DCR PHASE 2 PROGRAM
JULY 24, 2018

6:00- Welcome Remarks and Introductions- Cat Packer
6:10- Presentation from DCR on Social Equity Program in Phase 2- Cat Packer
6:20- Update from DCR on Phase 1 and next steps for approvals and presentation on Phase 2 application process- Jason Killeen
6:40- Update from City Attorney on Phase 2 compliance- Alexander Freedman
6:45- Presentation from LAFD on inspections- Inspector Johnny Gatlin
6:55- Presentation from DBS on inspections and permitting- John Biezins
7:05- Presentation from OOF on tax registration- Claire Bartels & Brent Santos
7:15- Presentation from LADWP on connection and enforcement- Adam Chhan
7:25- Concluding remarks from Cat Packer & moderated Q&A from audience
8:00- Event concludes
OVERVIEW

- Local Regulatory Authority
- Local Cannabis Ordinances
- Social Equity Program
- Commercial Cannabis Activity
- Operating a Cannabis Business
- Priority Processing Phase 1
- Priority Processing Phase 2
- Testing Labs
- General Processing
- Licensing Process
- Annual License
- Pre-Licensing Inspection
- Licensing Determination
- Compliance Program
LOCAL REGULATORY AUTHORITY

- California Voter Initiative: Proposition 64
- California Commercial Cannabis Regulatory Program
- City of Los Angeles Voter Initiative: Measure M
- City of Los Angeles Commercial Cannabis Regulatory Program
LOCAL CANNABIS ORDINANCES

- Procedures
- Rules and Regulations
- Location Restrictions
- Fees and Fines
- Advertising
- Trust Fund
- Cannabis Reinvestment Act
- Recent Amendments
The City of Los Angeles has adopted a Social Equity Program aimed at promoting ‘equitable ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities and to address the disproportionate impacts of the war on drugs in those communities.’
Definitions

- **Low Income**
  - 80 percent or below of Area Median Income for the City based on the 2016 American Community Survey and updated with each decennial census.

- **California Cannabis Conviction**
  - An arrest or conviction in California for any crime under the laws of the State of California OR the United States related to the sale, possession, use, manufacture or cultivation of Cannabis that occurred prior to November 8, 2016.
  - Prop D violations explicitly excluded.

- **Disproportionately Impacted Area**
  - An eligible zip code based on the More Inclusive Option – referenced in Regulation No. 13 of the Rules and Regulations

- **Social Equity Agreement**
  - An agreement between a Tier 3 Social Equity Applicant and the City to provide capital, leased space, business, licensing and compliance assistance for a period of three years to Persons who meet the criteria to be a Tier 1 Social Equity Applicant; and business, licensing and compliance assistance to Persons who meet the criteria to be a Tier 2 Social Equity Applicant.
  - Fee in Lieu of Leased Space Pending Ordinance
  - Processed by DCR, approved by Commission.
SOCIAL EQUITY PROGRAM

- **Tier 1**
  - Either Low Income AND California Cannabis Conviction OR;
  - Low Income AND minimum of 5 years cumulative residency in a Disproportionately Impacted Area
  - Ownership Requirement
    - No Less than 51%

- **Tier 2**
  - Either Low Income AND minimum of 5 years cumulative residency in a Disproportionately Impacted Area OR;
  - Minimum of 10 years cumulative residency in a Disproportionately Impacted Area
  - Ownership Requirement
    - No Less than 33 1/3%

- **Tier 3**
  - Social Equity Agreement
  - Ownership Requirement
    - None
SOCIAL EQUITY PROGRAM

- Program Benefits
  - Verification of program qualification without Premises Verification
  - Priority Processing
  - Business, Licensing and Compliance Assistance (pending)
  - Training via Incubator (pending)
  - Fee Waiver (if established)
  - Industry Investment Fund (if established)

- Program Restrictions
  - Transfer of Control or Ownership
  - Disclosures
    - Operating Agreements
    - Financial Agreements & Loans
    - Debt
    - Management Agreements
    - Options to Purchase
SOCIAL EQUITY PROGRAM

Program Development and Implementation
- Stay Engaged!
- Expansion of Disproportionately Impacted Areas
- Fee Deferral
- Industry Investment Fund
- Community and Equity Applicant Recommendations
COMMERCIAL CANNABIS ACTIVITY

