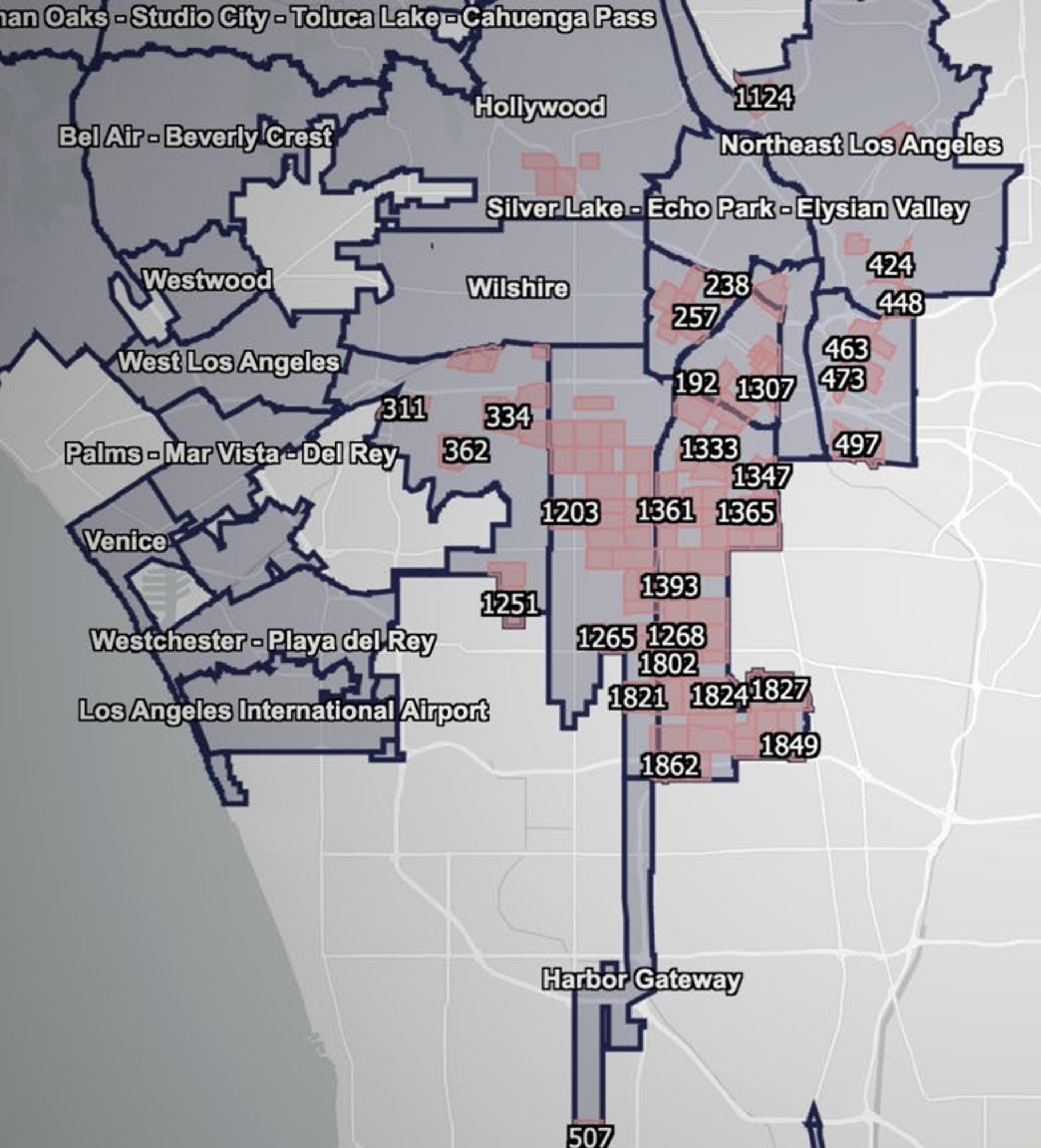
**Northridge**

**Sun Valley - La Tuna Canyon**

**Pasadena - West Van Nuys**









**NOTE:** Cumulative years do not need to be consecutive; the years just need to total 10 or more over your lifetime.



# IMPORTANT

Addresses must be located in a DIA.

10 cumulative years means the total number of years lived in a DIA.





# **RESIDENCY**

## **REQUIRED DOCUMENTATION**



# RESIDENCY

## REQUIRED DOCUMENTATION

- > Documentation is required for each year.
  - > One dated document for each year.



