

This COPY FOR HERB WESSON JR. HAS THE VOTE COUNT FOR COMMUNITY IMPACT STATEMENT FOR SUN VALLEY AREA NEIGHBORHOOD COUNCIL

#### Sun Valley Area Neighborhood Council

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| <b>Board Action Certin</b>   | fication Form   |   | AREA MENGHIBIC  | DRH0.50<br>901           |                 |                                       | J.S.                                    | The .   |  |
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| NC NAME: Sun Valley Area Neighborhood C<br>Fiscal Year: 2017-2018  |   | eighborhood Council   |   | Meeting                  |                 | 11/14/2017                            |   |         |  |
|  |   | 1   |   |                          |                 |                                       | 17                                      |         |  |
| Soard Motion and/or<br>Public Benefit<br>Statement<br>(CIP and NPG):   | ment members, the Mayor, and the Director of the Planning Dept, regarding any and all items on the City Court |   |   |                          |                 |                                       | Council                                 |         |  |
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|  | 第177 · 22 · 10 · 10   | Board Position  | YES   | NO                       | Abstal          | n Absent                              | Ineligible                              | *Recuse |  |
| 1 AGGAS, Gary  |   | Board Member/2nd Signatory  | x   |                          |                 | 24                                    |   |         |  |
| 2 ALLEN, Mark  |   | 2nd Vice President  | x   |                          |                 |                                       |   |         |  |
| 3 BARTLETT, S  |   | Board Member  |   |                          | <u> </u>        | X                                     |   |         |  |
| 4 BILLE, Elizab  |   | Board Member  | x   |                          |                 |                                       |   |         |  |
| 5 DUENAS, Ang  |   | Board Member  |   |                          |                 | X                                     |   |         |  |
| 6 GARCIA, Stev   |   | Board Member  |   |                          |                 |                                       |   |         |  |
| 7 HOUSDEN, Li  |   | Board Member  | x   |                          |                 |                                       |   |         |  |
| 8 KHALAF, San  |   | Board Member  |   |                          | 1.1             | X                                     |   |         |  |
| 9 KOENIG, Myle   |   | Treasurer   | X   |                          | 1               |                                       |   |         |  |
| 10 MELGAR, Ma  |   | Board Member  | X   |                          | 1               |                                       |   |         |  |
| 11 O'GARA, Barl  |   | Board Member  | x   |                          | Sains           |                                       |   |         |  |
| 12 O'GARA, Mike  |   | Board Member  | X   |                          |                 |                                       |   |         |  |
| 13 PALOMINO, C   |   | Board Member  | x   |                          | Deve            |                                       |   |         |  |
| 14 PEREZ, Carm   |   | Board Member  |   |                          |                 | 11                                    | x                                       |         |  |
| 15 POWER, Rich   | ard (B5)  | Board Member  | x   |                          |                 | 6 B                                   | l                                       |         |  |
| 16 ROQUE, Fran   |   | Board Member  | х   |                          |                 | ~~                                    |   |         |  |
| 17 SOWER, Cind   | y (B4)  | President   | X   |                          |                 | 1                                     |   |         |  |
| 8 SOWER, Mich  | ael (B3)  | Board Member  | x   |                          |                 |                                       |   |         |  |
| 19 THUM, Wendy   | / (R4)  | Board Member  | x   |                          |                 |                                       |   |         |  |
| VACAS, Monie   | ca (R7)   | 1st Vice President  | x   |                          |                 |                                       |   |         |  |
| VENEGAS, Ed  | ldie (C1)   | Board Member  | x   |                          |                 |                                       |   |         |  |
| 22 (VACANT) (A   | 3)  | Board Member  |   |                          | 1 14-2          | and                                   |   |         |  |
| 23 (VACANT) (A   | 5)  | Board Member  |   |                          |                 |                                       |   |         |  |
| 4 (VACANT) (Y  | 1)  | Board Member  |   |                          | ner is<br>Maria |                                       |   |         |  |
| 5 (VACANT) (Y  | 2)  | Board Member  |   |                          |                 | 5 W                                   |   |         |  |
| C Quorum: 07   | Present: 1  | 7 Total:  | Y: 16   | N: 0                     | X:              | A. 4                                  | E <b>1</b> -                            | R: 0    |  |
| id that a public meeti<br>ct compliant public me   | ng was held in accord<br>eeting where a quori   | above named Neighborhood Could<br>dance with all laws, policies, and p<br>um of the Board was present.<br>Myto Koenig | procedures. The   | e above was ap           | proved by       |                                       |   |         |  |
| Board Membe  |   |   | Boa   | Board Member Signature   |                 | 00                                    | 0 0 00-                                 |         |  |
| Print/   | Type name:<br>Date:   | Mylo Koenig<br>11/14/2017   | - F A.  | Print/Type name<br>Dute: |                 |                                       | Gary Aggas<br>11/14/2017                |         |  |
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Rev 7-1-17 (11-1-17 VI SVANC)

