

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to appeal and response to the Cannabis Regulation Commission (CRC) for the denial of a Type 10 Storefront Retail Commercial Cannabis License for L&E Retail, LLC pursuant to Los Angeles Municipal Code (LAMC) Section 104.14(a)(2).

Recommendations for Council action:

1. FIND that:
  - a. On September 16, 2025, the Government Operations Committee heard both oral and considered written reports to include a September 11, 2025 Department of Cannabis Regulation (DCR) report, attached to the Council File regarding an appeal of the denial by the CRC of an Annual License Application to conduct Type 10 Storefront Retail Commercial Cannabis activity for L&E Retail, LLC.
  - b. Based on the information presented, there is sufficient evidence to establish that the CRC correctly denied the Annual License Application for violations of LAMC Section 104.04(a)(2).
2. AFFIRM the decision of the CRC and findings on the last page of the September 11, 2025 DCR report, attached to the Council File except those concerning LAMC Section 104.04(a)(6); and, ADOPT said findings as the Government Operations Committee's findings.
3. DIRECT the City Clerk to ensure that the record for September 16, 2025 Government Operations Committee proceedings in that matter are summarized as detailed above in Recommendation Nos. 1 and 2.
4. DIRECT the City Clerk or other appropriate entity that the letter of determination required under LAMC 104.10(a)(5) also reflect the findings as detailed in Recommendation Nos. 1 and 2 and the September 11, 2025 DCR report, attached to the Council File.

Fiscal Impact Statement: None submitted by the DCR. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – OCTOBER 24, 2025**

**(LAST DAY FOR COUNCIL ACTION – OCTOBER 24, 2025)**

### Summary:

On September 16, 2025, your Committee considered a September 11, 2025 DCR report relative to appeal and response to the CRC for the denial of a Type 10 Storefront Retail Commercial Cannabis License for L&E Retail, LLC pursuant to LAMC Section 104.14(a)(2). According to the DCR, on February 20, 2025, the CRC denied an Annual License to L&E Retail, LLC (Appellant) to conduct Type 10 Storefront Retail Commercial Cannabis Activity at 4369 South Van Ness Avenue, Los Angeles, CA 90062 (Business Premises). On April 5, 2025, Appellant timely appealed the CRC's denial. The DCR report responds to the allegations made by Appellant in their appeal brief. This report also includes the complete administrative file of the matter, which has been Bates stamped DCR00001-DCR00925.

On October 10, 2023, Appellant submitted an application to DCR for a license to conduct Storefront Retail Commercial Cannabis Activity. The application proposed a Storefront Retail Commercial Cannabis business at the Business Premises of 4369 South Van Ness Avenue, Los Angeles, CA 90062. The proposed location is a mixed-use building with commercial units on the ground floor and residential units on the second floor. The application listed owners Leonid Okhman and Diane Popok.

On or about October 17, 2024, DCR provided notice of the community meeting and CRC meeting by mail to the owners and occupants of all property within 700 feet of the property line of the Business Premises. Notice was also provided to the nearest Neighborhood Council, Business Improvement District, and Council Office. Community meetings were virtually held on November 14 and November 18, 2024. During the community meetings, 38 members of the public submitted comments against the Application. According to DCR's written report to the CRC, "Commenters expressed the beliefs that allowing this business to operate poses significant safety risks, will negatively impact the community's positive trajectory, and could harm property values. Residents voiced numerous concerns about odor, lack of cleanliness, crime, neighborhood quality of life, property upkeep, and the owner's lack of familiarity with the neighborhood and a lack of proactive responsibility with respect to mitigating crime. Finally, several speakers were offended due to the business owner's alleged comment that "the neighborhood does not deserve the same level of concern/care as Beverly Hills."

Appellant was first scheduled for CRC consideration on December 5, 2024. At the meeting, DCR recommended approval of the license in an oral and written report to the CRC. During public comment, seven members of the public provided comments, expressing disapproval of the Application. Their complaints focused on the consistent odor coming from the Business Premises and the disrespectful interactions neighbors had with Appellant. proposed location about the strong odor of marijuana, lack of ventilation, adverse health effects on a child resident, as well as disrespectful conversations with the Appellant. Finally, Fernando Montes Rodriguez, a representative from Council District 8, requested that the item be continued to verify residents' complaints and conduct an investigation to determine whether the business was in compliance with the requirements of LAMC Section 104.10. The CRC ultimately voted to

continue the application to a CRC meeting on February 20, 2025, so that DCR could perform a compliance inspection, the parties could address whether the Los Angeles Police Department had been called to the Business Premises, and to allow Appellant and the community further time to meet. Subsequently, on February 20, 2025, the CRC heard the continued application and after considering additional information, the CRC moved to deny the issuance of an Annual License.

During the meeting, representatives from the DRC presented an overview of the application proceedings, subsequent denial and these are also fully documented in the DCR report. Additionally, representatives from the appellant also provided testimony and the representative from both parties answered questions from the Committee members. After consideration of the DRC report and the additional testimony from the parties and having provided an opportunity for public comment, the Committee moved to uphold the CRC's February 25, 2025 action to deny the Annual License as detailed in the DRC report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

**COUNCILMEMBER VOTE**

PADILLA:	YES
LEE:	ABSENT
JURADO:	YES

ARL  
9/16/25

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**