



# Equity Dispensary Ordinance and Resolution

City Council Meeting - May 10, 2022

## **On October 12, 2021, the City Council approved a motion to:**

- Prepare an Ordinance allowing up to eight (8) new dispensary licenses (20%) to be issued to verified equity applicants
- Focus on a merit-based RFP process to select the eight (8) equity applicants eligible for a dispensary license
- Expand the available “Green Zone” for dispensaries in Long Beach



# Equity Dispensary Ordinance

# Equity Dispensary Ordinance

## Preparation and Outreach

- To prepare the Ordinance and Resolution, City staff:
  - researched best practices
  - consulted other cities
  - held internal discussions with key departments
  - performed outreach to equity applicants
- Outreach to equity applicants included an online survey, interactive workshop, and town hall meeting

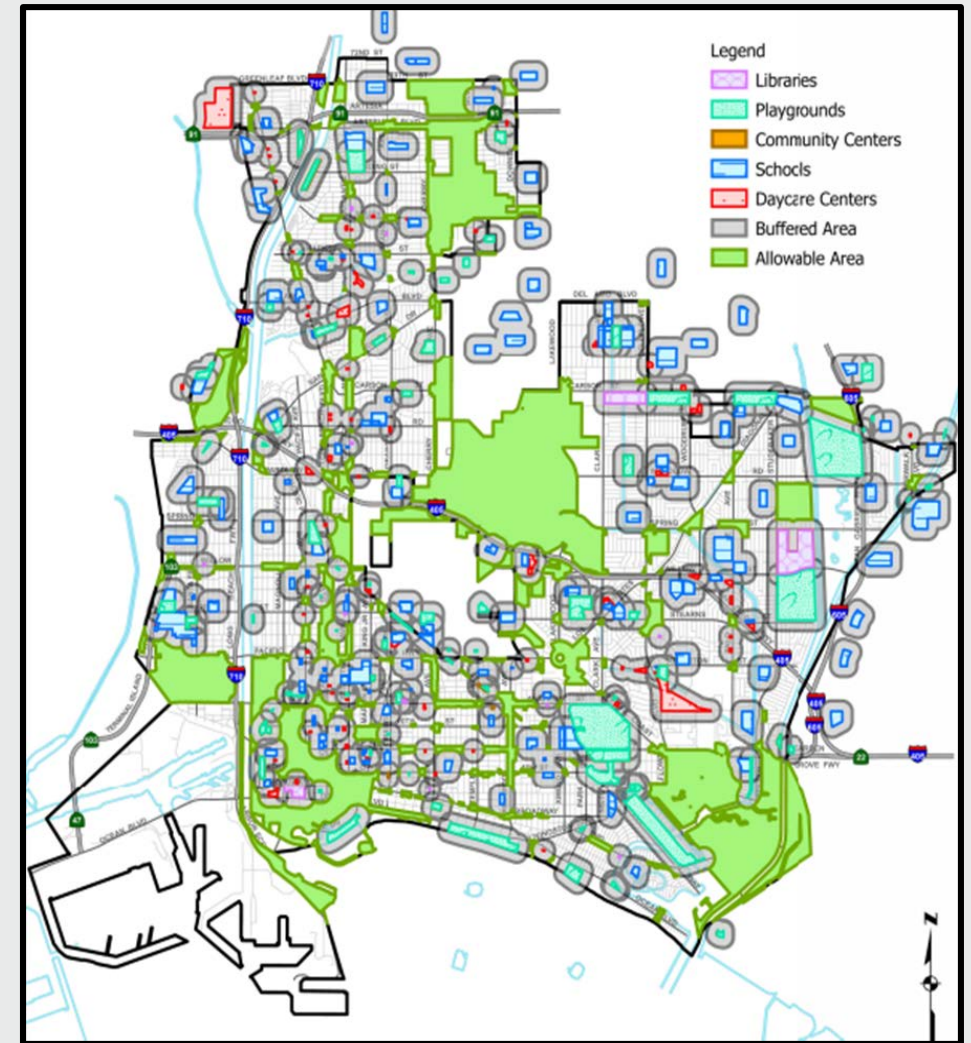
# Equity Dispensary Ordinance

## Key Provisions

- Adding up to 8 equity dispensary licenses, bringing the total number of dispensaries in the City of Long Beach (City) to 40
  - Equity dispensary licenses will be selected using a Request for Proposals (RFP) process
- Equity dispensaries will be allowed to hold both a medical and adult-use license
- Reduced buffers/expanded **Green Zone**
  - 180-day moratorium on existing dispensaries from moving locations to a newly expanded Green Zone location