## Sun Valley Area Neighborhood Council BOARD RESOLUTION

We, <u>Cindy Sower</u>, and <u>Mike O'Gara</u> (p resident name) (officer name)

declare that we are the President and <u>Planning & Land Use Chairperson</u> (board position)

respectively, of the Sun Valley Area Neighborhood Council (SVANC), and that on

November 14, 2017, a Brown Act noticed public meeting was held by this Council with

a quorum of 7, and with <u>17</u> board members present, and that by a vote of

<u>17</u> YES votes, and <u>-0-</u> NO votes, the following resolution was adopted:

Vote for the Planning and Land Use Committee to write a Community Impact Statement (CIS) for any Cannabis items on the November 2017 City Council Agenda, and write all City Council members, the Mayor, and the Director of the Planning Dept. regarding any and all items on the City Council Agenda pertaining to Cannabis

Therefore, be it resolved, that the Sun Valley Area Neighborhood Council (SVANC) passed the above resolution by a vote of the full board.

In witness of the above action, the undersigned has executed and delivered this certificate in the name, and on behalf, of the Sun Valley Area Neighborhood Council (SVANC) as of the date set forth below.

| Our for a Contraction of President | <u>Cindy Sower</u><br>Printed Name | <u>11/14/2017</u><br>Date |
|------------------------------------|------------------------------------|---------------------------|
| Mike Olara                         | Mike O'Gara                        | <u>11/14/2017</u>         |
| Signature of Board Officer         | Printed Name                       | Date                      |

### **CITY OF LOS ANGELES**

#### **CALIFORNIA**



### Sun Valley Area Neighborhood Council

P.O. Box 457 Sun Valley CA 91353-0457 Telephone 818-767-8262 Fax 818-767-7510

Secretary TBD

President

**Cindy Sower** 

2<sup>nd</sup> Vice President Mark B. Allen

**Vice President** 

**Monica Vacas** 

Treasurer Mylo Koenig

www.svanc.com

Item 6

# SUN VALLEY AREA NEIGHBORHOOD COUNCIL

November 20, 2017

City Council members Re: CF 14-0366-S5

Council Members: Below comments are addressed to the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles 9/22/17.

#### ITEMS LISTED UNDER: Commercial Cannabis Activity Application Requirements General

Regarding Item 15 on page 15 –We agree with Paul Krekorians motion of Oct 31 2017 WITH THE MODIFICATIONS BELOW:

 REQUEST that the City Attorney's draft ordinance pursuant to this item should amend Commercial Cannabis Activity Application Requirements, General number 15 to include the provision that 30 percent of the workforce of all regular contractors hired shall be residents of the City of Los Angeles.

Further to this item The Sun Valley Area Neighborhood Council believes that the workforce for all cannabis employees shall consist of members classified as Employees , and NOT independent Contractors as these terms are known by the Labor Board

Regarding Security item 21 on pg. 15- We are concerned that there are no armed guards required on the premises during opening hours.

The alarm system in all facilities needs to be tied to the Police Department or a security service that can respond in less than 10 minutes.

All cannabis businesses must employ a security service that will drive by the business repeatedly during the hours the building is not open or employees are on site.

During hours that the business is not open we want no Lighted Signage.

Security lighting shall be the only illumination.

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Page 16 (item 26) - **please see attachment A** regarding our proposal for community benefit trust fund for the neighborhood councils.

