

# Cannabis Equity Workshop

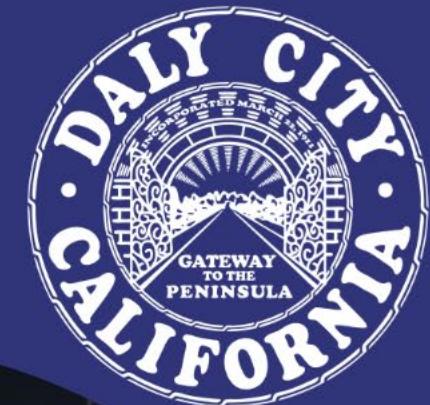
NOVEMBER 20, 2024



PRESENTED BY:

KYLE TANKARD, SCI CONSULTING GROUP

DR. AYOKA NURSE, GLOBAL REACH STRATEGIES





# Agenda

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- Introduction and Overview
- Project Goals and Scope
- Overview of Cannabis Equity Assessment
- Barriers to Entry and Program Benefits
- Next Steps
- Q and A



# Cannabis Social Equity and Its Importance

## Why It Matters:

- Communities impacted by cannabis prohibition faced social, economic, and legal disadvantages.
- Social equity aims to reverse these effects by promoting fair and equitable access to the cannabis industry.

## Recognizing Long-Term Impacts of Criminalization and Conviction:

- Minority communities have faced disproportionate enforcement of cannabis-related laws.
- Loss of property, reduced employment opportunities, decreased earning potential.
- Exclusion from public benefits, like housing assistance or student financial aid.

## Key Goals of Cannabis Social Equity Programs:

- **Economic Justice:** Providing support to individuals from impacted communities to enter and succeed in the cannabis industry.
- **Reducing Barriers:** Addressing financial, regulatory, and social barriers that have historically hindered access for impacted communities.
- **Community Reinvestment:** Channeling resources back into communities affected by disproportionate cannabis-related arrests and convictions.



# Introduction and Overview

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## What is Social Equity in the Cannabis Industry?

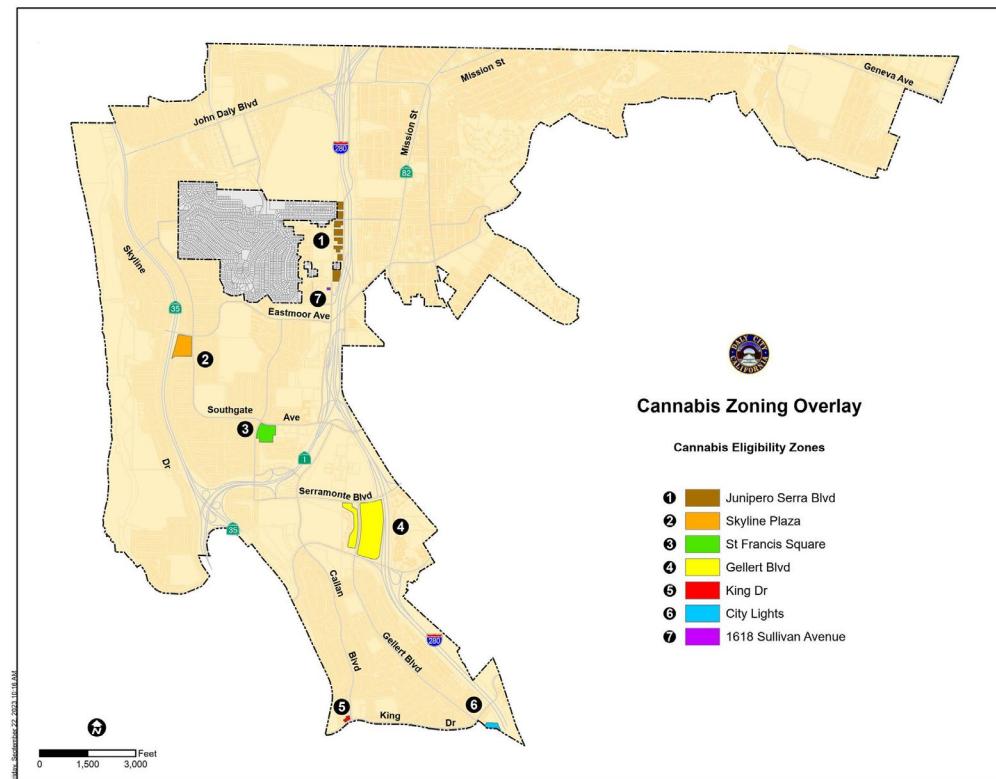
**“Promoting equitable ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities and to address the disproportionate impacts of the war on drugs in those communities”**

