

LOS ANGELES COUNTY
ADVISORY WORKING GROUP ON CANNABIS REGULATION

Mission: *To develop recommendations that will provide a framework for the development of regulations for commercial and personal-use cannabis in unincorporated areas of Los Angeles County. These recommendations will provide guidance to County policymakers and may also be useful to cities and other counties throughout California that are studying cannabis regulations.*

SUMMARY OF MEETING SIX: Taxation and Revenue – August 17, 2017

- 1. Topic Area(s):** Cannabis Cultivation, Manufacturing and Other Businesses (Final Recommendations); Taxation and Economic Development (Overview)
- 2. Working Group Participants:** Donnie Anderson (*California Minority Alliance and Southern California Coalition*), Valerie Coachman-Moore (*Coachman-Moore & Associates*), Jonatan Cvetko (*Angeles Emeralds*), Matt Garland (*San Pedro Neighborhood Council*), Patricia Guerra (*Community Coalition*), Aaron Lachant (*Nelson Hardiman, LLP*), Lynne Lyman (*Drug Policy Alliance*), Javier Montes (*UCBA Trade Association*), Dr. Alisa Padon (*Public Health Institute*), Melahat Rafiei (*Progressive Solutions Consulting*), Dr. Avelardo Valdez (*University of Southern California*), Hon. Vivian Romero (*Mayor, City of Montebello*), Dr. Monica Sanchez (*Los Angeles County Office of Education*), Manuel Duran (*President, Maravilla Businesspersons Association*), Wayne Sugita (*Division of Substance Abuse, Prevention, and Control, Los Angeles County Dept. of Public Health*), and Dr. Rachel Gonzales-Castaneda (*Azusa Pacific University*)
- 3. Facilitators and Presenters:** Cheri Thomas (*Office of Cannabis Management, Los Angeles County Chief Executive Office*), Sheri Dunn Berry (*Community Partners*)
- 4. Process Note:** As of August 17, 2017, nineteen community listening sessions were held in locations across all five County supervisorial districts.
- 5. Decision Making:**
 - Of two remaining recommendations for Personal Cultivation, one will be revisited next week pending additional information, and one was reviewed and accepted by the Advisory Working Group after further consideration from a Working Group Sub-Committee.
 - Of the 16 recommendations for Cannabis Retailers, 12 were reviewed and discussed. Eight final recommendations were accepted (including two recommendations that were merged into one), two were not moved forward, and one was postponed until next week to allow for more discussion.

- Recommendations submitted by individual Advisory Working Group members yielded 12 recommendations for Cannabis Cultivators, Manufacturing and other Businesses.

Final Recommendations on Personal Cultivation

Recommendation #1 - Personal Cultivation

Decision Note: The group agreed to table this recommendation again for discussion at the next meeting.

The County should allow every qualified medical patient to grow up to 12 immature or six mature cannabis plants, as set forth in California Health and Safety Code section 11632.77.

Recommendation #3 - Personal Cultivation

The County should consider the impact of existing restrictions on the outdoor cultivation of cannabis for personal use, to be in line with state guidelines.

Final Recommendations on Cannabis Retailers

Recommendation #1 - Delivery

The County should implement appropriate regulations on the retail delivery of cannabis to ensure that delivery does not become an avenue for underage youth to access cannabis. Such regulations could include the use of age-verification technology during deliveries and special recordkeeping requirements. When considering regulations for retail cannabis delivery, the County Board of Supervisors should review research concerning youth access to alcohol in jurisdictions where alcohol delivery is permitted.

Recommendation #2 - Delivery

The County should require that, prior to engaging in cannabis delivery, a cannabis retailer register the identity of delivery drivers and vehicles used for delivery with the County and law enforcement ongoing as needed. The delivery vehicle should be solely for the purpose of the cannabis industry and with no visible identification. Law enforcement should be properly trained to enforce this.

Recommendation #3 - Delivery

Decision Note: No consensus was reached and recommendation will NOT move forward, but OCM was asked to track and monitor this issue as applicants pursue retail business licenses moving forward.

The County should require applicants for cannabis retail businesses to specify whether they propose to conduct on-site (storefront) sales, delivery-only sales, or both.