Page 17 (item 2) - Penalty for conviction for illegal volatile cannabis manufacturing should be no less than 10 years.

Page 22 (Item 2 Signage) - Violation type should be moderate. This is a Quality of Life issue for residents.

Page 23 (Item 20) - A question on the number of loitering signs and the size of the signs.

Page 24 (Item 30) – Absolutely no barbed or razor wire can be used on the perimeter of the property. This is a Quality of Life issue for those living in the neighborhood. These facilities should not look like concentration camps. Violation type should be moderate.

Page 26 (Item 4) – Retailers may only sell cannabis during the hours of 9 am to 9 pm (Pacific Time). The businesses should not be allowed to open before school children are in classes. They should not have to pass open Cannabis Stores on their way to school. Also, cannabis is now being sold as a recreational pursuit and the assumption is most people will be using it after work after 6 pm and they should not need to make purchases before going to work. Our concern is they may now be using it during working hours.

Page 31 (Item 12 Deliveries) – A delivery employee of a business shall only be allowed to travel from the business premises to three (3) delivery addresses before returning to the business premises. Our concern is if the delivery truck is carrying more than three (3) cannabis deliveries there may be an increased number of high-jacking of delivery vehicles. The delivery employe shall not be able to caryy more than \$1500.00 of Cannabis product.

Only authorized employees of the delivery company can be inside the vehicle.

As there are no buffer requirements for these types of business they should only be allowed to deliver within a radius of 10 miles and not outside the boundaries of the city of Los Angeles.

Page 33 (Item 13) – Indoor cultivation types of all sizes shall maximize the number of solar panels used for power on site as well as making sure that wiring in the neighborhood for the grid is of a sufficient size that there will not be an increase in blackouts from power failures. The power company may need to have a larger number of spare transformers in stock for replacement.

Additionally, there should be a two-tier system for cost of water in this drought stricken area. Is there any chance that the water used for irrigation can get into our sewer system and cause contamination problems for recycling.

Page 35 (Item 15) – Testing businesses should notify the department within twenty four hours of discovering an unexplained loss of <u>3%</u> or more of inventory of unpackaged and unused harvest-batch samples.

Page 36 & 37 – If there are violations of any of the items on the inspection pages, what is the violation type? Moderate or serious?

Page 39 – What are the qualifications of a hearing officer for an administrative hearing?

# **OTHER GENERAL CONCERNS:**

#### **OTHER GENERAL CONCERNS:**

All properties used for cannabis business must be in character with the neighborhood. No buildings painted pea green and/or black. Buildings should be painted colors similar to other buildings in the neighborhood. We currently have 2 violations of this in our neighborhood.

Regulation of Edibles: Los Angeles County Health Department needs to be part of regulating these businesses.

Enforcement: In an earlier document there was language specifying that there would be 65 Police officers enforcing this ordinance. That number does not seem to be adequate to oversee an area the size of the City of Los Angeles. We need to allocate a sufficient budget for the number of police personnel and equipment necessary to do this job.

Any cannabis business that has two licenses, one for medical cannabis and one for recreational cannabis, must have two separate and distinct entrances and be completely segregated from each other.

Parking for Employees – We are told that cultivation businesses may have up to 25 employees. What requirements are in place to supply these employees with parking?

Customers of retail businesses should be able to park on site. If a cannabis business has two licenses, one for medical cannabis and one for recreational cannabis, they must have 3 ADA parking sites.

No consumption of cannabis on any licensed cannabis location.

# Additionally, we heartily support Councilman Krekorian's motions from October 31<sup>st</sup> which state:

I MOVE that the report of the Rules, Elections and Intergovernmental Relations Committee, relative to establishing a regulatory framework for commercial cannabis activity, and other cannabis related issues, in the City of Los Angeles, CF 14-0366-S4, CPC-2017-2260-CA BE AMENDED to <u>include the following recommendations to mirror the State of Colorado provisions regarding the production of Cannabis edibles:</u>

1. REQUEST that the City Attorney's draft ordinance pursuant to this item should prohibit the production and sale of marijuana products that are in the distinct shape of a human, animal, or fruit, or a shape that bears the likeness or contains the characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.

