

October 28, 2021

Attn: Councilmember Marqueece Harris-Dawson of District 8,

Councilmember Curren D. Price Jr. of District 9

From: Cannabis Equity Retailer Association

RE: Motion under Council File: 21-1803

## Councilmember Harris-Dawson and Councilmember Price Jr.,

The Cannabis Equity Retailers Association's (CERA) mission is to help its members, individuals that were negatively impacted by cannabis criminalization in Los Angeles, benefit from the legal cannabis economy by building multi-generational wealth. CERA has been on the front line advocating for policies to help advance our mission, including ensuring that retail licensing opportunities are available to social equity applicants, that the city's cannabis licensing process proceeds in a timely fashion, and that the city awards licenses in a fair and transparent manner.

Working together, the city's regulatory and legislative bodies can help the social equity program deliver on its promise of economic empowerment to those previously without power. We applaud the City Council for its recent introduction of a motion to expedite the city's licensing process and increase transparency to the process. We appreciate the City Council's continued commitment to ensuring that the landmark social equity program it passed in 2017 achieves its stated goals.

We also appreciate the renewed commitment the DCR made in recent months to moving applicants through the process while ensuring transparency. At CERA, we often serve as a bridge between diverse elements of the city's cannabis community while also creating an ecosystem that benefits all stakeholders, including the city.

We understand the pathway to a robust and transparent process includes growing pains and learning curves. And so we support implementing processes and policies that have been instructed by previous experiences—policies that consider the dynamics of any regulatory body constructed to oversee the best interests of our industry and the city's goals.

We are also committed to eliminating certain policies that do not further the social equity program's mission, and applaud the DCR & City Council's recent decision to revoke the December 31st deadline for forming partnerships and submitting relocation requests. If the city



## **Cannabis Equity Retailer Association**

did not extend the deadline, it would give leverage to investors and landlords to engage in predatory behaviors such as egregious management agreements, partnerships, lease agreements and fees.

In addition to these commitments, CERA would like to propose a series of recommendations to the motion:

- 1. Creating a mechanism that does not force applicants to abandon their licenses if they are not able to meet the deadlines proposed.
- 2. Increasing proposed timelines for applicants & DCR to execute on these licenses.
- 3. Providing the DCR the resources to ensure transparency and equality in license ownership.
- 4. Allowing individuals who meet hardship requirements to move to community plans that have not met undue concentration.
- 5. Assigning a DCR community liaison to work directly with local trade associations, such as CERA.

Sincerely,

Johnny Sayegh President Cannabis Equity Retailer Association

cc: Mayor Eric Garcetti
Council President Nury Martinez
Honorable City Council Members
Executive Director Cat Packer