

**CITY OF LOS ANGELES
CANNABIS REGULATION COMMISSION
MEETING MINUTES
THURSDAY, JULY 17, 2025
LOS ANGELES CITY COUNCIL CHAMBERS
200 N. SPRING ST., ROOM 340
LOS ANGELES, CA 90012**

MINUTES OF THE CANNABIS REGULATION COMMISSION HEREIN ARE REPORTED IN ACTION FORMAT. THE ENTIRE DISCUSSION RELATED TO EACH ITEM IS ACCESSIBLE IN AUDIO FORMAT ONLINE AT <https://cannabis.lacity.gov> TO LISTEN TO THE AUDIO FILE: UNDER **ABOUT, CANNABIS REGULATION COMMISSION** SELECT **COMMISSION MEETINGS**, SCROLL DOWN TO LOCATE COMMISSION MEETING DATE AND SELECT MEETING AUDIO.

The meeting was called to order at 2:07 p.m. with President Mason and Commissioners Bierman, Farmby, and Nash in attendance. Also present were Ryan Solis, Sr., Management Analyst, Emily Wada, Deputy City Attorney; Josie Trevizo, Commission Executive Assistant; and Irene Diaz, Sr. Administrative Clerk.

ITEM NO. 1

GENERAL PUBLIC COMMENT AND SINGLE OR MULTIPLE AGENDA ITEM

General Public Comment and Single or Multiple Agenda Items were taken together. Members of the public addressed the commission in-person.

ITEM NO. 2

ELECTED OFFICE AND NEIGHBORHOOD COUNCIL PRESENTATIONS

There were no presentations by Neighborhood Council representatives on any Neighborhood Council resolution or community impact statement filed with the City Clerk, which related to any agenda item listed or considered on the agenda.

ITEM NO. 3

COMMISSION BUSINESS

- **Election of Officers:**

Commissioner Farmby moved to nominate Commissioner Nash as Commission Vice President. The motion was seconded by Commissioner Bierman.

The vote proceeded as follows:

Moved: Farmby

Second: Bierman

Ayes: Mason, Nash

Vote: 4 – 0

Commissioner Nash moved to nominate Commissioner Mason as Commission President. The motion was seconded by Commissioner Farmby.

The vote proceeded as follows:

Moved: Nash

Second: Farmby

Ayes: Bierman, Mason

Vote: 4 – 0

- **Advanced Calendar:** Commissioner Bierman announced he will be absent on October 16, 2025.

President Mason announced that the Commission Meeting of October 16, 2025 will be canceled due to lack of quorum.

President Mason announced that the Commission Meeting of December 18, 2025 will be canceled due to upgrades to Council Chambers.

- **Approval of Minutes:**

Commissioner Farmby moved to approve the minutes of July 2, 2025. The motion was seconded by Commissioner Bierman.

The vote proceeded as follows:

Moved: Farmby

Second: Bierman

Ayes: Mason, Nash

Vote: 4 – 0

MOTION PASSED

- **Commission Announcements and Updates:** There were no announcements from the Commission.
- **Commission Future Agenda Requests:** There were no requests from the Commission.

ITEM NO. 4

COMMISSION DISCUSSION ON ISSUES RAISED BY PRESENTATIONS FROM APPLICANTS, LICENSEES, AND/OR CANNABIS TRADE ASSOCIATIONS PRESENTED AT THE CANNABIS REGULATION COMMISSION SPECIAL MEETING OF JULY 2, 2025

The Commission discussed the issues raised by the Applicants, Licensees and/or Cannabis Trade Associations presented at the Cannabis Regulation Commission Special Meeting on July 2, 2025. The presenters raised issues on taxation and financial strains on commercial cannabis licensees, including the impact of unlicensed commercial cannabis market on the licensed market, and the use of cannabis business taxes collected by the City.

After deliberating on the various issues presented by the public at the previous Commission meeting, the Commission made a series of recommendations to be memorialized in a letter to Mayor Bass and the Los Angeles City Council.

President Mason moved to recommend that for a period of two years, the City adopt a new tiered cannabis tax structure based on a Licensee's annual gross revenue with rates ranging from a minimum of 0.25% to a maximum of 6%.

FINDINGS:

Public testimony made it clear that the City's cannabis tax rate is among the highest in California. Lowering the City's maximum rate to more closely match the rates in neighboring jurisdictions will make the City's licensees more competitive in the Southern California market.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Mason
Second: Farmby
Ayes: Bierman, Nash

Vote: 4 - 0

MOTION PASSED

Further, Vice President Nash moved to recommend that the City adopt a tiered tax structure for a two year period as follows:

- For licensed businesses with the highest revenue, implement the maximum 6% rate of gross receipts for adult use cannabis sales, and a 3% rate for gross receipts of medical cannabis sales.
- For small businesses earning less than \$500,000 in gross annual revenue, reduce the tax rate to 0.5% of gross receipts for adult use cannabis sales, and 0.25% for medical cannabis sales.
- After the two-year period, said rates can be re-evaluated.
- The City Council establishes additional revenue-based thresholds as appropriate, provided that no business is taxed above the 6% cap.

