



# CALIFORNIA MINORITY ALLIANCE

## Letter to Los Angeles City Council and Mayor

October 29, 2019

Dear Honorable Mayor and Honorable Members of the Los Angeles City Council:

### BOARD OF DIRECTORS

Donnie Anderson

Nicole Fox

Tyrone Freeman

Virgil Grant

Matt Haskin

Alice Huffman

Gina Huh

Ingrid Hutt

Ken Jones

Hon. Gwen Moore

Darren Parker†

Mieko Perez Tony

Simone

The California Minority Alliance (CMA) currently represents an array of stakeholders. From community allies, clergy, cannabis business owners, future industry leaders, and to the most recent influx of over 1,743 new members, this week alone who in support of our position(s) relative to the issue of “fairness” in processing of Commercial Cannabis Phase 3 Retail licenses, I write this open letter in support of and to ask for ALL City elected officials’ support for the position of **REFORM** and **FAIRNESS** stated by City Council President Herb Wesson’s letter of October 28, 2019 to the Department of Cannabis Regulations Executive Director Cat Packer.

That is, *“The City of Los Angeles adopted the Social Equity Program in order to right past wrongs by helping those individuals and communities who were disproportionately impacted by the War on Drugs...[However], the Phase 3 Retail Round 1 process **was compromised**”* (Wesson, 2019).

As stated in President Wesson’s letter, “it is paramount that the application process have the utmost integrity, be transparent, and fair.” Understanding that the current processing methodology of applicants provides no scenario in which these principles are obtained, simply explaining away the errors through the idea of “it was only 1 or 2”, and “adjustments were made” isn’t transparent, fair or the illustration of the “utmost integrity.” In fact, the current **processing of applications** is operating without the integration of these principles and must be either changed immediately to that of processing all applicants, which integrates fairness, and transparency or “suspend all applications” and start over immediately on a first-come, first-serve basis of completed applications in accordance with L.A.M.C. 104.06 and Rules and Regulations for Cannabis Procedures(revised June 23, 2019) in their **ENTIRETY** such as most other jurisdictions in their implementation of Social Equity Programs.

Simply put, removing or overshadowing the bad actors whether intentional or not isn’t transparency or illustrating government integrity because the fact remains that the day upon which the list of applicants and timestamps were issued on the DCR website and thereafter, until such time the video was released, the DCR did not make the public aware of what it had known or should have known regarding applicant(s) that had access to logging in the application portal before 10 am. That is, integrity, by definition is “an unimpaired condition”-Merriam-Webster.

What *“integrity,” “transparency,”* and *“fairness”* really mean in the culture of government services is the building of public trust to improve government performance. **For this reason, CMA supports Council President Wesson’s position and leadership on this matter.**

CMA, the community, and other stakeholders genuinely believe that a culture of DCR and government integrity integration can be achieved **with the processing of all applications submitted during the Phase 3 stage 1 application period.**

On behalf of our membership and the communities impacted by the War of Drugs, **we thank you**, Mr. Wesson, Mayor Garcetti, and Councilpersons of our great city for your commitment to *integrity*,

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*transparency, and fairness* in **supporting** Mr. Wesson's principled recommendations. The **immediate action** on this matter illustrates to the entire world that the City of Los Angeles is truly the **City of Angels**.

Sincerely,

*Ty Freeman*  
Dr. Ty Freeman  
Executive Director

*Donald Anderson*  
Donnie Anderson  
President

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<sup>i</sup> October 28, 2019 Letter to Cat Packer from Council President Herb Wesson

<sup>ii</sup> Florida: Section 7(d) of Chapter 2017-232: Applications for identification cards must be submitted on a form prescribed by the department. The department may charge a reasonable fee associated with the issuance, replacement, and renewal of identification cards. The department shall allocate \$10 of the identification card fee to the Division of Research at Florida Agricultural and Mechanical University for the purpose of educating minorities about marijuana for medical use and the impact of the unlawful use of marijuana on minority communities. The department shall contract with a third-party vendor to issue identification cards. The vendor selected by the department must have experience performing similar functions for other state agencies.

