



LIC-4001-FORM

Instructions: Applicants seeking to engage in Retail Commercial Cannabis Activity in a Community Plan Area that has reached Undue Concentration must complete and submit this form to the Department of Cannabis Regulation in order to file a request that the City Council find that approval of the License application would serve a public convenience or necessity (PCN) supported by evidence in the record pursuant to LAMC Section 104.03(a)(4).

To: Office of the City Clerk
City of Los Angeles
City Hall, Room 395
Los Angeles, CA 90012

<i>For City Clerk Use Only:</i>	
Council File No.	_____
Received On:	_____
Expiration Date:	_____

Business Premises Location: 1043 S. Los Angeles St., Los Angeles, CA 90015
 Community Plan Area: Central City CD: 14
 Applicant Entity Name: SH Management, LLC
 Contact Name: Janine Der Bogosian Phone No. 818-929-2345
 Applicant's Email: majestytma@gmail.com
 Total Floor Area of Business: 3000 square feet
 Proposed Hours of Operation: 6:00AM-10:00PM Days: Monday-Friday
8:00AM-10:00PM Days: Saturday
10:00AM-10:00PM Days: Sunday

The Cannabis Procedures Ordinance limits the number of Retail Commercial Cannabis Activity Licenses by Community Plan Area (CPA) based on the definition of Undue Concentration under Los Angeles Municipal Code (LAMC) Section 104.01(a)(48). An area is considered unduly concentrated when DCR issues the maximum number of these license types in that CPA.

Explain how the Commercial Cannabis Activity will serve the public convenience or necessity (attach and number additional pages if necessary):

Please see attached, Exhibit A.

Explain how this request meets one or more of the City Council's public convenience or necessity standards pursuant to City Council's adopted Resolution (attach and number additional pages if necessary):

Please see attached, Exhibit B.

LAMC Section 104.03(a)(4) requires the Applicant to engage with and seek input from stakeholders in or near the Community Plan Area where the proposed Business Premises is located. Please provide the following information about the stakeholders with whom you will engage and seek to obtain written input.

Neighborhood Council: Down town Los Angeles

LAPD Division / Station: Central

Chamber of Commerce: Los Angeles Chamber of Commerce; Business Improvement District:
Fashion District

Substance Abuse Intervention, Prevention and Treatment Organization(s):


Name: Family Treatment Programs

Address: 634 S. Spring St., Los Angeles CA 90014

Distance from Business Premises: 0.57 miles (2,993 feet)

Total number of pages attached: 2

I declare under the penalty of perjury under the laws of the State of California that the information presented in this form and its attachments are true and correct to the best of my knowledge.




Applicant's Signature

11/26/2020
Date

Signature of the property owner(s), or the property owner's authorized representative, if a tenant or lessee is filing this form:

A&H Management
Name of Property Owner and/or Representative



Signature of Property Owner and/or Representative

11/27/2020
Date

Manager of A&H Management
Title (i.e. Owner or Representative)

Providing SH MANAGEMENT, LLC with a Commercial Cannabis License - Retail will serve the public convenience or necessity of the people of the City of Los Angeles in the following manner:

First, SH MANAGEMENT, LLC will promote public safety. The CENTRAL CITY Community Plan Area is an integral part of the City of Los Angeles' community that is home to thousands of residents, hundreds of businesses and an attraction to hundreds of thousands of visitors, shoppers and diners throughout the year. It is also home to several dozen illegal cannabis businesses who operate without any regulation and in flagrant disregard of the law. In sharp contrast, SH MANAGEMENT, LLC will strictly enforce all public safety requirements and will only market and sell safe and legal cannabis that has been tested to persons who can legally purchase such cannabis. SH MANAGEMENT, LLC believes that when given a choice, persons will act lawfully and purchase legal cannabis from a licensed, tax paying business. The demand for cannabis exists; if given a commercial cannabis license, SH MANAGEMENT, LLC will satisfy that demand in a manner that promotes public safety. SH MANAGEMENT, LLC's commitment to promoting public safety is demonstrated by the fact that although it has not been able to engage in commercial cannabis activity it has been an active member of its community since leasing its business premises in April 2017. Second, SH MANAGEMENT, LLC will promote the public health. At this moment, unlicensed cannabis businesses are illegally selling cannabis of unknown provenance. As a legal commercial cannabis business, SH MANAGEMENT, LLC will only sell cannabis that has been tested and is free of pesticides or other hazardous contaminants. SH MANAGEMENT, LLC will also only sell cannabis in the amounts that are legally allowed for sale, and will ensure that the storage and sale of its cannabis will comply with all state and local health and safety regulations.