FINDINGS:

A tiered model supports under-capitalized licensees as they grow their businesses, and advances the City's goals of equity and economic development.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Nash
Second: Farmby
Ayes: Bierman, Mason

Vote: 4 - 0

MOTION PASSED

President Mason moved to recommend that the City implement a tax forgiveness program for Phase 3 Social Equity Applicants to:

- forgive previously owed backtaxes
- forgive all penalties and interest assessed to Phase 3 Social Equity Applicants for overdue taxes, to the extent legally permissible.
- provide tax forgiveness on a tiered basis to Social Equity Applicants with the most latitude afforded to earlier applicants who faced the highest systemic barriers before the City's Social Equity Program was fully funded and operational, such that the City forgive up to 40% of the principal owed by Phase 3 Retail Round 1 Applicants, and up to 20% of the principal owed by Phase 3 Retail Round 2 Applicants.
- not apply forgiveness to businesses that have already paid taxes;

Further, that the City not provide refunds.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Mason
Second: Farmby
Ayes: Bierman, Nash

Vote: 4 - 0

MOTION PASSED

President Mason moved to recommend that with extreme urgency and expeditiously, the City adjust its policies, particularly those related to taxation, enforcement and market support.

FINDINGS:

Enforcement in the illegal market not only serves as a deterrent to potential bad actors, but it improves consumer safety and public welfare. Illegal cannabis businesses may locate next door to a school, sell cannabis products laced with pesticides, or improperly store hazardous materials onsite.

Commissioner Bierman seconded the motion and the vote proceeded as follows:

Moved: Mason

Second: Bierman

Ayes: Farmby, Nash

Vote: 4 - 0

MOTION PASSED

President Mason recessed the meeting at 4:22 p.m. The meeting resumed at 4:55 p.m with Commissioner Bierman, Farmby, Mason, and Nash present.

President Mason tabled Item No. 4 and took Item Nos. 5 through 7 out of order.

ITEM NO. 5

**DCR Core Record No. 101759
LA-R-24-101759-ANN & ENV-101759-ANN**

CD: 3

APPLICANT: West Valley Patients Center, Inc., a California Corporation

PUBLIC HEARING HELD

BUSINESS PREMISES: 23043 - 23045 W. Ventura Blvd.

IN ATTENDANCE: Ryan Solis, Sr. Management Analyst; Jason Killeen, Assistant Executive Director; Christina Campos, Sr. Management Analyst; and Rocky Wiles, Compliance and Enforcement Division Chief representing the Department. Douglas Johnston representing West Valley Patients Center, Inc., a California Corporation.

EXHIBITS: Department's PowerPoint slides.

MOTION:

Commissioner Nash put forth the actions below in conjunction with the approval of the Annual License to conduct Storefront Retail Commercial Cannabis Activity in the Canoga Park - Winnetka - Woodland Hills - West Hills Community Plan Area with hours of operations seven days per week from 10:00 a.m. to 8:00 p.m.

1. Determined, based on the whole of the administrative record, that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Section 15301, Class 1, and Article 19, Section 15332, Class 32 of the State CEQA Guidelines (tit. 14, Cal. Code Regs., §§ 15301, 15332), and there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines Section 15300.2 applies;
2. Approved, pursuant to Los Angeles Municipal Code Section 104.06(b)(2), the Annual License for Type 10 Storefront Retail Commercial Cannabis Activity at the Business Premises location; and,
3. Adopted the Project Analysis and Findings in the Department's report dated July 10, 2025, as the Commission's report on the subject.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Nash
Second: Farmby
Ayes: Bierman, Mason

Vote: 4 - 0

MOTION PASSED

ITEM NO. 6

**DCR Core Record No. 101771
LA-R-24-101771-ANN & ENV-101771-ANN**

CD: 11

APPLICANT: VFarm 1509 Inc.

PUBLIC HEARING HELD

BUSINESS PREMISES: 411 E. Rose Ave.

IN ATTENDANCE: Ryan Solis, Sr. Management Analyst; Jason Killeen, Assistant Executive Director; Christina Campos, Sr. Management Analyst; and Rocky Wiles, Compliance and Enforcement Division Chief representing the Department. Anne Lawrence representing VFarm 1509 Inc.

EXHIBITS: Department's PowerPoint slides.

