



Fwd: Submission of Written Public Comment regarding DCR Recommendations to REIC 2/15/19

Gloria Pinon <gloria.pinon@lacity.org>
To: Clerk - Public Use - Clerk Council and Public Services <Clerk.CPS@lacity.org>

Fri, Feb 15, 2019 at 8:34 AM

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From: **Janve Sobers** <janvesobers@gmail.com>
Date: Fri, Feb 15, 2019 at 8:10 AM
Subject: Submission of Written Public Comment regarding DCR Recommendations to REIC 2/15/19
To: Andrew Westall <andrew.westall@lacity.org>, Edgar Morales <ed.morales@lacity.org>, Solomon Rivera <solomon.rivera@lacity.org>, cityclerk@lacity.org <cityclerk@lacity.org>, rob.katherman@lacity.org <rob.katherman@lacity.org>
Cc: Cat Packer <cat.packer@lacity.org>, Michelle Garakian <michelle.garakian@lacity.org>

Good morning,

My mother, Michelle McKinney, and I are applying under Phase 3 as Tier 1 Social Equity Applicants for Non-Storefront Retail (Type 9) License. The following is our response to recommendations made by DCR on behalf of social equity stakeholders.

1. Neither a merit based system, nor a lottery or first-come-first-serve system of applicant selection would adequately reflect the City's mandate to create an equitable licensing process for Phase 3. We propose that the City use a minimum threshold of licensing preparedness that includes DCR's definition of a "complete" application, as well as other requirements such as length of time spent preparing and waiting for licensing. Those who pass the threshold should receive immediate consideration based on the order in which applications were originally submitted. We acquired property by selling our family home exactly a year ago, and have waited and expended resources preparing for this process, so to then have to leave our licensing opportunity up to either lottery or a limited first-come-first-serve licensing roll out is unacceptable.
2. We very strongly oppose the DCR's recommendation to relax ownership limits. This recommendation would create a retail market controlled by as few as 17 investment entities, effectively creating Social Equity Oligarchies, and enabling market failures such as price-fixing and stunted economic growth. The goal of the social equity program should also be to encourage a market as diverse as this City itself. Our goal is to become small business owners, independent of large corporations, operating in service of our community, not in service of profit alone. If the Council proceeds with this recommendation, it would mean that a small social equity business could not thrive in their vision of an equitable cannabis market, it would mean that to be a successful social equity qualified business, one would ultimately have to sacrifice ownership equity to a large corporation whose only goal is to steal market share, and who has very little interest in serving the community or creating equity.
3. We approve of the recommendation to simplify and make uniform the qualifications for Tier 1 and 2 aside from ownership criteria.
4. We approve of clarifying a specific time frame in which Tier 3 applicants must enter into a social equity agreement, but the immediate necessity of BLC and property for a T1 or T2 applicant requires that T3 enter into social equity agreements long before annual licensing. We recommend that T3 be required to enter into a social equity agreement as part of their application for Temporary Approval.
5. We approve of a separate pilot program for non-storefront retail applications, but propose that the Council allow a greater number of licenses allocated to the program, 100-170, given that the State has approved inter municipal delivery, which would mean that delivery services in Los Angeles would serve the surrounding areas as well. In order for businesses Los Angeles to be competitive against growing all-state delivery services such as Eaze, there must be a greater number of delivery licenses allowed.

6. Finally, nowhere in their report does DCR mention the absolute necessity of Federally Mandated confidential ADA accommodations for applicants with disabilities. An ADA Coordinator must be assigned to DCR to assist in the application process for individuals with disabilities, like my mother and business partner. These accommodations, based on Federal Law, cannot impact an applicants viability, eligibility, or chance of success in applying, nor should it have any baring or impact on their application being processed in a timely manner.

Thank you,
Janve Sobers

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Janve Sobers

Chief Executive Officer

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