- 2. Request that the City Attorney's draft ordinance pursuant to this item should require Edible Infused Products to be marked, stamped, or otherwise imprinted with the Universal Symbol- a diamond enclosing the notations "! THC" or "! THCM" directly on the Infused Product- in a manner to cause the Universal Symbol to be distinguishable and easily recognizable on at least one side of the product; be centered either horizontally or vertically on the Product; the height and width of the Universal Symbol shall be of a size that is at least 25% of the product, but not less than ¾ inch by ¼ inch.
- 3. REQUEST that the City Attorney's draft ordinance pursuant to this item should limit edibles to 100-miligram capacity on THC per package in infused products, separated into 10-miligram servings.
- 4. REQUEST that the City Attorney's draft ordinance pursuant to this item should include a prohibition or regulation of additives to any retail marijuana product, including but not limited to those that are toxic, designed to make the product addictive, designed to make the product more appealing to children, or misleading to consumer.

Motion by: Paul Krekorian (Councilmember, 2<sup>nd</sup> District)

## Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District)

I MOVE that the report of the Rules, Elections and Intergovernmental Relations Committee, relative to establishing a regulatory framework for commercial cannabis activity, and other cannabis related issues, in the City of Los Angeles, CF 14-0366-S4, CPC-2017-2260-CA BE AMENDED to include the following recommendations:

 Request that the City Attorney's draft pursuant to this item should expand the definition of "Alcoholism or Drug Abuse Recovery or Treatment Facility" to include, "Permanent Supportive Housing Developments where services are provided on site."

Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District)

REQUEST that the City Attorney's draft ordinance pursuant to this item should authorize the Department of Cannabis Regulation to begin issuing TYPE 8 Testing License during the time that they are issuing the Proposition M Priority license.

Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District)

Request that the City Attorney's draft ordinance pursuant to this item should amend the proposed Delivery for Retailer Commercial Cannabis Activity Requirements to remove "Contractors and vendors are allowed to apply for Delivery for Retailer Commercial Cannabis Activity as third-party delivery services if allowed by the State of California" and replace it with the requirement that all deliveries shall be done by employees of licensed Commercial Cannabis cultivator, retailer, micro business, or manufactory with a physical address in the City of Los Angeles.

Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District)

Request that the City Attorney's draft ordinance pursuant to this item should exclude A1 Agricultural Zones and A2 Agricultural Zones from the properties that are eligible for Cannabis Cultivation and Nursery activities.

Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District

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Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District

We request that the City Attorney's draft ordinance pursuant to this item should exclude A1 Agriculture Zones and A2 Agricultural Zones from the properties that are eligible for Cannabis Cultivation and Nursery activities.

Additional motion: Motion by: Paul Krekorian (Councilmember 2<sup>nd</sup> District

REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed provisions related to Automatic Rejection of Application to include "Any owner, business entity, or individual convicted or cited for violating any law involving distribution or sales of tobacco or alcohol to minors will be banned from Commercial Cannabis Activity within the City of Los Angeles for a period of 5 years from the date of conviction."

# Further Concerns from SUN VALLEY AREA NEIGHBORHOOD COUNCIL:

 REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed provisions related to Automatic Rejection of Application to include, "Any owner, business entity, or individual convicted for violating any law involving the importation, exportation, manufacture, distribution or sales of illegal drugs, other than cannabis, will be banned from Commercial Cannabis Activity within the City of Los Angeles for a period of 5 years PERIOD OF 15 YEARS from the date of conviction." 2) REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed provisions related to Automatic Rejection of Application to include, "Any owner, business entity, or individual with a felony convicted for violent crimes, sex trafficking, rape, crimes against children, gang crime, gun crimes, hate crimes and crimes involving criminal organizations will be PERMANENTLY BANNED from Commercial Cannabis Activity within the City of Los Angeles for a period of 10 years from the date of conviction."
What do these crimes say about the character of a person who has been found guilty of anyone of them, a person of such low morals as this, should never be allowed to participate in any business related to cannabis

