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# CANNABIS REGULATION COMMISSION

*January 18, 2024, 2:00 p.m.*

*(877) 853 - 5257 | Meeting ID: 860-838-7310 #*



**CANNABIS**  
**REGULATION**  
COMMISSION

# Roll Call



# General Public Comment & Single / Multiple Agenda Item Comment

# Agenda Item #1: Commission Business



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# Agenda Item #2: Report from the Executive Director



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**CANNABIS  
REGULATION  
COMMISSION**

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  - IV. 2023 Annual Report**

# LADCR Through 2023



**CANNABIS  
REGULATION  
COMMISSION**



Social  
Equity  
Program



Licensing &  
Compliance



Events



Events



# LADCR Through 2023



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COMMISSION**

## **This year DCR... hosted:**

- 12 Q&A Webinars through which over 600 questions were addressed for attendees
- 8 technical assistance webinars in various topics

## **... spotlighted:**

- 4 Social Equity business operators

## **... distributed:**

- 11 news bulletins

## **... launched:**

- The annual license application process and helped hundreds of social equity applicants and licensees through the existing retail process

## **.... collaborated :**

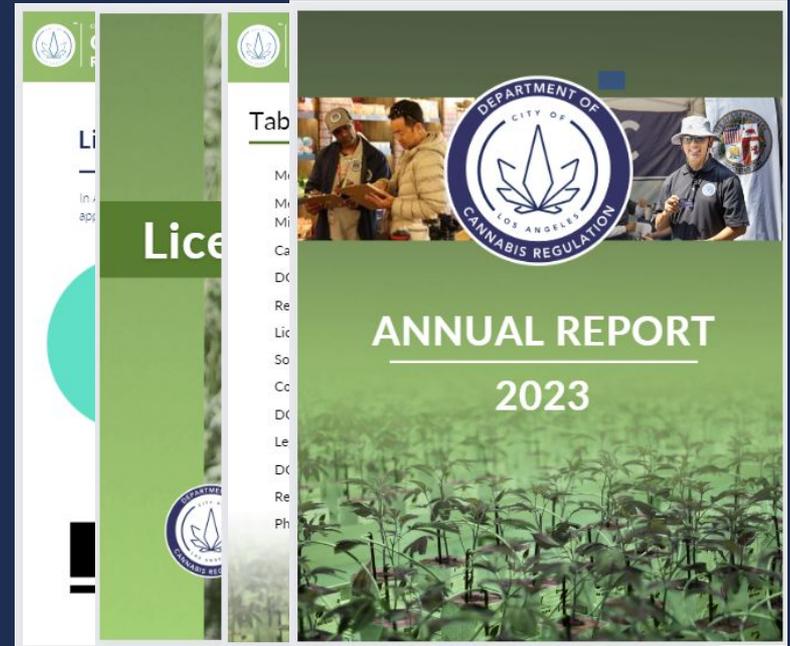
- With social equity organizations to assist with the success of SB 51

# 2023 - Annual Report



**CANNABIS  
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COMMISSION**

In 2023, DCR increased its licensing output by 10%,  $\frac{1}{3}$  of total licensing granted to Social Equity Applicants. Learn more about DCR's achievements in the upcoming 2023 Annual Report.



# Goals for 2024



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- Continue the Annual Licensing process
- Advocate for new and increased funding for the Social Equity Program
- Successfully launch a Public Information Campaign in April 2024
- Launch a partnership with the Office of Finance to streamline the payment process
- Finalize a study with UCLA on enforcement strategies across the U.S. and work with City Partners on ensuring comprehensive enforcement of illegal operators
- Assist the remaining Dec 2022 lottery participants through the application process
- Host another SEIA verification and retail lottery and, if desired another PCN process
- Produce a draft of new policy proposals, and legislative amendments to ensure applicant and licensee sustained success.
- Continue increasing department reach and communications
- Host and attend more online and IN-PERSON industry events