# Equity Dispensary Ordinance

Existing Buffers	New Dispensary Buffers
Schools: 1000ft	Schools: 600ft
Day Care Centers: 600ft	Day Care Centers: 600ft
Parks: 600ft	Parks: 0ft
Libraries: 600ft	Libraries: 600ft
Beaches: 1,000ft	Beaches: 0ft
Playgrounds: 0ft	Playgrounds: 600ft
Community Centers: 0ft	Community Centers: 600ft



# Equity Dispensary Resolution



# Equity Dispensary RFP Guidelines

## Intent

Allocate 8 new cannabis dispensary business licenses in a **fair and equitable manner** and ensure that the best qualified Equity Program participants are selected.

The RFP process will utilize criteria to evaluate the ability for an equity applicant or group of equity applicants in the Equity Program to **successfully apply for and operate a retail storefront dispensary**.



# Equity Dispensary RFP Guidelines

## Eligibility

### A. Current verified equity applicants

### B. Individuals that meet the Equity Program eligibility criteria as of the date the RFP is advertised

- Anyone that is not already a verified equity applicant will need to submit documentation providing proof that they meet the eligibility requirements for the Equity Program along with their proposal

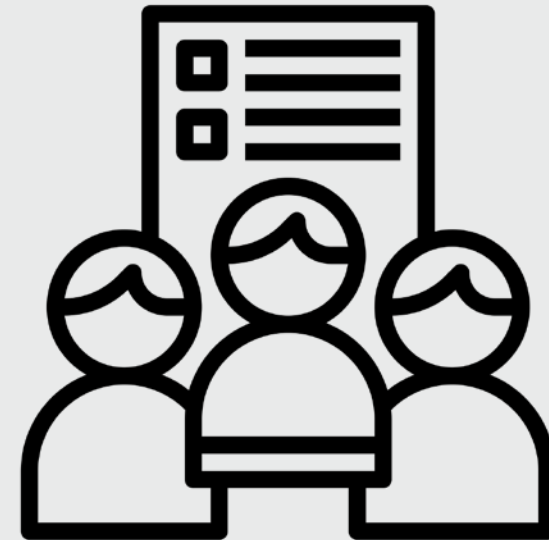
# Equity Dispensary RFP Guidelines

## Proposal Submission

A proposal may be submitted by one equity applicant or a group of equity applicants.

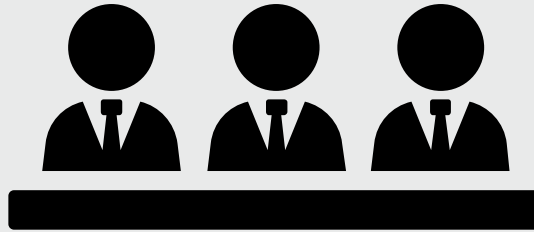


No individual may be identified in any capacity in more than one proposal.



# Equity Dispensary RFP Guidelines

## Panel Review



**Members of the voluntary review panel may consist of individuals who:**

- A. Have some level of expertise in economic or business development;
- B. Have an active involvement in social equity matters; or
- C. Are cannabis business regulators from another jurisdiction.

*Members may not be in any way affiliated with the City of Long Beach.*

*Members will be selected by staff from the Economic Development Department.*

# Equity Dispensary RFP Guidelines

## Evaluation Criteria

### **Includes but is not limited to the following:**

- A. Description of the equity applicant's background and impact from the War on Drugs.
- B. Description of the equity applicant's experience, training, and education completed to prepare the applicant for operating a successful cannabis business in the City of Long Beach.
- C. Business plan that details a plan to achieve success and sustainability.

# Equity Dispensary RFP Guidelines

## Certifications

### Ownership Requirements

For a period of five years from the issuance of the dispensary business license a minimum of 51% ownership in the cannabis retail storefront dispensary must be held by equity applicant(s).



### Deadline to Obtain a License

The dispensary business license must be obtained within three years from the date they are notified of their eligibility to apply for the business license.

