

**DEPARTMENT OF
CANNABIS REGULATION**

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June 19, 2020

The Honorable City Council
City of Los Angeles
City Hall, Room 395
Los Angeles, California 90012

Attention: Rules, Elections and Intergovernmental Relations Committee

Dear Honorable Members:

**PCN APPROVAL STANDARDS FOR COMMERCIAL CANNABIS ACTIVITIES IN AREAS OF
UNDUE CONCENTRATION (CF NO. 20-0420)**

The Department of Cannabis Regulation hereby transmits standards for consideration and adoption by the Los Angeles City Council for the approval of public convenience or necessity findings. The attached Resolution supplements DCR Report No. 4 transmitted on June 16, 2020.

If you have any questions or concerns, please contact Rocky Wiles at (213) 978-0738.

Sincerely,

CAT PACKER
Executive Director

RESOLUTION

WHEREAS, the Department of Cannabis Regulation is responsible for administering the City's commercial cannabis Licensing and Social Equity Programs;

WHEREAS, the number of Type 10 Storefront Retailer, Cultivation and Volatile-Manufacturing Commercial Cannabis Activity Licenses are limited by Community Plan Area based on a defined ratio of Licenses per population by activity type;

WHEREAS, after the maximum number of Licenses for Storefront Retailer, Cultivation or Volatile-Manufacturing are issued in any given Community Plan Area, that area is considered Unduly Concentrated;

WHEREAS, Section 104.03 of Article 4, Chapter X of the Los Angeles Municipal Code requires Applicants with a Business Premises located in a Community Plan Area which has reached undue concentration to file a request that the City Council find that approval of the License application would serve a public convenience or necessity supported by evidence in the record ("PCN Process");

WHEREAS, consistency and transparency in the administration and implementation of the City's commercial cannabis Licensing and Social Equity Program, including the PCN Process, are necessary to demonstrate integrity in the process;

NOW THEREFORE BE IT RESOLVED, with the concurrence of the Mayor, that by adoption of this Resolution, the Los Angeles City Council hereby adopts the following standards to find that a commercial cannabis license application serves a public convenience or necessity:

1. The existing commercial cannabis businesses in the requestor's Community Plan Area are concentrated in one area, such that the requestor's business, located in another area, would serve the public convenience or necessity; or
2. The proposed business premises would serve an area of increased density or consumer traffic, including but not limited to an entertainment or commercial corridor, such that the proposed location would serve the public convenience or necessity by satisfying a higher demand for retail locations; or
3. The proposed business premises would be located in an area with a high number of unlicensed commercial cannabis retail establishments, such that an additional licensed location would serve the public convenience or necessity by satisfying a higher demand for retail locations and reduce patronage of unlicensed establishments; or
4. The requestor's business would include clear specified public safety related features, such that the operation of the requestor's business would serve the public convenience or necessity by likely reducing crime or nuisance activity in the surrounding area.

PRESENTED BY: _____

SECONDED BY: _____