# Licensing Activity



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COMMISSION**

## General Licensing



Retail

279



Delivery

137



Non-Volatile Manufacturing

322



Distribution

411



Cultivation

369



Testing Lab

10

November 2023

## Social Equity Licensing



Retail

104



Delivery

137



Non-Volatile Manufacturing

61



Distribution

77



Cultivation

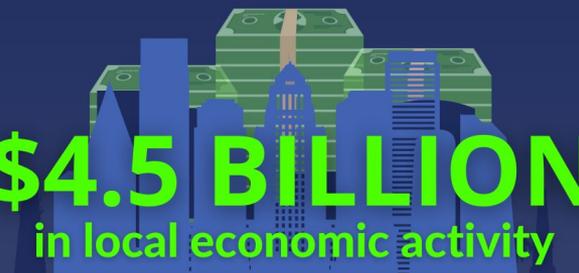
78

November 2023

# Economic Impact



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An illustration of a city skyline with several skyscrapers. In the background, there are stacks of green banknotes, with one stack being taller than the others, symbolizing economic activity and revenue.

**\$4.5 BILLION**  
in local economic activity

A white silhouette of the Los Angeles City Hall building, centered below the text.

**\$467 MILLION**  
in tax revenue

Dollars generated by licenced cannabis  
businesses in the City of LA since 2018



# Agenda Item #3: Report on the Social Equity Program



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# Social Equity Program



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## Mission:

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.”



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COMMISSION**



**BLC**

Business,  
Licensing and  
Compliance

# Program Benefits and Resources



- Application Processing
- Business, Licensing, Compliance and Technical Assistance Program
- Pro Bono & Low Bono Legal Services Program
- Workforce Development Program
- SEED Rental Assistance Grant Program

## Launched in 2023:

- Job Board
- Stakeholder Advisory Workgroup

# Social Equity Licenses



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Retail

104



Delivery

137



Non-Volatile Manufacturing

61



Distribution

77



Cultivation

78

November 2022

The City of Los Angeles has issued 457 Social Equity Licenses split into 5 activities. This represents close to **30%** of all licensees. DCR anticipates that at least half of licensed businesses will be owned by Social Equity Individual Applicants by 2025.

# BLC Program Overview



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## 2023

### Learning Management System:

- 86 Live Webinars to date
- 160 hours of self-paced course content
- 8 Learning Pathways
- 98 Pro Bono and Low Bono Referrals
- 350 hours of one-on-one business, professional and workforce development coaching
- 5 Beachside Chat Q&A Sessions
- Virtual & in-person events
- Distributed \$5,000,000 in direct financial assistance

# BLC Website



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The SEP Team has developed a standalone website for the Business, Licensing Compliance and Technical Assistance Program. This website features include the following:

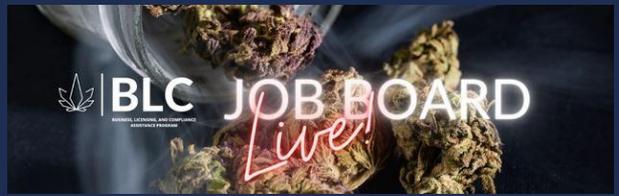
- Access to the Online Learning Management System (LMS)
- Webinar Registration
- Job Board
- One-on-One Coaching Registration
- Cannadispatch Monthly Newsletter
- Video Archives
- Events



**January 2024 Cannadispatch Newsletter**

Welcome back to the BLC Cannadispatch, providing Los Angeles's social equity community with the latest cannabis jobs, resources, news, and events!

[Click here to read the newsletter](#)

The banner has a background of palm trees and a city skyline. A dark grey rectangular box contains the text.

**PRO BONO - LOW BONO**

Legal Services  
Now Available

The logo features the BLC logo (a stylized leaf) and the LACBA logo (a circular emblem with a scale of justice). The background is a dark grey with a pair of gavel handles.



# BLC Overview Statistics

In 2023, the Social Equity Program:

- Published 12 Cannadispatch newsletters
- Hosted 24 live webinars and Q&A sessions
- Added 198 jobs to the Job Board
- Hosted 2 in-person events-Cannabis & Capital Investor Networking Forum and Los Angeles Cannabis Unite: Summer Edition
- Organized the DCR Stakeholder Equity Advisory Workgroup and held 2 meetings to date.

# 2023 Events



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1. **CANNABIS AND CAPITAL** -An investor networking forum at the Los Angeles Convention Center that gathered the cannabis community which informed participants about the investor journey and connected them with DCR resources, industry investors, funding and capital opportunities. Equity entrepreneurs were given access to information on grant assistance, business plan guidance, and the tools and resources the Social Equity Program provides.
2. **LOS ANGELES CANNABIS UNITE: SUMMER EDITION** -A business and professional development mixer at the beautiful historic Mayfair Hotel that hosted a business supply chain networking segment and highlighted DCR resources including a new and improved job board.