- Cultivation
- Manufacturing
- Distribution
- Testing
- Retail
- Microbusiness
THINGS TO KNOW BEFORE OPERATING A COMMERCIAL CANNABIS BUSINESS

- State License and Local Authorization Required
  - Unlawful Commercial Cannabis Activity
- Ownership Restrictions
- Business Premises Requirements, Location Restrictions & Undue Concentration
- Notice, Public Hearing & Public Comment
- Determinations & Appeals
- Operating Requirements
- Violations and Penalties
ORDER OF PROCESSING

- Priority Processing Phase 1
  - Existing Medical Marijuana Dispensaries

- Priority Processing Phase 2
  - Non-Retail Supply Chain

- General Processing
  - Retail
    - 1 General Applicant per 2 Social Equity Applicants (Tier 1 & Tier 2 Only)
  - Non-Retail
    - 1 General Applicant per 1 Social Equity Applicant
PHASE 1
PRIORITY PROCESSING

- Mandated by Local *Measure M*
- Limited to EMMD Applicants
- EMMD
  - Defined in Section 104.01(a) 12.
- Activity/ License Type Restrictions
  - Retailer
  - Distributor
  - Cultivator
  - Manufacturer
PHASE 1 SUMMARY

- 156 locations with Temporary Approval
- 950 total Temporary Licenses authorized (12 invoices pending)
  - 167 – Medical Retail and Microbusiness Temporary Licenses
  - 166 – Adult-Use Retail and Microbusiness Temporary Licenses
  - 108 – Medical Cultivation Temporary Licenses
  - 108 – Adult-Use Temporary Licenses
  - 115 – Medical Distribution Temporary Licenses
  - 115 – Adult-Use Distribution Temporary Licenses
  - 85 – Medical Manufacturing Temporary Licenses
  - 86 – Adult-Use Temporary Licenses
LICENSING PROCESS

Existing Medical Marijuana Dispensaries

- Priority Processing
- Temporary Approval
- Annual License Application
- Pre-Licensing Inspection
- Licensing Determination
- Annual License

CITY OF LOS ANGELES DEPARTMENT OF CANNABIS REGULATION
PHASE 2 PRIORITY PROCESSING

• August 1, 2018
• Eligibility Restrictions

- Activity Prior to January 1, 2016
- Supplier to EMMD
- No outstanding Tax obligations
- Qualifies under Social Equity Program

- Compliant with Location Restrictions
- Free of Fire/Life Safety Violations
- Passes a Pre-Licensing Inspection

- Indemnification of City Liability
- Testing
- Cease Operations if Denied
- Revocation or Suspension due to Noncompliance
PHASE 2 PRIORITY PROCESSING

· Eligibility Criteria
  · *Section 104.08 Cannabis Procedures*

1. Applicant engaged **prior to January 1, 2016**, in the same Non-Retailer Commercial Cannabis Activity that it now seeks a license for
2. Applicant provides evidence and attests under penalty of perjury that it was a **supplier to an EMMD prior to January 1, 2017**
3. Business Premises meets all of the **land use and sensitive use requirements** of Article 5 of Chapter X LAMC
4. Applicant passes a **pre-licensing inspection**
5. Business Premises free of **fire or life safety** violations
6. Applicant paid all outstanding City business **tax obligations**
7. Applicant **indemnifies the City from any potential liability** on a form approved by DCR.
PHASE 2
PRIORITY PROCESSING

Eligibility Criteria

Section 104.08 Cannabis Procedures

8. Applicant provides a written attestation that it will enter into an agreement with a testing laboratory for testing of all Cannabis and Cannabis Products and attests to testing all of its Cannabis and Cannabis Products in accordance with state standards.

