

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS (REIR) COMMITTEE REPORT relative to a social equity analysis of cannabis regulations aimed at promoting equitable ownership and employment opportunities in the cannabis industry; and, requesting the City Attorney to prepare an ordinance establishing a Social Equity Program for recreational cannabis dispensaries.

Recommendations for Council action, as initiated by Motion (Harris-Dawson - Price - Huizar), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the recommendations outlined in the Communication from the Chair, REIR Committee, submitted in Committee on November 20, 2017, attached to the Council file.
2. AMEND Recommendation No. 1 (i)(2) as follows:

Request the City Attorney, with the assistance of the Department of Cannabis Regulation (DCR), to edit the draft regulations so that the amount of Social Equity Program licenses is consistent with the number of licenses processed during the priority processing phase at a one-to-one match and only upon realizing this match shall the general application phase commence.

3. AMEND Recommendation No. 4 as follows:

- a. Add language within the draft Ordinance to establish that youth development and education are priorities for the Community Reinvestment Fund investments or other revenue opportunities in neighborhoods most impacted by prior cannabis regulations.
- b. Add language within the draft Ordinance to define youth development and education as inclusive of programs and supports for children and youth from 0 to 18 years old.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no additional General Fund impact from the recommendations contained in this report. If necessary, gap funding will be addressed in a future Financial Status Report.

Community Impact Statement: None submitted.

## SUMMARY

At a special meeting held on November 20, 2017, the REIR Committee considered reports from the CAO and the Chief Legislative Analyst relative to a social equity analysis of cannabis regulations aimed at promoting equitable ownership and employment opportunities in the cannabis industry; and, requesting the City Attorney to prepare an ordinance establishing a Social Equity Program for recreational cannabis dispensaries. During Committee consideration on the matter, the Committee Chair, Vice-Chair, and member submitted recommendations into the record which were distributed to the public and attached to the Council file. The Executive Director of the DCR then provided a thorough overview of the recommendations submitted by the Committee members and responded to related questions.

After further consideration, and after providing an opportunity for public comment, the Committee recommended that Council approve the recommendations as submitted by the Chair, Vice Chair, and member and detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
WESSON:	YES
HUIZAR:	YES
HARRIS-DAWSON:	YES

REW/MLE 11/20/17 FILE NO. 17-0653\_14-0366-S15.

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**