# Cannabis and Capital-February 2023



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450 cannabis industry investors, experts and leaders, Los Angeles operators, licensees, entrepreneurs, start-ups, exhibitors, and cannabis brand representatives attended the inaugural event at the Los Angeles Convention Center.



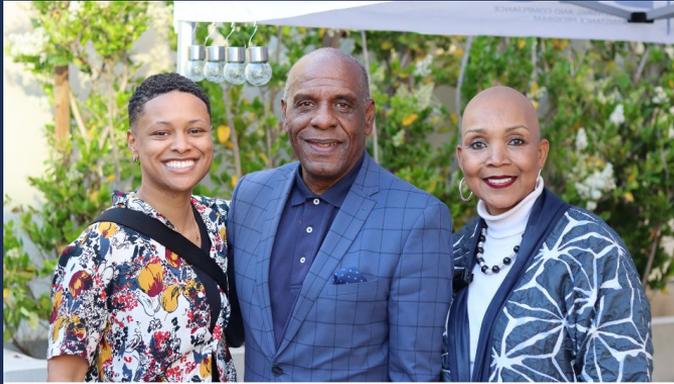
Panels included how to “get to yes,” guidance on perfecting your pitch, and preparing for the investment journey.



# LA Cannabis Unite: Summer Edition-June 2023



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COMMISSION**



- Over 560 attendees
- DCR Resource Room, including access to DCR-SEP Job Board
- One on one coaching
- SEED Grant Direct Assistance
- SEIA exhibitors supply chain networking

# Job Board



**CANNABIS  
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## Cultivation - Green Dragon Caregivers

Green Dragon Caregivers - ,



Cultivation

We are looking for enthusiastic and reliable employees to join our team. Our perfect candidate is kind, friendly, reliable, adaptable, professional, and most importantly; a passionate cannabis advocate! Our customers are why we are here, and it is our goal to meet their unique needs. We have openings for 3 full time positions. Weekends are mandatory, of course we respect your life but some weekend shifts will be scheduled each week.

[View Job](#)

## Accounting Manager

Kush Collective - ,

Bookkeeping/Accounting



Accounting Manager Responsibilities include, but are not limited to the following: The controller position is responsible for the accounting operations of the company, including the production of financial reports, maintenance of accounting records, and a comprehensive set of controls and budgets Monitors and confirms financial condition by conducting audits; provides information to external auditors Oversee Budget forecasting and cash flow management Ensure

## Budtender

Fountain of Wellbeing - ,



Budtending/Customer Service

- Provide exceptional customer service to all patrons - Assist customers in selecting and purchasing cannabis products - Educate customers on different strains, products, and consumption methods - Maintain knowledge of current cannabis laws and regulations - Handle cash transactions accurately and efficiently - Maintain a clean and organized sales floor - Conduct product demos and provide recommendations based on customer preferences - Ensure compliance with age verification procedures

[View Job](#)

## Part Time Cannabis Delivery Driver

New Age Compassion Care Center - ,



Driver (Delivery)

You must have driving experience on your resume to be considered. Must possess valid driver's license, and be able to send driving abstract. We are looking for a responsible Delivery Driver to distribute products promptly to our customers. You will represent our company in a professional and cost-effective manner to increase our profitability and customer satisfaction.

[View Job](#)

## Job Board Features:

- Gives job seekers real time updates on available positions and job requirements
- Allows job seekers to view job descriptions and apply
- Have the confidence to know that they are working for a licensed cannabis operator
- Allow licensed operators to recruit for local, transitional and social equity hires
- 50 active job postings, 198 jobs posted in 2023

# Good Faith Hiring Requirements Report



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## Good Faith Hiring Requirements Report

CONTINUE →

The Good Faith Hiring Requirements Report is found in the Employer Tool Kit on DCR's Licensed Employer's Resources Page.

The City of Los Angeles Municipal Code establishes good-faith hiring requirements for all licensed operators.

Every licensed cannabis business in the City of Los Angeles must participate in this survey and complete it annually by submitting the GFHR Survey jotform created by DCR.