9. Applicant is not engaged in Retailer Commercial Cannabis Activity at the Business Premises.

10. Applicant attests that it will cease all operations if denied a State License or City License.

11. Applicant qualifies under Social Equity Program.

12. Applicant attests that it will comply with all operating requirements imposed by DCR and that DCR may immediately suspend or revoke the Temporary Approval if the applicant fails to abide by any City operating requirement.
Phase 2
Cannabis Business Application
PHASE 2 CANNABIS BUSINESS APPLICATION

- Owner, Person in Charge, and Agent of Service fields
  - An Agent of Service completing an application on behalf of an owner must identify themselves
  - A Person in Charge is a day-to-day on-duty manager that can answer questions and is available to inspection staff

- Must apply for Social Equity Priority Processing

- One Application for all Commercial Cannabis Activities associated with the Business Premise
  - Incompatible license types should not be selectable
  - If you select the wrong option, then unselect the wrong option before trying to select the correct option
  - You can deselect all options under a category by clicking the “No” option

- Additional application documents allows the applicant to customize their initial submittal
  - Select the documents that you have available; staff will request the remaining documents prior to deeming your application complete

- Eligibility Evidence allows the applicant to customize their initial submittal
  - Select the documents that you have available; staff will request the remaining documents prior to deeming your application complete

- Notification Fire Department, City Council, Neighborhood Council, etc.

- Application review fees and Fire Department inspection fees are captured on the same invoice.
Implement City's New Cannabis Policy

**Application Options**

You may apply for Temporary Approval if you meet the criteria identified in Los Angeles Municipal Code (LAMC) Section 104.01, as determined by the City. The temporary approval shall provide the Applicant with limited immunity, as described in LAMC Section 101.06 (Subsection 2). The Temporary Approval is valid for up to 180 days. The Applicant attests that it will comply with all operating requirements imposed by the City and that the City may immediately suspend or revoke the Temporary Approval if the Applicant fails to abide by any City operating requirement. For additional information, please visit the URL here.

- **Are you requesting Temporary Approval?**
  - Yes
  - No
- **Are you an Agent of Service?**
  - Yes
  - No

**Business Information**

A Person in Charge should be the regular On Duty Manager and available to City staff during regular business hours. A Person in Charge may or may not be an owner.

- **Original Date of Non-Retailer Commercial Cannabis Activity/Activities:**
  - 

- **Person in Charge - Name:**
  - 

- **Person in Charge - Title:**
  - 

- **Person in Charge - Phone:**
  - Enter without punctuation

**Social Equity Application**

Social Equity priority processing requested

- **Yes**
- **No**
Implement City’s New Cannabis Policy

Business Activities

Cannabis Business Application

Business Activities

Applicants must have been a supplier to an existing Medical Marijuana Dispensary prior to January 1, 2007. Applicants meeting the supplier requirement may apply for licenses associated with non-retail or commercial cannabis activities that begin prior to January 1, 2005. As Applicant’s business premise must meet all of the health and safety requirements outlined in Article 5 of Chapter 6 of the Los Angeles Municipal Code.

- Adult Use: Yes □ No □
- Adult-use Cultivation Medium Indoor: □
- Adult-use Cultivation Small Indoor: □
- Adult-use Cultivation Speciality Indoor: □
- Adult-use Distributor: □
- Adult-use Manufacturer Level 1: □
- Adult-use Retail: □
- Adult-use Microbusiness: □
- Adult-use Delivery Only: □
- Medical Use: Yes □ No □
- Medical Cultivation Medium Indoor: □
- Medical Cultivation Small Indoor: □
- Medical Cultivation Speciality Indoor: □
- Medical Distributor: □
- Medical Manufacturer Level 1: □
- Medical Retail: □
- Medical Microbusiness: □
- Medical Delivery Only: □
- Distributor Transport Only: □
- Testing: □
- Canopy Size: □

City of Los Angeles Department of Cannabis Regulation
### Additional Application Documents

- Staffing Plan
- Organizational Chart
- Proof of Bond or Insurance
- Security Plan
- State of California Operational Requirements
- LATS Notification Form
- LATS Certified Uniform Program Agency (CUPA)
- Community Benefits Agreement
- Distinct Radius Map
- Labor Peace Agreement
- ISO 17025 (Testing Applications Only)
- Testing Plan (Testing Applications Only)

### Eligibility Evidence

- Executed prior to January 1, 2016: 
  - Yes [ ]  No [ ]
- Contract: 
  - [ ]
- Lease: 
  - [ ]
- Business Formulation Documents: 
  - [ ]
- Business Records: 
  - [ ]
- Other Supporting Documents: 
  - [ ]
- Executed prior to January 1, 2017: 
  - Yes [ ]  No [ ]
- Contract: 
  - [ ]
- Lease: 
  - [ ]
- Business Formulation Documents: 
  - [ ]
- Business Records: 
  - [ ]
- Other Supporting Documents: 
  - [ ]
Contact/Business Information

Implement City's New Cannabis Policy

CITY OF LOS ANGELES DEPARTMENT OF CANNABIS REGULATION
HOW TO LOCATE NEIGHBORHOOD INFO
APPLICATION FEE REVIEW

Implement City's New Cannabis Policy

Los Angeles Department of Cannabis Regulation

Cannabis Business Application

Listed below are the license application fees based upon the information you've entered.