# **RESIDENCY**

## **REQUIRED DOCUMENTATION**

The legal name on the document must match the legal name on the verification request or evidence linking the legal names must be provided.





# RESIDENCY

## REQUIRED DOCUMENTATION

### Types of accepted documents:

- > Tax or financial records
- > Property deeds, mortgage or lease documents
- > Government housing or assistance records
- > Utility bills
- > Education records
- > Employment records
- > Vehicle registrations
- > Identification cards

**DIAAs in other cities, counties, or states throughout the country may be established if the analysis:**

- 1)** Uses a contiguous geographic area
- 2)** Uses the same methodology and criteria as the City's expanded social equity analysis
- 3)** Provides all information, forms and/or documents used to prepare the study
- 4)** Provides certified documentation from all law enforcement agencies



**The City may request additional information and documents from the Applicant to determine if the proposed non-City DIA meets the same methodology and criteria used by the City of Los Angeles.**



# CHECK TO SEE IF YOUR ADDRESS IS IN A **DISPROPORTIONATELY IMPACTED AREA**





# CHECK TO SEE IF YOU MEET THE **LOW INCOME THRESHOLD**



2020



2021





City of Los Angeles Department  
of Cannabis Regulation

SEP Eligibility Verification Checklist

This form is a checklist to help you prepare for the social equity verification process.

LOW INCOME

1. Did you report income of \$63,100 or less in 2020 or \$66,250 or less in 2021? ☐ Yes ☐ No
2. If yes, did you submit a tax return for 2020 that shows income of \$63,100 or less or \$66,250 or less in 2021? ☐ Yes ☐ No

CALIFORNIA CANNABIS ARREST OR CONVICTION

1. Do you have a qualifying\* California Cannabis Arrest or Conviction before November 8, 2016? ☐ Yes ☐ No
2. If yes, what was your qualifying Cannabis Arrest or Conviction before November 8, 2016?

\*An arrest, prosecution or conviction for a violation of Proposition D is not a California Arrest or Cannabis Conviction.

RESIDENCY IN A DISPROPORTIONATELY IMPACTED AREA (DIA) - 10 YEARS

1. Have you resided in a DIA for at least ten years? ☐ Yes ☐ No
2. If yes, please complete the table below:

No.	Year	Address	Supporting document
Ex.	2017	125 Paseo de la Plaza Los Angeles, CA 90012	Lease
1			
2			
3			



1. Do you have a qualifying California Cannabis Arrest or Conviction before November 8, 2016:

☒ Yes ☐ No

2. If yes, what was your qualifying Cannabis Arrest or Conviction before November 8, 2016?

*\*An arrest, prosecution or conviction for a violation of Proposition D is not a California Arrest or Cannabis Conviction.*

### RESIDENCY IN A DISPROPORTIONATELY IMPACTED AREA (DIA) - 10 YEARS

1. Have you resided in a DIA for at least ten years?

☒ Yes ☐ No

2. If yes, please complete the table below:

No.	Year	Address	Supporting document
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1			
2			
3			
4			
5			
6			
7			



This form is a checklist to help you prepare for the social equity verification process.

### LOW INCOME

1. Did you report income of \$63,100 or less in 2020 or \$66,250 or less in 2021? ☐ Yes ☐ No
2. If yes, did you submit a tax return for 2020 that shows income of \$63,100 or less or \$66,250 or less in 2021? ☐ Yes ☐ No

### CALIFORNIA CANNABIS ARREST OR CONVICTION

1. Do you have a qualifying\* California Cannabis Arrest or Conviction before November 8, 2016? ☐ Yes ☐ No
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### RESIDENCY IN A DISPROPORTIONATELY IMPACTED AREA (DIA) – 10 YEARS

1. Have you resided in a DIA for at least ten years? ☐ Yes ☐ No
2. If yes, please complete the table below:

No.	Year	Address	Supporting document
Ex.	2017	125 Paseo de la Plaza Los Angeles, CA 90012	Lease
1			





# CONCLUSION

Must satisfy any **two** of the following three criteria:

- 1) A qualifying California Cannabis Arrest or Conviction.
- 2) Ten years cumulative residency in a Disproportionately Impacted Area.
- 3) Low Income in the calendar year 2020 or 2021.



Non-storefront delivery and cultivation  
license applications are reserved for  
verified Social Equity Applicants.





All applicants are able to apply for the manufacturing, distribution, and testing license types.



Additional questions?

Please contact DCR at  
**dcr.sep@lacity.org**





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