# DCR Equity Stakeholder Advisory Workgroup



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## Purpose:

The DCR Equity Stakeholder Advisory Workgroup is designed to constructively discuss and contribute ideas to our program so that it continues to serve the cannabis equity community.

This is a diverse group of social equity entrepreneurs from the licensed cannabis industry, including retail business owners, delivery service owners, emerging entrepreneurs, medical cannabis business owners, manufacturers and growers.

# DCR Equity Stakeholder Advisory Workgroup



**CANNABIS  
REGULATION  
COMMISSION**

## Requirements:

- Completed 5 hours of training in the Learning Management System
- Has received at least one grant
- Attended 3 webinars

**Two groups of 12 participants were selected to attend the quarterly Advisory Workgroup Meetings.**



Social Equity Applicants and Licensees gather to discuss important issues, concerns and brainstorming ideas for the future of the Social Equity Program.

# LACBA Legal Assistance



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COMMISSION**

## Pro Bono:

- Available to all verified Social Equity Individual Applicants/10 hours of free legal services

## Low Bono:

- Program launched on October 6, 2022.
- Available to all verified Social Equity Individual Applicants
- 30 hours of legal consultation and services at \$35/hour per applicant

98 Pro Bono and Low Bono referrals to date

If you have questions about eligibility, please contact us at [DCR.SEP@lacity.org](mailto:DCR.SEP@lacity.org)

# Pro Bono/Low Bono Legal Services

This referral service is available to ALL Social Equity Individual Applicants who have passed the Pre-Application stage. You may now be eligible to receive up to 40 hours of legal services -- 10 hours of free Pro Bono and 30 hours of Low Bono for only \$35 per hour.

**SIGN UP HERE**

[Pro Bono/Low Bono Legal Services Survey](#)

[Pro Bono/Low Bono Authorization Agreement](#)

The Los Angeles County Bar Association's Cannabis Section, in partnership with DCR, has created a Pro Bono/Low Bono Legal Assistance program which will operate through the Bar Association's Smart Law Referral Service for Social Equity Applicants.

The goals of this referral resource are to promote fair and equitable participation in the licensed commercial cannabis industry, and to foster a level playing field as it relates to access to legal counsel, and help deter predatory practices targeting the social equity community.

The Pro Bono program provides up to 10 hours of free legal advice for verified Social Equity Individual Applicants (SEIA) who meet eligibility criteria. In addition, SEIA's can access the Low Bono program that allows those who qualify to receive up to 30 hours of legal advice at a discounted rate of \$35 per hour.

If you are qualified and interested in this free and reduced cost service, please complete the online survey titled "Pro Bono/Low Bono Legal Services Survey." You must complete the required information in the [Pro Bono/Low Bono Legal Services Survey](#) and upload the Pro Bono/Low Bono [Authorization Agreement](#) to the survey to complete the intake process.

# LA SEED Rental Assistance Grant Program



In partnership with Elevate Impact LA, the City of Los Angeles Department of Cannabis Regulation disbursed \$5 million in funding from the 2022 Cannabis Equity Grant for Local Jurisdictions.

SEED Rental Assistance Grant funds may be used for the following purposes:

- To pay rent or a security deposit pursuant to a fully executed commercial lease
- To finance up to one month of back rent due on a fully executed commercial lease
- To secure a binding Letter of Intent by paying the required security deposit
- To assist with build out or construction costs for the purposes of renovating a location to operate a licensed commercial cannabis storefront retail location

# LA SEED Rental Assistance Grant Program Statistics



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- The Department hosted a series of 4 Lunch and Learns that walked verified SEIAs through the SEED Rental Assistance grant application process.
- 181 verified Social Equity entrepreneurs have received grants of up to \$50,000 deposited **directly into their bank accounts**



# LA SEED Rental Assistance Grant Program



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**\$5,000,000**

**DISBURSED TO 181 RECIPIENTS**

- SEED 1.0-
  - \$4,300,000 disbursed
- SEED 2.0-
  - \$700,000 disbursed

The SEED Rental Assistance Grant application period opened on September 30, 2022 and closed on March 30, 2023.