# Equity Dispensary RFP Process

## Step 1: Stakeholder Meeting

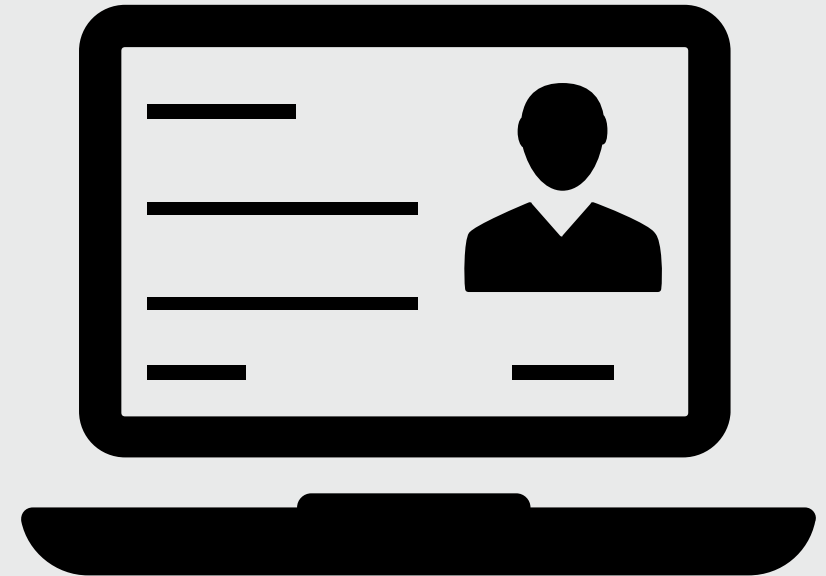


Prior to opening the RFP process, there will be a meeting for stakeholders to learn about the RFP process and how to submit proposals as well as ask questions related to the RFP.

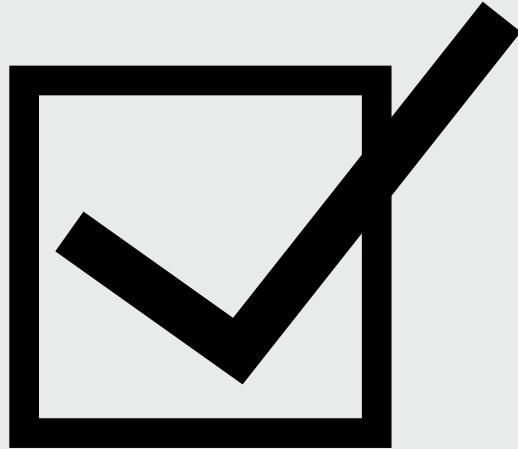
# Equity Dispensary RFP Process

## Step 2: Submission Period

The RFP submission period will be open for 30 days on the City's new procurement portal, Long Beach Buys. The RFP will be similar to a traditional application with questions and response fields.



## Step 3: Eligibility Verification



Staff from the Office of Cannabis Oversight will confirm and verify if an applicant meets the Equity Program eligibility criteria.

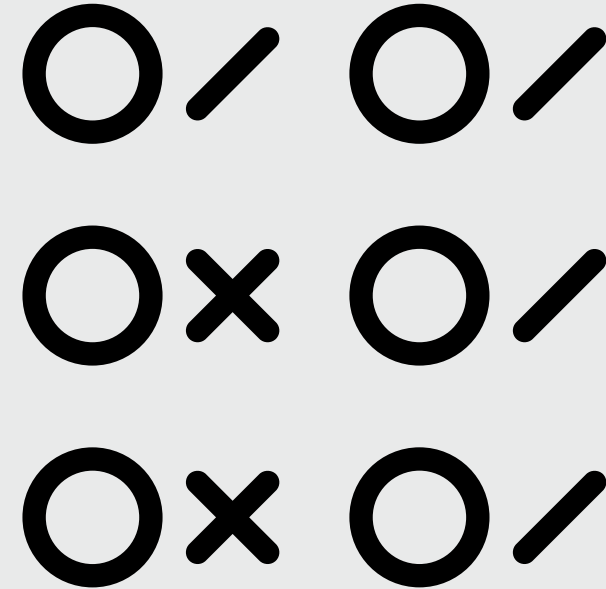
Those who do not meet the eligibility criteria will be disqualified.