MOTION:

Commissioner Nash put forth the actions below in conjunction with the approval of the Annual License to conduct Storefront Retail Commercial Cannabis Activity in the Venice Community Plan Area with hours of operations seven days per week from 7:00 a.m. to 10:30 p.m.

1. Determined, based on the whole of the administrative record, that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Article 19, Section 15301, Class 1, and Article 19, Section 15332, Class 32 of the State CEQA Guidelines (tit. 14, Cal. Code Regs., §§ 15301, 15332), and there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines Section 15300.2 applies;
2. Approved, pursuant to Los Angeles Municipal Code Section 104.06(b)(2), the Annual License for Type 10 Storefront Retail Commercial Cannabis Activity at the Business Premises location; and,
3. Adopted the Project Analysis and Findings in the Department's report dated July 10, 2025, as the Commission's report on the subject.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Nash

Second: Farmby

Ayes: Bierman, Mason

Vote: 4 - 0

MOTION PASSED

ITEM NO. 7

**DCR Core Record No. 310150
LA-R-24-310150-ANN & ENV-310150-ANN**

CD: 9

APPLICANT: Pine & Proper, LLC

BUSINESS PREMISES: 615 E. 61st St., Suite 501

MOTION:

Commissioner Nash moved to continue the matter to the Cannabis Regulation Commission meeting of November 6, 2025. Commissioner Mason seconded the motion and the vote proceeded as follows:

Moved: Nash

Second: Mason

Ayes: Bierman, Farmby

Vote: 4 - 0

MOTION PASSED

President Mason took Item No. 4 off the table.

ITEM NO. 4

**COMMISSION DISCUSSION ON ISSUES RAISED BY PRESENTATIONS FROM
APPLICANTS, LICENSEES, AND/OR CANNABIS TRADE ASSOCIATIONS
PRESENTED AT THE CANNABIS REGULATION COMMISSION SPECIAL MEETING
OF JULY 2, 2025**

Vice President Nash moved to recommend that the the City amend the Los Angeles Municipal Code to allow Cannabis Licensees to enter into a multi-year payment plan for the repayment of backtaxes to a maximum of 5 years at the discretion of the Office of Finance.

FINDINGS:

Currently, the Los Angeles Municipal Code limits payments plans to a maximum of 12 months. This is often insufficient time based on the thin margins of a licensed operator and/or the amount of taxes, interest, and penalties owed. The City may increase its opportunity to capture tax revenue and provide some breathing room to licensed operators by expanding this one-year limitation.

Commissioner Bierman seconded the motion and the vote proceeded as follows:

Moved: Nash

Second: Bierman

Ayes: Farmby, Mason

Vote: 4 - 0

MOTION PASSED

President Mason recessed the meeting at 7:21 p.m. The meeting resumed at 7:38 p.m. with Commissioner Bierman, Farmby, Mason, and Nash present.

ITEM NO. 4

COMMISSION DISCUSSION ON ISSUES RAISED BY PRESENTATIONS FROM APPLICANTS, LICENSEES, AND/OR CANNABIS TRADE ASSOCIATIONS PRESENTED AT THE CANNABIS REGULATION COMMISSION SPECIAL MEETING OF JULY 2, 2025

President Mason moved to recommend to the City Council to immediately prioritize citywide enforcement and shut down as many unlicensed operators as possible within the next six months.

Vice President Nash seconded the motion and the vote proceeded as follows:

Moved: Mason
Second: Nash
Ayes: Bierman, Farmby

Vote: 4 - 0

MOTION PASSED

Vice President Nash moved to recommend that the City prioritize the enforcement efforts on unlicensed businesses by their proximity to licensed businesses to maximize the enforcement impact and ensure that customers are driven to the nearest licensed retail location.

FINDINGS:

Enforcement in the illegal market not only serves as a deterrent to potential bad actors, but it improves consumer safety and public welfare. Illegal cannabis businesses may locate next door to a school, sell cannabis products laced with pesticides, or improperly store hazardous materials onsite.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Nash
Second: Farmby
Ayes: Bierman, Mason

Vote: 4 - 0

MOTION PASSED

Commissioner Farmby moved to recommend that on a long term basis, the City permanently consolidate enforcement powers into a single agency, possibly the Department of Cannabis Regulation or the Mayor's Office.

FINDINGS:

The Mayor's Illegal Cannabis Enforcement Task Force, which includes the Los Angeles Police Department (LAPD), Department of Building and Safety, Department of Water and Power, Los Angeles Fire Department, and the City Attorney's Office, is currently involved in Citywide illegal cannabis enforcement. It is necessary that the City replace the existing task force model with a single, designated agency to prioritize and execute illegal enforcement efforts Citywide, and provide that agency with the necessary authority, funding, and resources, including the assignment of qualified personnel from other City departments, under that entity's direct control to effectively target unlicensed businesses.