**SEED 2022 RENTAL  
ASSISTANCE GRANT  
PROGRAM**



# 2024 Goals for the Social Equity Program



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Continue the expansion of the Business, Licensing, Compliance and Technical assistance program through the following elements:

- Online webinars and self-paced educational content
- Expansion of one-on-one Subject Matter Expert coaching
- Expansion of Pro Bono/Low Bono legal services
- Secure additional grant funding

Outreach:

- Host and participate in community events
- Create public information campaigns highlighting equity businesses
- In-person education and technical training for equity entrepreneurs

Workforce Development:

- Creation and development of an Apprenticeship program
- In-person workshops and advanced training for career building

# Agenda Item #4: Report on the Licensing Program



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# Licensing Program Updates:

## No. of Business Premises By Phase and Record Status



- Phase 1 - Existing Medical Marijuana Dispensaries (EMMDs)
- Phase 2 - Non-Retail EMMD Suppliers
- Phase 3 - General and Social Equity Businesses
  - Retail Round 1
  - Retail Round 2
  - Social Equity
  - General

# Agenda Item #5: Report on the Compliance and Enforcement Program



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# Work Program Overview



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## Compliance Inspection Program

- Includes the Emblem Placard Program (LACDPH)
- Annually
- Complaints (minor, moderate violations)



## Progressive Enforcement Procedures

- Complaint Portal (moderate, major violations)
- Unauthorized Activity associated with a Licensee



## Resources for Program Effectiveness & Success

- Prop 64 Enforcement Study
- Coordination and collaboration with other agencies
- Pooling resources, sharing information
- Education and Training Program

# Emblem Placard Program and Health Permit



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- DCR conducted a [webinar](#) alongside DPH about the Commercial Cannabis Facility Public Health Inspections Compliance and Emblem Program on April 28, 2022.
- DPH verifies items that impact the public health and safety such as:
  - General Sanitation (vermin, construction requirements)
  - Equipment standards and requirements
  - Water supply safety
  - Produce safety (storage, packaging)
  - Employee health, hygiene

# Emblem Placard Program



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## **DCR Performs Research**

*DCR staff reviews building permits and C of Os' on LADBS online building records search database and saves latest records + BP Diagram provided to DCR by Licensee. Verification form is initiated for LADBS to complete.*

## **DCR Publishes Eligible Locations**

*DCR publishes the list of Business Premises locations on its website.*

## **Placard is Issued by LACDPH**

*If the location passes the Site Evaluation, the Emblem Placard will be issued upon payment of the Health Permit Fee.*

## **DBS verifies use at BP locations**

*LADBS reviews records provided by DCR and determines if the permitted use per building records is consistent with the retail use as proposed by licensee; DBS completes verification form and returns to DCR.*

## **LACDPH Coordinates Site Evaluation with Licensee**

*LACDPH only accepts site evaluation requests from licensees whose Business Premises locations have been verified to have all the required permits and approvals from the City (i.e. Certificate of Occupancy).*



**Authorized Cannabis Store**

FOR INFORMATION REGARDING THE LATEST INSPECTION RESULTS OR FOR CANNABIS HEALTH ADVISORIES VISIT OUR WEBSITE: [www.publichealth.lacounty.gov/eh](http://www.publichealth.lacounty.gov/eh)



Public Health concerns regarding this facility may be directed to:  
**ENVIRONMENTAL HEALTH CUSTOMER CALL CENTER**  
 (888) 700-9995



**CANNABIS COMPLIANCE AND ENFORCEMENT PROGRAM**

Facility Name \_\_\_\_\_

PR Number \_\_\_\_\_

# Emblem Placard Program



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CITY OF LOS ANGELES DEPARTMENT OF **CANNABIS REGULATION**

[About](#) ▾
 [Laws & Policy](#) ▾
 [Licensing](#) ▾
 [Social Equity](#) ▾
 **[Compliance](#) ▾**
[Personal Activity](#) ▾

<u>The Compliance Program</u>	<u>Cannabis Activity Complaints</u>	<u>Compliance and Inspections</u>	<u>Enforcement</u>
Mission Compliance Program Updates Forms and Resources	Unlicensed Commercial Cannabis Activity Complaint Portal	<b>LA County Department of Public Health Inspection Program</b>	Notice of Violation (NOV)

Home > Compliance > Compliance And Inspections > LA County Department of Public Health Inspection Program