#### 

#### ADVERTISING:

- No advertising in any broadcast medium known now or developed in the future.
- No advertising in any print medium known now or developed in the future.
- No advertising on Internet Devices or Cell Phones or any similar device known now or developed in the future.
- No Billboard advertising or digital advertising Onsite or Offsite in an electronic medium. No digital advertising.
- No advertising on buses, metro-link, or bus benches and related street furniture.
- No advertising by Trade Associations of any kind of cannabis product.
- No advertising in Visitors or tourist brochures to attract tourists to purchase or use cannabis products.
- No advertising appealing to young people under 21 years of age, especially Teenagers.
- No advertising on any commercial vehicle used exclusively for transporting Cannabis or Cannabis products.
- No lighted signs on premises advertising the name of the company
- No advertising can be delivered to customers that use a mobile delivery system.
- Advertising can be allowed via printed flyers hand delivered to customers at retail stores.

Thank You

Sincerely, Sun Valley Area Neighborhood Council Planning Committee

Mike O'Gara

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#### SUN VALLEY AREA NEIGHBORHOOD COUNCIL

#### Re: CF 14-0366-S5

# Requesting a Neighborhood Council Community Benefits Fund to be administered by the Department of Neighborhood Empowerment (DONE) November 20, 2017

The SUN VALLEY Area NC (SVANC) respectfully requests that those Neighborhood Councils that are impacted by Commercial Cannabis activity within their boundaries have a Community Benefits Trust Fund set up to receive resources from each licensed cannabis business active in their boundaries. Ideally, resources from these licensed businesses would be deposited into separate interest bearing accounts, one per each affected Neighborhood Council, on a bi-annual basis. These accounts would be held by the City Clerk's office, and the funds would be managed by the Department of Neighborhood Empowerment. Neighborhood Councils would be able to draw on these accounts for expenditures related to:

- Large Beautification projects such as developing landscaping on Medians in their boundaries and maintaining the Medians.
- To hire planning experts to educate the Neighborhood Council about Community Plans in General and for Sun Valley specifically, THE SUN VALLEY –LA TUNA CANYON COMMUNITY PLAN, which will be renewed in the next two years.
- Outreach for upcoming Neighborhood Council elections and all other outreach efforts.
- Publish a monthly newsletter as Outreach. Possible 6 mailings per year to stakeholders.
- Graffiti removal and Bulky item removal.
- Purchase of moveable Security Cameras to place in areas where high levels of Waste Dumping and Graffiti occur.
- Purchase and placement of lighting in high crime areas
- Hire experts in Traffic studies to study high impact traffic intersections in Sun Valley where traffic signals or left turn lights are needed.
- Office Rental, Translation Expenses, Clerical Expenses.
- Neighborhood Council Events Such as The Fourth of July, Memorial Day, Earth Day, Veterans Day, etc. (Decorate public areas with Flags)
- To present Workshops at the Sun Valley Library or Sun Valley Parks, such as Literacy for adults, Programs to teach Green Card holders Civics and other related training to pass their Citizenship tests. Also tutoring for school children and Senior's Programs
- To present Educational Presentations in conjunction with our local parks in such fields as art and astronomy, etc.

These are items that we don't normally have budgets for and we could be more effective in serving our Neighborhoods if we had access to these funds directly for each individual Neighborhood Council.

#### THIS IS NOT AN EXHAUSTIVE LIST





November 22, 2017

Los Angeles City Council Attn: Council President 200 N Spring Street Los Angeles, California 90012

#### RE: Draft Cannabis Procedures Ordinance (CF 14-0366-S5)

Dear Council President Wesson,

On November 17, 2017, the City released two draft Ordinances, titled Cannabis Procedures and Rules and Regulations for Cannabis Procedures ("<u>Ordinances</u>"). The undersigned organization hereby respectfully submit the following comments and concerns on the Ordinances.

#### I. <u>Cannabis Procedures</u>

#### 1. Definitions - Section 104.01

Section 104.01 (a)(12) defines an "EMMD" as an existing medical marijuana dispensary "either possessing a 2017 L050 BTRC and current with all City-owned business taxes, or received a BTRC in 2007, registered with the City Clerk by November 13, 2007, received a L050 BTRC in 2015 and each year thereafter, and is current with all City-owned business taxes." Although this definition contains the word "either" the second part still requires an existing medical marijuana dispensary to possess a 2017 BTRC. We believe this language contradicts Council's intent to afford priority processing to individuals who received a BTRC in 2007, registered under the ICO, and were in possession of a BTRC in 2015. This sentence should be revised as follows:

"either possessing a 2017 L050 BTRC and current with all City-owned business taxes, or received a BTRC in 2007, registered with the City Clerk by November 13, 2007, <u>renewed</u> a L050 BTRC in 2015 and each year thereafter, and is current with all City-owed business taxes."