Recommendation #4 - Hours of Operations

Subject to state law or regulation, the County should set hours of operation for cannabis retail storefronts that allows sufficient customer access before and after work hours, but should consider allowing extended hours for medical cannabis delivery only after retail storefronts are required to close.

Recommendation #5 - Limits on the number of licenses/concentration of retailers

Decision Note: The Working Group agreed to create the following recommendation by merging two recommendations related to limits on licenses and retail concentration.

The County should consider alternatives to capping the number of cannabis retail licenses, such as implementing a discretionary process, such as a conditional use hearing, that requires the hearing body to find that issuing the cannabis retail license is needed and will not result in an overconcentration in any neighborhood consistent with state law and zoning based on the ratio of retail licenses to population and other key indicators that impact quality of life and environment, including, for example, whether a cannabis retailer proposes to locate in a high crime reporting district. Per capita should not be considered. The County should conduct an analysis with GIS to study population density to prevent overconcentration based on current state sensitive-use buffers. The County should consider alternatives to setting minimum distances between retailers, being sensitive to commercial and industrial zones.

Recommendation #6 – Limits on number/concentration of retailers was not moved forward

Recommendation #7 - Loitering and onsite consumption

The County should require cannabis retail businesses to have a security plan in place to prevent the misuse of recreational cannabis consumption by employees, and to prevent loitering and cannabis consumption in parking lots, alleys and other open areas adjacent to their businesses. The respective business should be well-lit, kept clean and debris-free by the business operator. Businesses should clearly display signs with “no loitering, no public drinking, and no public cannabis use” in the business and immediately outside.

Recommendation #8 - Onsite signage

Signage should comply with current County guidelines. Signage should be functional rather than promotional. County should further explore signage possibilities to maximize business operations, reduce appeal to children and youth, and nuisance to neighborhoods. The County should consider restricting signage on vehicles, pending legal analysis.

Recommendation #9 - Security

In connection with any new license or renewal application, the County should require each cannabis business to submit an individualized security plan that implements industry best practices to deter crime and facilitate response and intervention by law enforcement, including but not limited to physical improvements to deter crime, camera and alarm systems, and onsite security personnel.

Recommendation #10 - Zoning

Decision: Considered, but no consensus reached. The recommendation will NOT move forward.

The County should ensure that cannabis retailers are equitably distributed across unincorporated Los Angeles County.

Recommendation #11 – Zoning/buffering from sensitive uses was skipped to be discussed at a future meeting

Recommendation #12 - Employee Requirements

The County should require mandatory retail employee/budtender training on how to maintain a safe retail environment, how to avoid sales of cannabis to individuals under the influence of alcohol or other drugs, and how to provide consumer education on safe and responsible product use and health risks and consequences, particularly for novice users.

- END CANNABIS RETAILERS RECOMMENDATIONS -

- 6. Speaker:** Taxes and Growth: Experience and Perspectives for Los Angeles County
- Miles K. Light, Founding Partner, Marijuana Policy Group

7. Public Comments:

- Maleena Lawrence requested information about key dates related to this subject matter and asked whether a plan was in place to ensure cannabis retailers are evenly distributed throughout the County to avoid blight and overconcentration in lower income neighborhoods. She also inquired about foreign buyers and strategies to protect citizens from industry developers coming into their neighborhoods.
- Anya Titora, student and dispensary employee, expressed concern regarding using the marijuana leaf symbol on signage as the cannabis industry moves forward. She also mentioned the common use of tinctures and balms, which are non-psychoactive, and therefore should not be a concern with regard to employee cannabis consumption at retailers.

Los Angeles County Advisory Working Group on Cannabis Regulation

AGENDA

Meeting 6: Thursday, August 17, 2017

- 9:00 AM** Welcome and agenda review
- 9:05 AM** Workshop recommendations on Personal Cultivation and Cannabis Cultivation for Personal Use; and Cannabis Retail Operations
- Facilitated group discussion to reach consensus on recommendations submitted by working group members
- 10:50 AM** Break
- 11:05 AM** Taxes and Growth: Experience and Perspectives for Los Angeles County
- Miles K. Light, Founding Partner, Marijuana Policy Group
- 11:55 AM** Public Comments
- 12:00 PM** End