- California Cannabis Equity Act (AB 97 (Stats. 2019, Ch. 40))
  - Agreement between BCC and Go-Biz
  - Cannabis Equity Grants Program for Local Jurisdictions
  
- City of Daly City awarded \$75,000 Grant (Type 1)
  - Conduct social equity assessment
  - Develop local equity program



# Cannabis Regulatory Landscape in Daly City

- City approved legalized Commercial Cannabis Activities in 2021
  - Chapter 5.104 (Commercial Cannabis Regulations)
  - Chapter 17.56 (Cannabis Combining District Zoning Overlay)
- **Allowed Uses:** Cannabis Retailers and Testing Laboratories
  - Retail capped at 7 businesses – one within each of the seven cannabis eligibility zones
  - One retail location operational in the City
- Lottery Selection process to award retail licenses





# Developing a Local Social Equity Program

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1. OUTREACH AND  
EDUCATION



2. CANNABIS EQUITY  
ASSESSMENT



3. PROGRAM  
DEVELOPMENT



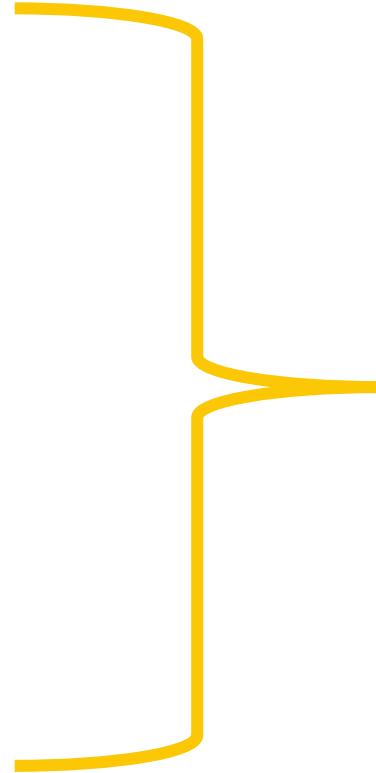
4. PROGRAM  
IMPLEMENTATION



# Outreach and Education

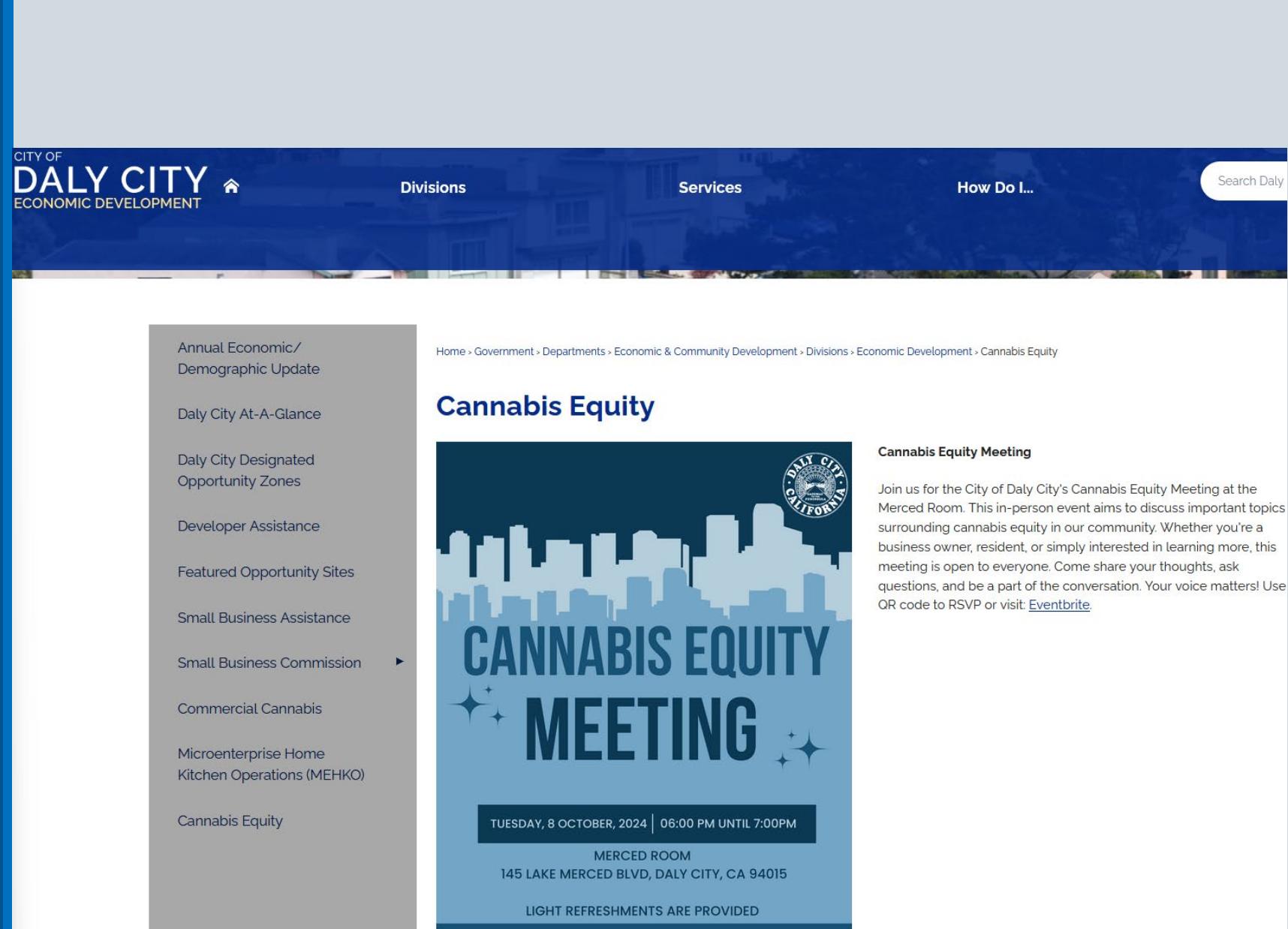
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- Online Survey:
  - <https://www.surveymonkey.com/r/WDP3XQG>
- Community Meetings
- One-on-One Stakeholder Interviews:
  - Current Operators
  - Prospective Operators
  - Non-profits
  - Community
  - Economic Development
  - Local business leaders



Incorporate Feedback into Equity  
Assessment and Program Development

# Cannabis Equity Website



The screenshot shows the City of Daly City Economic Development website. The header includes the city logo, a search bar, and navigation links for Divisions, Services, and How Do I... The main content area is titled "Cannabis Equity" and features a promotional image for the "Cannabis Equity Meeting" on October 8, 2024, at the Merced Room. The promotional image includes the city's seal, a city skyline silhouette, and event details.

<https://dalycity.org/1238/Cannabis-Equity>



# Cannabis Equity Assessment

**Purpose:** Analysis of the historical impacts of cannabis-related policies and enforcement on communities and populations within the City of Daly City.