Third, SH MANAGEMENT, LLC will achieve and promote Los Angeles' Social Equity goals. JANINE DER BOGOSIAN is a verified Social Equity Applicant and as the documentation SH MANAGEMENT, LLC has previously submitted demonstrates, MS. DER BOGOSIAN's equity share in SH MANAGEMENT, LLC is unconditional, and is not subject to any sham conditions or arrangements. MS. DER BOGOSIAN will receive her equity share of SH MANAGEMENT, LLC's profits and shall receive 100% of the value of each share of stock in SH MANAGEMENT, LLC in the event that the share is stock is sold; and MS. DER BOGOSIAN shall receive at least their equity share percent of the retained earnings of the SH MANAGEMENT, LLC and 100% of the unencumbered value of each share of stock of SH MANAGEMENT, LLC in the event of dissolution. Finally, MS. DER BOGOSIAN shall receive their equity share percent of the voting rights on all business decisions. Unlike other businesses that SH MANAGEMENT, LLC believes are fraudulently claiming to comply with the City of Los Angeles' Social Equity goals, SH MANAGEMENT, LLC will achieve such goals. SH MANAGEMENT, LLC respectfully refers the Department of Cannabis Regulation (the "Department") to the Social Equity and Ownership documents it previously submitted on September 3, 2019 for proof of such rigorous compliance with the Department's Social Equity regulations and guidelines. Fourth, SH MANAGEMENT, LLC will promote substantial economic development. In addition to paying state, local and federal taxes (which the illegal businesses in CENTRAL CITY most certainly do not) SH MANAGEMENT, LLC will act as a legitimate business paying its fair share of taxes. Additionally, SH MANAGEMENT, LLC has entered into a Labor Peace Agreement, and as such, all of its employees can be unionized and receive a living wage and substantial benefits. SH MANAGEMENT, LLC respectfully refers the Department to the Employment and Outreach documents it previously submitted on September 3, 2019 for proof of its intent to hire local and disadvantaged persons.

Providing SH MANAGEMENT, LLC with a Commercial Cannabis License - Retail will serve one or more of the Los Angeles City Council's public convenience or necessity standards for the people of the City of Los Angeles in the following manner:

First, SH MANAGEMENT, LLC's business premises complies with all zoning and sensitive use location requirements. Additionally, SH MANAGEMENT, LLC's business premises will serve an area of high population density and consumer traffic, including but not limited to entertainment, commercial and dining establishments, such that SH MANAGEMENT, LLC's proposed location will serve the public convenience or necessity by satisfying a high demand for licensed cannabis retail businesses; specifically, SH MANAGEMENT, LLC is in the heart of the bustling Los Angeles fashion district, in the same block with several art dealers and artists.

Second, more than three years ago, at the time the Los Angeles City Council determined the number of commercial cannabis licenses that the City of Los Angeles would issue, it was presumed that safe cannabis would be available throughout the State of California. Such is not the case; cannabis continues to be illegal in approximately 70% of the municipalities in the State of California. As such, the demand for cannabis in cities in the county of Los Angeles substantially exceeds the number of legal commercial cannabis businesses that can legally satisfy such significant demand. Illegal businesses, that sell un-tested, potentially unsafe cannabis; pay no taxes; and, usually do not pay their employees or provide such employees with any benefits, continue to plague the City of Los Angeles and generally commit one crime after another with impunity. Selling cannabis without a license is a crime puts the public health and safety in jeopardy; deprives the City of Los Angeles and State of California of much needed tax revenue; and provides no benefits to the thousands of persons (mostly young and persons of color) who work for unlicensed businesses. This is especially true in the CENTRAL CITY community plan area where illegal cannabis businesses far outnumber legal cannabis businesses. The addition of a licensed commercial cannabis business that sells only safe tested cannabis, pays its taxes and contributes to the economic well being of the City of Los Angeles generally and SH MANAGEMENT, LLC's employees specifically, the majority of whom will be persons of color and otherwise face disadvantages in employment, are significant and will reduce patronage of unlicensed cannabis businesses. Additionally, there is no legal commercial cannabis business located near SH MANAGEMENT, LLC to serve the public.

Third, at the time of this submission, the crime rate in Los Angeles is soaring with violent crime at a thirty year high. As set forth in SH MANAGEMENT, LLC's "Proposed Security Plan" and "Overview of Company's Security Protocols" which were submitted to the Department last September 3, 2019, SH MANAGEMENT, LLC's security plans and procedures will serve the public convenience by likely reducing crime or nuisance activity in the CENTRAL CITY Community Plan Area. Among other things, SH MANAGEMENT, LLC's Security Plan will enable SH MANAGEMENT, LLC to be a beacon of safety and security by providing street facing video surveillance equipment that is monitored 24 hours per day, seven days per week; employing licensed and bonded Security Guards both inside and outside of SH MANAGEMENT, LLC's business premises; establishing and maintaining close coordination and contact with both the Downtown Los Angeles Neighborhood Council and the CENTRAL division of the Los Angeles Police Department. SH MANAGEMENT, LLC believes that strong community relations between SH MANAGEMENT, LLC, other local businesses and law enforcement will make CENTRAL CITY a safer place for all of its inhabitants and visitors. SH MANAGEMENT, LLC's complete Security Plan with all proposed security personnel and vendors is available for review upon request.