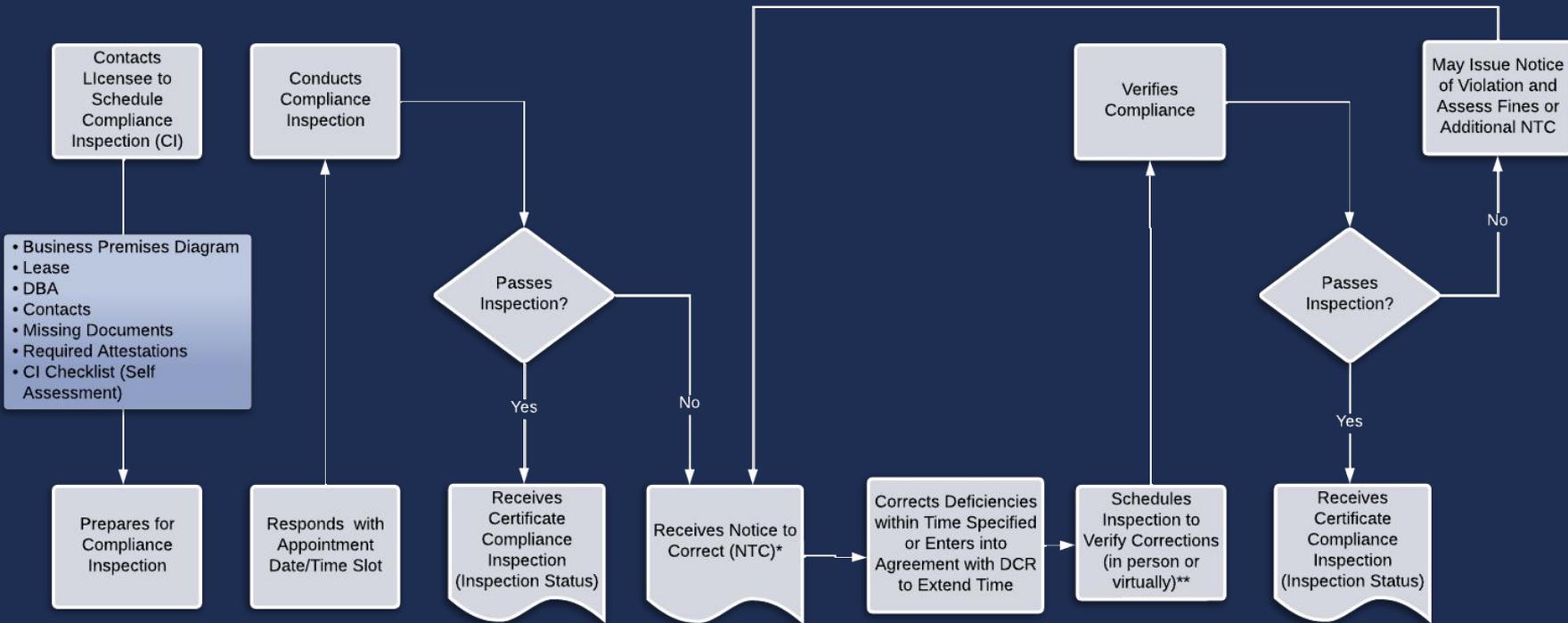
## Commercial Cannabis Facility Public Health Inspection Compliance and Emblem Program



# Compliance Inspection Workflow

Licencee

DCR



# Progressive Enforcement



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- All Operators must submit Attestation of Compliance with Rules & Regs ([ENF-3003-FORM](#)).
- Due within 30 days of the beginning date of operations.
- **\*\*DCR may contact the Operator prior to issuance of NTC (if applicable).**
- DCR conducts investigation
- DCR issues NTC if violation(s) is found.
- NTC does not include penalty fees, only administrative costs.
- DCR issues NOV if violations are not corrected within the time frame allotted in the NTC.
- NOV is appealable to an Administrative Hearing Officer.
- NOV carries hefty penalties \$\$\$\$.
- DCR may suspend the License concurrently with an NOV or may revoke the license if compliance is not achieved or penalties are not paid.

# CED's Complaint Portal by the Numbers



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## DCR Complaint Portal

Since August 2018

**6,767**\*

Complaints received

**17**

Open

**4,673**

Closed

**293**

Pending CED  
investigation

\*As of January 12, 2024



CITY OF LOS ANGELES DEPARTMENT OF  
**CANNABIS  
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