Application/Renewal Fees

<table>
<thead>
<tr>
<th>Fees</th>
<th>Qty</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Cannabis Distributor Payment (TA-P2)</td>
<td>1</td>
<td>$11,806.00</td>
</tr>
<tr>
<td>Cannabis Cultivation Medium Indoor Payment</td>
<td>1</td>
<td>$11,806.00</td>
</tr>
<tr>
<td>Cannabis Manufacturer Level 1 Payment (TA-P2)</td>
<td>1</td>
<td>$11,806.00</td>
</tr>
<tr>
<td>Fire Cannabis Inspection Fee</td>
<td>1</td>
<td>$918.00</td>
</tr>
</tbody>
</table>

TOTAL FEES: $36,336.00
Note: This does not include additional fees which may be assessed later.

Continue »
Phase 2
OWNER SUBMITTAL RECORD
Individuals meeting the “Owner” definition must complete and submit an Owner Submittal Record.

All owners must submit their Owner Submittal Record before a Social Equity Tier is assigned to a Commercial Cannabis Business.

If an “Owner” is ineligible, then the ineligible “Owner(s)” must be removed from the application before the Commercial Cannabis Business application is deemed complete.

Changes in Ownership will require a new signature card be filed with the Department of Cannabis Regulation.
OWNER SUBMITTAL RECORD

Implement City's New Cannabis Policy
**Owner Attestations**

**City of Los Angeles**

**Department of Cannabis Regulation**

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<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are you the owner, or are you employed by, any agency of the State of California (State) or any of its political subdivisions (including the City of Los Angeles) and your duties have to do with the enforcement and regulation of Commercial Cannabis Activity or any other public agencies of the State forbidden from regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of cannabis?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Do you have or are you interested in a licensed commercial cannabis business?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Does the Business Premise meet all of the land use and condition use requirements of Article 6 of Chapter 6 of the Los Angeles Municipal Code?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Is the Commercial Cannabis Business identified in this application current on all its obligations?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Have you been sanctioned by a licensing authority or local agency for unlicensed commercial cannabis activity and/or had a license suspended or revoked in the three years immediately preceding the date of this application?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Have you been convicted of a crime?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that all outstanding City business tax obligations have been paid or will be paid prior to issuance of this application.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that the Commercial Cannabis Business identified in this application was engaged prior to January 1, 2018, in the same non-licit or illicit retail cannabis activity that now seeks a license?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that the Commercial Cannabis Business identified in this application was a supplier to an Existing Medical Marijuana Dispensary prior to January 1, 2017?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that the Commercial Cannabis Business identified in this application shall provide a written agreement with a testing laboratory for testing all cannabis and cannabis products and submit to testing all of its cannabis and cannabis products in accordance with state standards.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that all commercial cannabis products associated with the Commercial Cannabis Business identified in this application shall undergo testing in accordance with state standards.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that the Commercial Cannabis Business identified in this application is not engaged in illicit Commercial Cannabis Activity or the Business Premises.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that the Commercial Cannabis Business identified in this application shall cease all unlicensed commercial cannabis operations if accused of an unlicensed commercial cannabis license or a City commercial cannabis license</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, that the Commercial Cannabis Business identified in this application shall cease all operating requirements imposed by the City and that the City was immediately exposed or made any temporary approval granted the applicationKids the ability to any City operating requirements.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm, under penalty of perjury, I am applying for the Social Equity Program and fulfill eligibility under the Social Equity Program as a Yes, I, Yes, or No Applicant.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Affirm that only Non-Retail Operations will continue under limited immunity provisions.</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
### TIER 1 & 2
**SOCIAL EQUITY REQUEST**