#### 2. Proposition M Priority Processing - Section 104.07

Section 104.07 (a) states as follows:

"...Applicant may apply for a maximum of one Microbusiness License (Type 12), or a maximum combination of One Retailer License (Type 10), one Delivery for Retailer License (Type 10), one Distributor License (Type 11), one Manufacturer License (Type 6 only), and one Cultivation, indoor (Type 2A or 3A)..."

The word "Applicant" is defined in Section 104.01(a)(1) as "Owner applying for a City License pursuant to this article." The use of the word Applicant unnecessarily restricts Owners who are applying under Proposition M Priority to only one license in each category. Other than testing laboratory license, the

State doesn't impose any limit to the number or type of licenses that may be held by an applicant. The City's regulations should comport with the State and the word "Applicant" should be changed to "EMMD" so that the sentence reads as follows:

"...EMMD may apply for a maximum of one Microbusiness License (Type 12), or a maximum combination of One Retailer License (Type 10), one Delivery for Retailer License (Type 10), one Distributor License (Type 11), one Manufacturer License (Type 6 only), and one Cultivation, indoor (Type 2A or 3A)..."

This change would limit each EMMD to one license type, but wouldn't unduly restrict the Owners from obtaining additional licenses and participating in the City's social equity program.

Pursuant to Section 104.07(d) an EMMD eligible for Prop M Priority Processing will not be denied a Temporary Approval or License by the Commission **solely** based upon the EMMD's location in a geographical area of Undue Concertation. The word "solely" should be removed from this sentence as the Rules, Elections and Intergovernmental Relations recommendations dated October 31, 2017 specifically stated that "Proposition D compliant dispensaries that are deemed eligible for Proposition M Priority processing are exempt from the PCN process." This section should be revised to reflect REIR's recommendations.

#### 3. Non-Retail Commercial Cannabis Activity – Section 104.08

Section 104.08(a) sets forth eligibility criteria for Temporary Approval and limited immunity for nonretail applicants. One such criteria is that "the applicant is not engaged in Retailer Commercial Cannabis Activity in the City" (#9). Engaging in Retailer Commercial Cannabis Activity at a different location in the City has no bearing on the Applicant's eligibility for non-retail limited immunity and should not be used as a means to disqualify otherwise eligible non-retail businesses. This criteria should be revised as follows:

"the Applicant is not engaged in Retailer Commercial Cannabis Activity on the Business Premises"

#### 4. License Appeal Procedure – Section 104.09

Section 104.09(a) requires an applicant to file an appeal within 15 days of the date of the mailing a written decision by the DCR or the Commission, but fails to account for the time of mailing. California Code of Civil Procedure Section 1013 provides a five (5) calendar day extension for service by mail of any document. This Section should be revised to include the five (5) calendar day extension.

#### 5. Mandatory Requirements – Section 104.10

The heading of Section 104.10(a) should be changed to "Restrictions on Transfer." The current heading implies that a license is not transferable, however, ownership of the license can be transferred with written approval by the DCR.

#### II. Rules and Regulations for Cannabis Procedures

#### 1. Regulation 2

Regulation 2 states that the BTRC information provided on an application will be final and changes after the application has been filed will not be considered. This language contradicts Regulation 10(A)(15)

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which allows changes to a license with written approval from DCR. Regulation 2 should be revised to make changes to the BTRC be subject to written approval from DCR.

#### 2. Regulation 3

Regulation 3(A)(6) requires the applicant to attest to providing proof of "product liability insurance as required by the State of California and the DCR." The State only requires general liability insurance for certain license type and does not have a product liability insurance requirement. The City's insurance requirements should comport with the State and this provision should be revised as follows:

"The Applicant shall attest to providing proof of a bond and/or insurance as required by the State of California and the DCR, within 15 days of receiving a License."