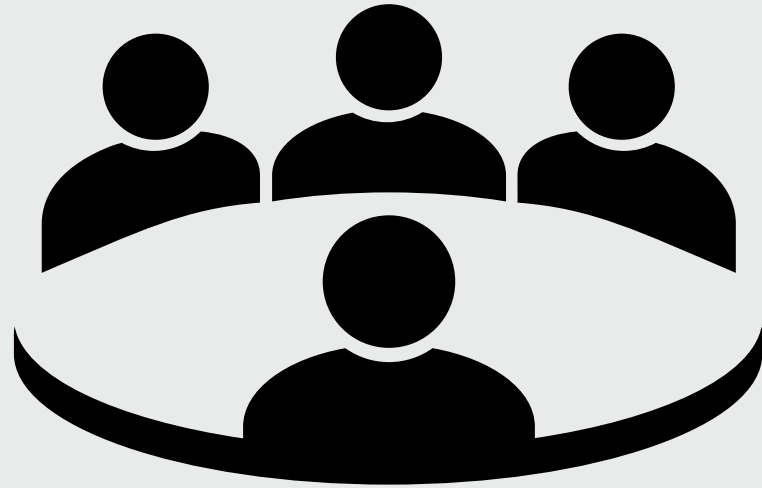
# Equity Dispensary RFP Process

## Step 4: Proposal Evaluation & Scoring

The RFP Panel will evaluate and score the proposals using the evaluation criteria developed by staff from the Office of Cannabis Oversight and approved by the City Manager, City Attorney, Director of Financial Management, and Director of Economic Development



## Step 5: Panel Interview



The 16 proposals with the highest scores will be awarded the opportunity to participate in a virtual interview with the RFP Panel.

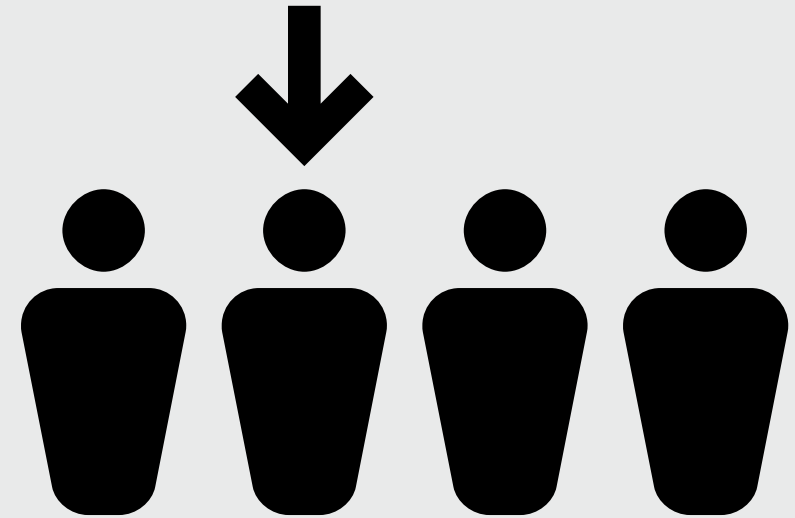
The RFP Panel will select the top 8 equity applicants via a forced ranking process.

# Equity Dispensary RFP Process

## Step 6: Selection

Once the top 8 are selected, the City will post the intent to award at least ten days before the award is made.

Applicants who were not selected are able to submit a protest with the City's Purchasing Agent.



# Equity Dispensary RFP Process

## Step 7: Award



After the protest period has concluded, the 8 equity applicants are eligible to apply for a cannabis dispensary business license.

The business will not be required to have a location identified when submitting the business license application.

# Equity Dispensary RFP Process

## Timeline



**Request for Proposals (RFP) Timeline** = 4 to 6 months

**Business License Process Timeline** = 1-3 years from the time of application submission

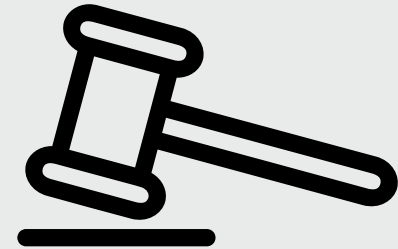
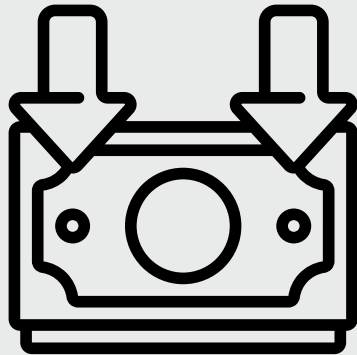


