

Dear Mayor & Members of the City Council,

Over the past two months, the Human Relations Commission has heard from several community stakeholders, including the Long Beach Collective Association and the City of Long Beach's Office of Cannabis Oversight, to learn more about Long Beach's ongoing work around expanding the Social Equity program established in 2018. As the City of Long Beach engages in efforts to institutionalize equity and infuse an equity lens throughout its practices, policies, and decision-making, it is critical particularly in the cannabis space that more attention be paid to individuals and communities impacted by the war on drug and past cannabis convictions. Based on our meetings, hearing from members of the community, and our fellow commissioners, we have come up with a list of items we would like to request the City Council and staff consider in expanding this program. We believe the following items are critical to the ongoing success of the program.

Recommendations:

Equity Business Ownership

- Explore using one-time American Rescue Plan money to expand the Social Equity Entrepreneurship Academy and available grant opportunities for applicants
- Add social-equity only cannabis licenses in Shared-License types, delivery, and store-front retail that will create space for social-equity licenses, and work to provide a robust path for ownership
- Create a proactive process to prevent predatory agreements and lenders for all social equity cannabis applications
 - Ex: Contract with an attorney to provide technical assistance for equity applications to teach equity applicants how to adequately vet potential investors and partners
- Reduce the overall application timeline for social equity applicants in Shared-License types, delivery, and store-front retail

Community Reinvestment

- Allocate 40% of all Measure MA Tax Funding (Cannabis sales tax) into a Community Reinvestment Fund
 - Implement an equitable public budgeting process such as ‘Participatory Budgeting’ to determine how to allocate the funding
- Establish a Cannabis Equity Advisory Board to oversee all aspects of Community Reinvestment processes including current reinvestment policies