



City of Long Beach

Working Together to Serve

Memorandum

Councilmember Al Austin II
Eighth District

R-14

Date: March 16, 2021
To: Mayor and Members of the City Council
From: Councilmember Al Austin II, Eighth District
Councilwoman Stacy Mungo, Fifth District
Subject: Long Beach Cannabis Equity and Inclusion

RECOMMENDED ACTION:

Request City Manager to include up to 8 new storefront retail licenses in the feasibility analysis that is being prepared for the Long Beach Cannabis Equity Program. These new retail licenses would be exclusively for qualified social equity applicants who have at least a 51 percent equity and profit-share interest in the business.

BACKGROUND:

On January 5, 2021, the City Council received a report on the Cannabis Equity Program. The staff recommendation included preparing a feasibility analysis on licensing and regulating non-storefront (delivery only) cannabis retail facilities in Long Beach, however any further direction on establishing storefront retail licenses exclusively for Social Equity applicants was deferred.

The City Council established the Cannabis Social Equity Program in July 2018 to support equal opportunity in the Long Beach cannabis industry by making legal cannabis business ownership and employment opportunities more accessible to low-income individuals and communities most impacted by federal and state cannabis enforcement.

Currently there are no retail storefront licenses available for Social Equity applicants. Qualified potential participants are being effectively shut out of the most significant revenue source of the burgeoning cannabis economy in Long Beach, and thereby diminishing opportunities for economic inclusion because there is no avenue currently available to retail storefront licenses.

Measure MM, approved by Long Beach voters, placed a cap on the number of medical cannabis retailers in Long Beach. However, the City Council has the discretion and authority to allow additional adult-use cannabis retail licenses in Long Beach.

FISCAL IMPACT: A fiscal impact analysis was not able to be completed.