#### Social Equity Request

<table>
<thead>
<tr>
<th>Application for Social Equity Status</th>
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</thead>
<tbody>
<tr>
<td>Tier Requested:</td>
</tr>
<tr>
<td>California Cannabis Arrest or Conviction prior to November 8, 2016:</td>
</tr>
<tr>
<td>Court Records:</td>
</tr>
<tr>
<td>Government Records:</td>
</tr>
<tr>
<td>Declaration:</td>
</tr>
<tr>
<td>Other Documents:</td>
</tr>
<tr>
<td>Evidence of Low Income Status:</td>
</tr>
<tr>
<td>Tax Records:</td>
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<tr>
<td>Financial Records:</td>
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<tr>
<td>Receipt of Government Assistance:</td>
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<td>Declaration:</td>
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<td>Other Documents:</td>
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<tr>
<td>Residency in a Disproportionately Impacted Area:</td>
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<tr>
<td>Property Deed, Mortgage, or Lease Agreement:</td>
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<td>Financial Records:</td>
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<tr>
<td>Proof of Government Housing Assistance:</td>
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<tr>
<td>Utility Bills, Registration, or Similar Document:</td>
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<tr>
<td>Education Records:</td>
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<td>Declaration - Address:</td>
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<td>Declaration - Parent or Guardian:</td>
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<td>Other Documents:</td>
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- Tier 1
- Yes/No
TIER 3 SOCIAL EQUITY REQUEST

<table>
<thead>
<tr>
<th>Social Equity Request</th>
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<tbody>
<tr>
<td>Application for Social Equity Status</td>
</tr>
<tr>
<td>Tier Requested:</td>
</tr>
<tr>
<td>Tier 3 Applicant Evidence for Tier 1:</td>
</tr>
<tr>
<td>Executed Tier 1 Contract:</td>
</tr>
<tr>
<td>Tier 1 Attestation:</td>
</tr>
<tr>
<td>Tier 3 Applicant Evidence for Tier 2:</td>
</tr>
<tr>
<td>Executed Tier 2 Contract:</td>
</tr>
<tr>
<td>Tier 2 Attestation:</td>
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Save and resume later  Continue »
REQUIRED DOCUMENTS

You must provide a copy of your government-issued identification. Acceptable forms of identification are documents issued by federal, state, county, or municipal government that includes the name, date of birth, physical description, and picture. (Example: a driver’s license or passport.)

* Required Documents
1. Licensing - Declaration of Phase 2 Eligibility
2. Licensing - Government-Issued Identification

Save and resume later  
Continue »
# ADDITIONAL OWNER INFORMATION

## Employment History

<table>
<thead>
<tr>
<th>Job Title</th>
<th>Company Name and City</th>
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Criminal Violations

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<th>Date of Violation</th>
<th>Criminal Violation Code</th>
<th>Type of Violation</th>
<th>Date of Incarceration</th>
<th>Date of Probation</th>
<th>Date of Parole</th>
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Other Cannabis Licenses

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<tr>
<th>Government Agency</th>
<th>State</th>
<th>County</th>
<th>City</th>
<th>Agency</th>
<th>License Number</th>
<th>License Type</th>
<th>Date</th>
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Cannabis Licenses Denied

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<thead>
<tr>
<th>Government Agency</th>
<th>State</th>
<th>County</th>
<th>City</th>
<th>Agency</th>
<th>License Number</th>
<th>License Type Denied</th>
<th>Date Denied</th>
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Phase 2 Application Manual will be posted by 5pm on Monday, July 30th
DCR may issue Temporary Approval to Testing Laboratory License Applicants prior to a pre-licensing inspection with or without accreditation.

- Attestation Form

- State License Required before issuance of Temporary Approval
LICENSING PROCESS

Non-Retail Suppliers
· TBD
· Sec. 104.20 Priority Processing given to Social Equity Program participants
· Subject to Undue Concentration Restrictions per Community Plan
LICENSING PROCESS

General Public
· Ownership Information
· Business Premises Information
· Financial Information
· Commercial Cannabis Activity Plans & Detailed Descriptions
· Security Plan
· Workforce Information
· Attestations
PRE-LICENSING INSPECTION

- Premises Diagram
- Building and Fire Code
- Fire Safety Plan (if applicable)
- Security Plan
- Live Scan & Background Check
LICENSING DETERMINATION

Retail & Non-Retail Activity in Business Premises 30,000 Sq. Ft or Larger

- Cannabis Regulation Commission
  - Department of Cannabis Regulation Community Meeting
  - Notice of Public Hearing
  - Public Hearing

Non-Retail Activity in Business Premises Less than 30,000 Sq. Ft.

