

DEPARTMENT OF
CANNABIS REGULATION

CANNABIS REGULATION
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<http://cannabis.lacity.org>

July 11, 2023

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

Dear Honorable Members:

REQUEST FOR EXEMPTION UNDER CHARTER SECTION 1001(d)(4)

The Department of Cannabis Regulation (Department) requests an exemption under Charter Section 1001(d)(4) to fill one full-time exempt Assistant Chief Grants Administrator position (Class Code 1577).

The California Cannabis Equity Act of 2018 established a Local Equity Grant Program which provides grant funds to local jurisdictions for direct assistance to the local jurisdictions' commercial cannabis Social Equity Programs, and their Social Equity Applicants and Licensees. Since 2019, the Department has been awarded a total of over \$17.6 million from the State of California to support the City's Social Equity Program (SEP). The SEP promotes equitable ownership and employment opportunities for marginalized communities in order to address the disproportionate impacts of the War on Drugs in those communities. In October 2019, the State's Bureau of Cannabis Control awarded the Department approximately \$1.8 million in equity grant funding through funds from the California Cannabis Equity Act of 2018 (C.F. 19-1547). From 2020 to 2023, the Governor's Office of Business and Economic Development awarded the Department four additional annual grants for the City's SEP as follows:

- 2020: \$6,042,014.23 (C.F. 20-0521)
- 2021: \$2,030,997.42 (C.F. 21-0354)
- 2022: \$5,726,309.09 (C.F. 22-0275)
- 2023: \$1,984,947.11 (C.F. 23-0269)

The Department of Cannabis Regulation has utilized funds from the Local Equity Grant Program to establish a grant program for local equity applicants or licensees to assist with startup and ongoing costs, to provide technical and business development assistance, and to provide workforce development assistance to local Social Equity Program applicants and participants. The Department's Assistant Chief Grants Administrator administers the Department's grant programs and oversees the City's Social Equity Program.

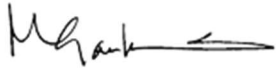
RECOMMENDATION

The Interim Executive Director of the Department of Cannabis Regulation requests that the City Council:

Approve the exemption of one Assistant Chief Grants Administrator (Class Code 1577) under Charter Section 1001(d)(4) from the civil service process in the Department of Cannabis Regulation to support the California Cannabis Equity Act of 2018 Local Equity Grant Programs.

The action requested is in accordance with Charter Section 1001(d)(4). Should you have any questions or require additional information, please contact Zachary De Corse at (213) 675-0052.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Garakian", with a horizontal line extending to the right.

MICHELLE GARAKIAN
Interim Executive Director

JM:JK:ZD