# Equity Program Updates

# Strengthening the Equity Program

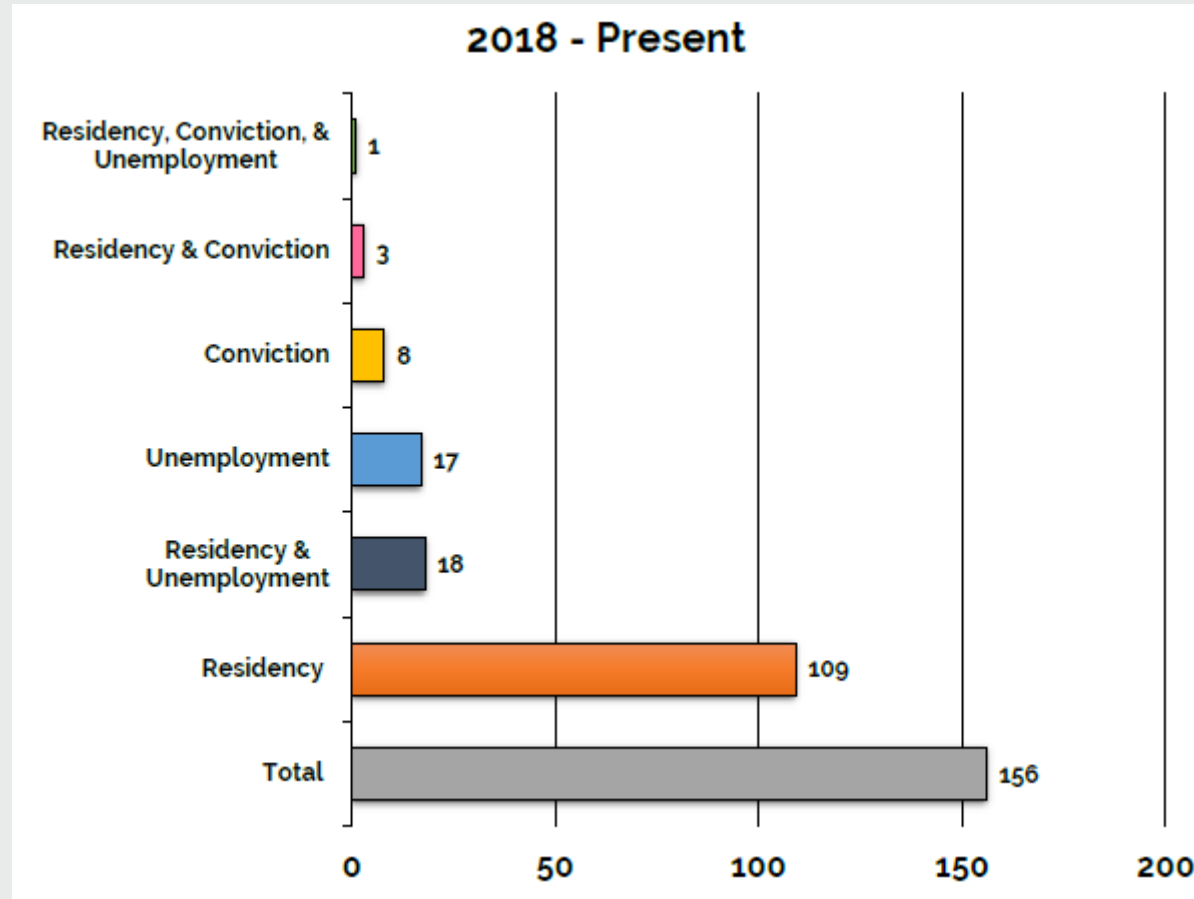
## Current Eligibility Criteria

1. Be an individual (not an entity); and
2. Family income below 80% of AMI; and
3. Meet the residency requirement for at least 3 years; *or*
4. Personal cannabis arrest or conviction.



# Strengthening the Equity Program

## Current Eligibility Criteria Statistics





# Strengthening the Equity Program

## Proposed Eligibility Criteria

1. Be an individual (not an entity); and
2. Family income below 80% of AMI; and
3. Meet the residency requirement for at least **5 years; and**
4. Personal cannabis arrest or conviction; **or**
5. ***Immediate family member (sibling, parent, or child) with cannabis arrest or conviction.***

# Strengthening the Equity Program

## Timeline to be Equity Owned

All Equity Businesses must remain equity owned for a period of **at least 5 years**.

## One Member Per Household Policy

Only **one individual from each household** will be verified as an equity applicant in the Equity Program moving forward.

Assistance will not be provided to multiple equity applicants living within the same household and/or if the equity applicant is filing jointly on their tax returns.



**Thank you**

**Emily Armstrong**  
**Cannabis Program Manager**  
**[cannabisoversight@longbeach.gov](mailto:cannabisoversight@longbeach.gov)**  
**(562) 570-5250**