- Department of Cannabis Regulation
COMPLIANCE PROGRAM

- No transfer of ownership or business premises address without DCR Approval
- State License and Local Authorization must be prominently displayed
- Comply with all operational requirements in Rules and Regulations
- Applicants and Licensees subject to inspection, investigation or audit without notice.
- Violations subject to Administrative Action
  - Penalties and Fines
  - Suspension and Revocation
The Department of Cannabis Regulation, Cannabis Regulation Commission and the City of Los Angeles are in the process of implementing a local cannabis regulatory program that is both responsible and equitable --- please join us in this effort to make the City of Los Angeles a safer and healthier community.
6:40- Update from City Attorney on Phase 2 compliance- Alexander Freedman
6:45- Presentation from LAFD on inspections- Inspector Johnny Gatlin
6:55- Presentation from DBS on inspections and permitting- John Biezins
7:05- Presentation from OOF on tax registration- Claire Bartels & Brent Santos
7:15- Presentation from LADWP on connection and enforcement- Adam Chhan
7:25- Concluding remarks from Cat Packer & moderated Q&A from audience
8:00- Event concludes
Overview of Operating Requirements for Temporary Approval Holders

Alexander Freedman
Los Angeles City Attorney’s Office
Cannabis Advice, Law & Litigation Section
Applicants who expect to qualify for 104.08 processing and Temporary Approval should be prepared to meet all of the City’s operating requirements.
Temporary Approval Operating Requirements

**Compliance requirements**
- An Applicant who receives Temporary Approval must comply with all operational rules & regulations applicable to the license type for which they have applied.

**No grace period**
- Temporary Approval holders must immediately comply with all applicable rules and regulations.

**Violation of Rules & Regulations is grounds to revoke Temporary Approval**
- Application for 104.08 processing requires Applicant to attest that DCR may revoke Temporary Approval if the Applicant fails to abide by any City operating requirement.
Temporary Approval Operating Requirements

City’s Operating Requirements in Regulation No. 10.
- General operating requirements applicable to all License types
- Operating requirements specific to each License type

City-Specific Operating Requirements
- Temporary Approval holders must comply with both State and City regulations
- City imposes operating requirements that are not in State regulations
  - Ex: City prohibits exterior mounted devices like security bars; outdoor lighting must be shielded and directed onto business premises; no special events of parties of any type at business premises.
- Compliance with additional City operating requirements is mandatory
Temporary Approval Operating Requirements

Compliance with non-Cannabis Specific Laws
- Temporary Approval holder must also comply with non-cannabis-specific, generally applicable laws, like State and City labor laws, LA Fire and Building Codes, LA County Health Code
- Violation of these laws may be grounds for administrative action up to and including Temporary Approval revocation and License denial

Responsibility for violations by agents or employees
- Temporary Approval holder is deemed fully responsible for all acts, omissions, or failures of an agent, officer, or other person acting for or employed by a Licensee, within the scope of his or her employment or office.
Enforcement of Operating Requirements

DCR Inspections
- Business premises are subject to inspection by DCR during regular business hours or non-regular hours when violations appear or are alleged to be occurring
- DCR may also investigate complaints from employees, community members, other businesses, law enforcement or any other source

Other Agencies
- Building and Safety, Police Department, Fire Department, the Office of Finance and Los Angeles County Department of Health Services and other government agencies with jurisdiction.

Full Cooperation Required
- Temporary Approval holder may not deny access to inspectors or provide false or misleading information.
- No advance notice is required and failure to cooperate could be grounds for revocation
Possible Consequences of Violations of Regulations by Temporary Approval Holders

- DCR may suspend or revoke Temporary Approval (immediately)
- DCR or Commission may deny annual license application
- DCR may order an administrative hold on cannabis goods
- DCR may impose monetary fines or stricter operating conditions
- Enforcement action by other government agencies or law enforcement
Stay Informed

City Council may amend or make new regulations
- Monitor Council File Management System to track changes
- Call or email DCR for updates about new regulations

DCR may promulgate regulations
- Regularly check DCR’s website and sign up for list serve for notice of new regulations

Other applicable laws may change
- Consult appropriate sources for notice of and information about changes to non-cannabis specific laws