Vice President Nash seconded the motion and the vote proceeded as follows:

Moved: Farmby
Second: Nash
Ayes: Bierman, Mason

Vote: 4 - 0

MOTION PASSED

Commissioner Bierman left the meeting at 7:55 p.m. and rejoined at 7:58 p.m.

President Mason moved to recommend that the City request assistance from the Department of Tax and Fee Administration (CDTFA) and the Los Angeles County District Attorney's Office to shut down illegal operators.

FINDINGS:

These agencies have enforcement authority and tools, including the ability to pursue tax evasion that may add to the City's portfolio of enforcement options. The City should coordinate all enforcement efforts with CDTFA and the District Attorney to the extent it is feasible to do so.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Mason
Second: Farmby
Ayes: Bierman, Nash

Vote: 4 - 0

MOTION PASSED

President Mason moved to recommend that the City earmark a portion of cannabis tax revenue for illegal cannabis enforcement.

FINDINGS

Although it will require City resources, the return on investment for illegal enforcement will pay future dividends for the City in the form of tax revenue in a stable, healthy licensed market. The closure of illegal locations boosts public safety and directs consumers to licensed businesses to ensure a robust regulated market for years to come.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Mason
Second: Farmby
Ayes: Bierman, Nash

Vote: 4 - 0

MOTION PASSED

Vice President Nash moved to recommend that the City use best proven practices to dramatically increase the number of successful prosecutions against landlords who lease to unlicensed cannabis operators and file liens against properties involved in illegal cannabis activity.

FINDINGS:

The landlords are often easier to identify than the owners or operators of an illegal business. Prosecuting landlords, as permitted under Los Angeles Municipal Code section 104.15, for example, will mean fewer locations are available for illegal activity. Section 104.15 contains a potential civil penalty of up to \$20,000 per day for each violation; a concerted effort to pursue these judgments could generate revenue for the City and for additional enforcement efforts, and will deter unlicensed activity.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Nash
Second: Farmby
Ayes: Bierman, Mason

Vote: 4 - 0

MOTION PASSED

President Mason moved to recommend that the City conduct a study on (i) the scope and size of the illegal market (ii) cost-benefit analysis on illegal enforcement (iii) the effective strategies implemented in other municipal enforcement programs.

FINDINGS:

This study will demonstrate how much additional revenue may be generated by legal operators, and how much additional tax revenue may be collected by the City, if the illegal market was eradicated or severely hampered. It is imperative that the City understand and pursue successful strategies employed by other cities, such as the City of Pasadena. It has been reported to this Commission that the City of Pasadena closes illegal operators at the cost of only \$8,000 per operator.

Vice President Nash seconded the motion and the vote proceeded as follows:

Moved: Mason
Second: Nash
Ayes: Farmby, Bierman

Vote: 4 - 0

MOTION PASSED

Commissioner Farmby left the meeting at 9:13 p.m. and rejoined at 9:18 p.m.

President Mason closed Item No. 4 and reopened Item No. 3 to allow the Commission to discuss and make future agenda requests.

ITEM NO. 3

COMMISSION BUSINESS

- **Commission Future Agenda Requests:** Commissioner Nash requested that there be an item, on a future meeting agenda, for discussion and possible action on the City Council's progress of the Council files that include the CRC recommendations and any other recommendations on those files.

President Mason reopened Item No. 4.

ITEM NO. 4

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OF JULY 2, 2025**

The Commission reviewed their recommendations in whole.

President Mason adjourned the meeting at 10:04 p.m., however, she reconvened the meeting immediately thereafter.

ITEM NO. 4

**COMMISSION DISCUSSION ON ISSUES RAISED BY PRESENTATIONS FROM
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PRESENTED AT THE CANNABIS REGULATION COMMISSION SPECIAL MEETING
OF JULY 2, 2025**

President Mason moved to approve the letter in whole and added that it be sent to Mayor Bass and to City Council Files Nos. 25-0720 and 14-0366-S36, and that the following individuals also be sent a copy of the letter:

1. The Chief of Police
2. The City Attorney
3. The Office of Finance General Manager.

Commissioner Farmby seconded the motion and the vote proceeded as follows:

Moved: Mason

Second: Farmby

Ayes: Bierman, Nash

Vote: 4 - 0

MOTION PASSED

There being no further business before the Cannabis Regulation Commission,
President Mason adjourned the meeting at 10:10 p.m



Thryeris Mason, Commission President
Cannabis Regulation Commission



Josie Trevizo, Commission Executive Assistant
Cannabis Regulation Commission

ADOPTED
CITY OF LOS ANGELES

AUG 07 2025

CANNABIS REGULATION
COMMISSION