Florida: Section 8(a)(2b) of Chapter 2017-232: The department shall license as medical marijuana treatment centers 10 applicants that meet the requirements of this section, under the following parameters: b. As soon as practicable, but no later than October 3, 2017, the department shall license one applicant that is a recognized class member of *Pigford v. Glickman*, 185 F.R.D. 82 (D.D.C. 1999), or *In Re Black Farmers Litig.*, 856 F.Supp.2d 1 (D.D.C.2011) and is a member of the Black Farmers and Agriculturalists Association-Florida Chapter. An applicant licensed under this sub-subparagraph is exempt from the requirements of subparagraphs (b)1. and (b)2.

Florida: Section 8(b) of Chapter 2017-232: The department shall identify applicants with strong diversity plans reflecting this state's commitment to diversity and implement training programs and other educational programs to enable minority persons and minority business enterprises, as defined in s. 288.703, and veteran business enterprises, as defined in s.295.187, to compete for medical marijuana treatment center licensure and contracts. Subject to the requirements in subparagraphs (a)2.-4., the department shall issue a license to an applicant if the applicant meets the requirements of this section and pays the initial application fee.

Florida: Section 8(b)(10) of Chapter 2017-232: An applicant for licensure as a medical marijuana treatment must demonstrate: 10. involvement of minority persons and minority business enterprises, as defined in s. 288.703, or veteran business enterprises, as defined in s. 295.187, in ownership, management, and employment.

Florida: Section 8(b)(10) of Chapter 2017-232: An applicant for licensure renewal must show the effectiveness of the diversity plan by including the following with his or her application for renewal: a. Representation of minority persons and veterans in the medical marijuana treatment center's workforce; b. Efforts to recruit minority persons and veterans for employment; and c. A record of contracts for services with minority business enterprises and veteran business enterprises.

Ohio: Section 9(C) of chapter 3796: The department shall issue not less than fifteen per cent of cultivator, processor, or laboratory licenses to entities that are owned and controlled by United States citizens who are residents of this state and are members of one of the following economically disadvantaged groups: Blacks or African Americans, American Indians, Hispanics or Latinos, and Asians. If no applications or an insufficient number of applications are submitted by such entities that meet the conditions set forth in division (B) of this section, the licenses shall be issued according to usual procedures.

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Ohio: Section 10(C) of chapter 3796: The board shall issue not less than fifteen per cent of retail dispensary licenses to entities that are owned and controlled by United States citizens who are residents of this state and are members of one of the following economically disadvantaged groups: Blacks or African Americans, American Indians, Hispanics or Latinos, and Asians. If no applications or an insufficient number of applications are submitted by such entities that meet the conditions set forth in division (B) of this section, the licenses shall be issued according to usual procedures.

Pennsylvania: Section 615(a) (1-2): 615 Diversity goals. (a) Goals. It is the intent and goal of the General Assembly that the department promote diversity and the participation by diverse groups in the activities authorized under this act. In order to further this goal, the department shall adopt and implement policies ensuring the following:

- (1) That diverse groups are accorded equal opportunity in the permitting process.
- (2) That permittees promote the participation of diverse groups in their operations by affording equal access to employment opportunities.

Pennsylvania: Section 615(b)(1): Duties of department. To facilitate participation by diverse groups in the activities authorized under this act, the department shall: (1) Conduct necessary and appropriate outreach including, if necessary, consulting with other Commonwealth agencies to identify diverse groups who may qualify for participation in activities under this act.

Pennsylvania: Section 615(b)(3): Duties of department. To facilitate participation by diverse groups in the activities authorized under this act, the department shall: (3) Include in the applications for permit under this act language to encourage applicants to utilize and give consideration to diverse groups for contracting or professional services opportunities.