To: Los Angeles City Council

Date: June 29th 2020

From: On behalf of social equity applicants for Round 3, Phase 1

DCR's proposed changes to Ineligible Business Premises definition

We are respectfully addressing the city about the proposed changes put forth by DCR on June 16th, specifically changes to the Ineligible Business Premises section of the Cannabis Ordinance under A.3. DCR proposed adding "as evidenced by a conviction" to all subsections of section a.3 as seen below except for section v which appears to be an unintentional omission.

"In the following circumstances a Business Premises location is ineligible for Licensure:

(i) [...]

(ii) The Business Premises was the site of illegal volatile Cannabis manufacturing under Health and Safety Code Section 11379.6 as evidenced by a conviction, for a period of five years from the date of conviction.

(iii) The Business Premises was the site of distribution of Cannabis to minors as evidenced by a conviction, for a period of five years from the date of conviction.

(iv) The Business Premises was the site of any illegal Commercial Cannabis Activity after April 1, 2018, as evidenced by a conviction, for a period of five years from the date of conviction.

(v) The Business Premises was the site of a disconnection of utilities pursuant to Section 104.15(e) [as evidenced by a conviction: omitted], for a period of five years from the date of the disconnect."

Adding "as evidenced by a conviction" is certainly a step in the right direction but this must apply to all scenarios under this section otherwise this **ambiguity** will expose the city and applicants to unnecessary liabilities by unfairly punishing applicants without due process.

As you know, the utility disconnect process was conducted behind closed doors and not tied to convictions in EVERY case. **We respectfully request that section (v) be amended to add the language** "as evidenced by a conviction" or **be stricken from the proposed ordinance.**

The ordinance should not penalize social equity applicants for something that may or may not have occurred at the location they chose for their application. Requiring a conviction before deeming a premise ineligible ensures that the applicants were at least given due process.

The Social Equity Program was established to try and amend the wrongs caused by the war on drugs, the city is being hypocritical by running a social equity program while simultaneously running a quasi-war on drugs in collaboration with LADWP (unless it resulted in a conviction). We do not believe this was the intention of the drafters of these changes, we look forward to seeing this resolved.