#### 3. Regulation 10

Regulation 10(A)(3) defines a change to the Licensee's organization structure or ownership. This section should expressly state that conversion from a non-profit entity to a for-profit entity will not be considered a change in organizational structure.

Regulation 10(A) No.'s 5 and 7 should be revised to comport with the State regulations.

Regulation 10A(11) states that a Licensee is not required to have cannabis goods tested or follow labeling provisions until 120 days after City licensure or April 1, 2018, whichever is sooner. The State regulations contain a Transitional Period from January 1, 2018 through July 1, 2018. The City should extend the April 1, 2018 date to July 1, 2018 so that its regulations mirror the state and to avoid inconsistency in enforcement.

Regulation 10(D)(4) sets forth the hours of operation for Retailer Commercial Cannabis Activity from 6am to 9pm. This regulation should be revised to mirror the increased hours of operation as permitted by the State from 6am to 10pm.

Regulation 10(D)(5) requirements with respect to display and storage should be revised in accordance with the newly released State regulations.

#### III. Conclusion

We respectfully request that the City consider our comments and recommended changes to the Draft Ordinance and thank the City for its continued efforts to implement a regulatory framework for Commercial Cannabis Activity.

For more information, please contact: Yelena Katchko Katchko, Vitiello & Karikomi, PC Counsel to UCBA <u>ykatchko@kvklawyers.com</u> (310) 943-9587

Cc: City Clerk Los Angeles City Attorney

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# C.F. 14-0366-55

November 28, 2017

#### Lynne Lyman testimony related to Item # 14-0366-S5

Honorable Herb Wesson, Los Angeles City Council President, and Members of the Council:

Thank you for your work to develop cannabis regulations that are reasonable and fair, and especially for your commitment to including a social equity component.

My name is Lynne Lyman, and I am a resident of the 6<sup>th</sup> district. Last year, in my role as the California state director for the Drug Policy Alliance, I led the campaign to pass Proposition 64. Currently I work with Susan Burton at A New Way of Life, where we fight to restore human and civil rights to people living with convictions.

I am here to speak about Section 104.03 related to the application procedure, section c that describes the kind of people who are ineligible to apply for a license.

I am deeply disappointed to see that the recommendations here exclude nearly any person with a noncannabis conviction from licensure for 5-10 years. This is yet another attempt to undermine the intentions of Prop 64 and continue to exclude, punish and oppress formerly incarcerated and convicted people.

Prop 64 very intentionally sought to repair the harms of the drug war and marijuana prohibition and open the door for equity opportunities for those who have been most harmed. Proposition 64's "Intents and Purposes" section specifically names one of the purposes of legalization is to "prevent barriers to entry into the legal, regulated market." I have been encouraged by the City's efforts over the past year to advance a meaningful social equity program.

And yet these new additions under Item 6, 1.e., utterly undermine your own equity intentions. In addition to what was already a lengthy list of high crimes that may be considered for denial under Prop 64, you added a long list of must-be exclusionary offenses. As I learned during the drafting process, there is a big difference between "may" and "shall".

Furthermore, these amendments do not take in to account convictions that have been dismissed, which is specifically protected under Prop 64 Section 26059.

Why is it that some of you feel the need to extend the length of punishment? Our criminal injustice system is already draconian by all standards, locking up more people than any other country in the world, long sentences, indefinite solitary confinement, enhancements for everything, lengthy supervision tails. And when an individual finally completes their sentence and probation, they face 4,800 barriers to reentry here in California.

So I ask again, why do public officials feel the need to further punish people with convictions? If our extremely punitive justice system believes the individual has served their penance, why must you add another sentence barring them from real economic opportunity? While in some instances a 5 or 10 year washout might be an acceptable compromise, anybody paying attention to the emerging cannabis industry knows that ownership will be entirely locked up in 5 years.

In conclusion, I remind you that 8 million California are currently living with convictions, most of them Black and Latinx. It is imperative that government not continue to exclude our community from economic opportunities. I urge you to reject these ill-begotten amendments and commit to your stated goals of advancing equity through cannabis regulation.

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