- Data-informed look at the history of impacts the illegalization
  - Analysis of Police statistics, demographics, poverty, and unemployment
- Identify, confirm, and describe impacted communities and populations
- Discuss barriers to entry
- Provide policy recommendations for program development:
  - Program Eligibility, Program Benefits/Services, Regulatory Changes



# City of Daly City Demographics

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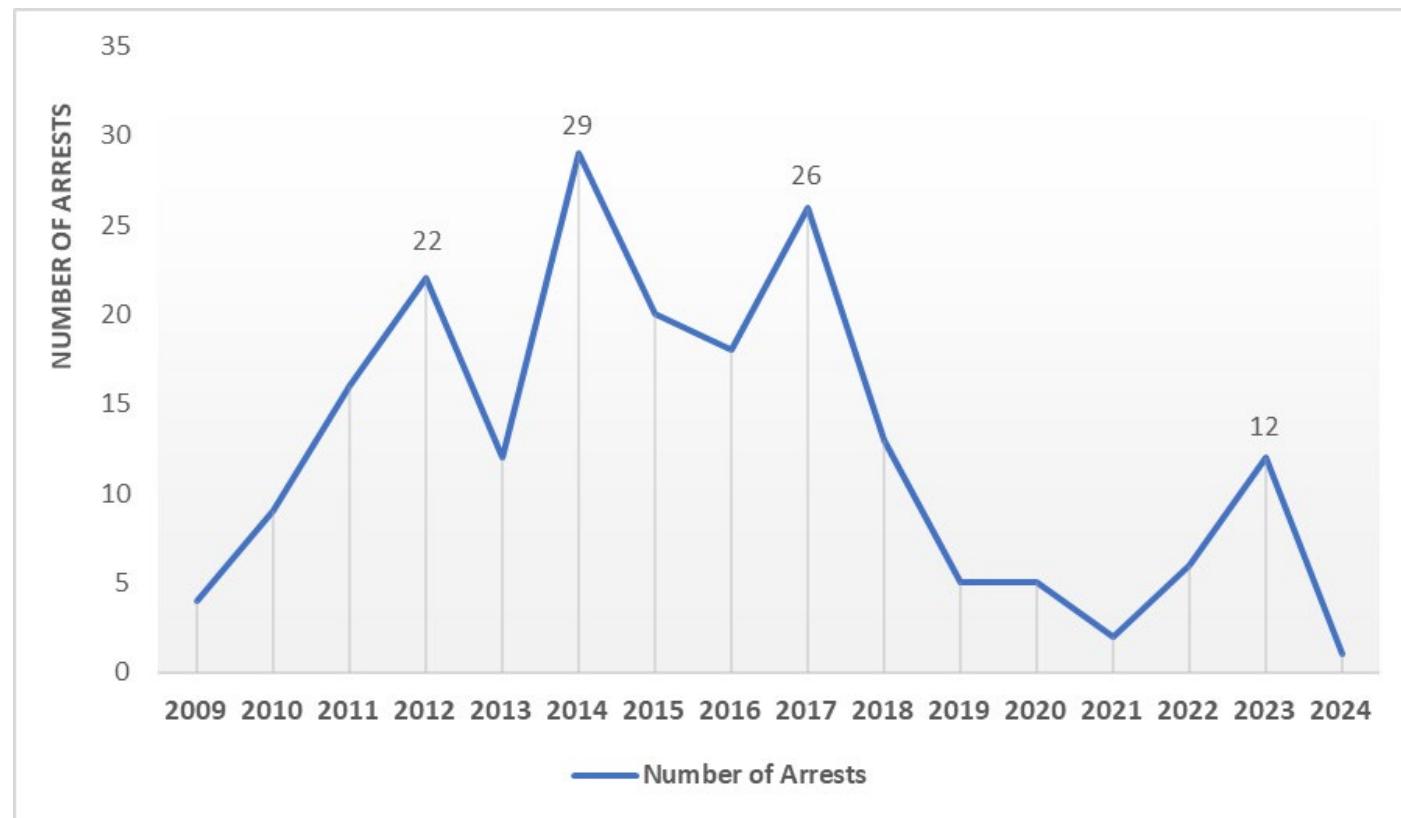
Race/Ethnicity	Population	Percent
Asian alone	61,020	58.9%
Hispanic or Latino	21,799	21.0%
White alone	18,373	17.7%
Black or African American alone	2,995	2.9%
Native Hawaiian and Other Pacific Islander Alone	1,263	1.2%
American Indian and Alaska Native alone	924	0.9%

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimate



# Cannabis-Related Arrests (2009-2024)

- 200 cannabis-related arrests from 2009-2024



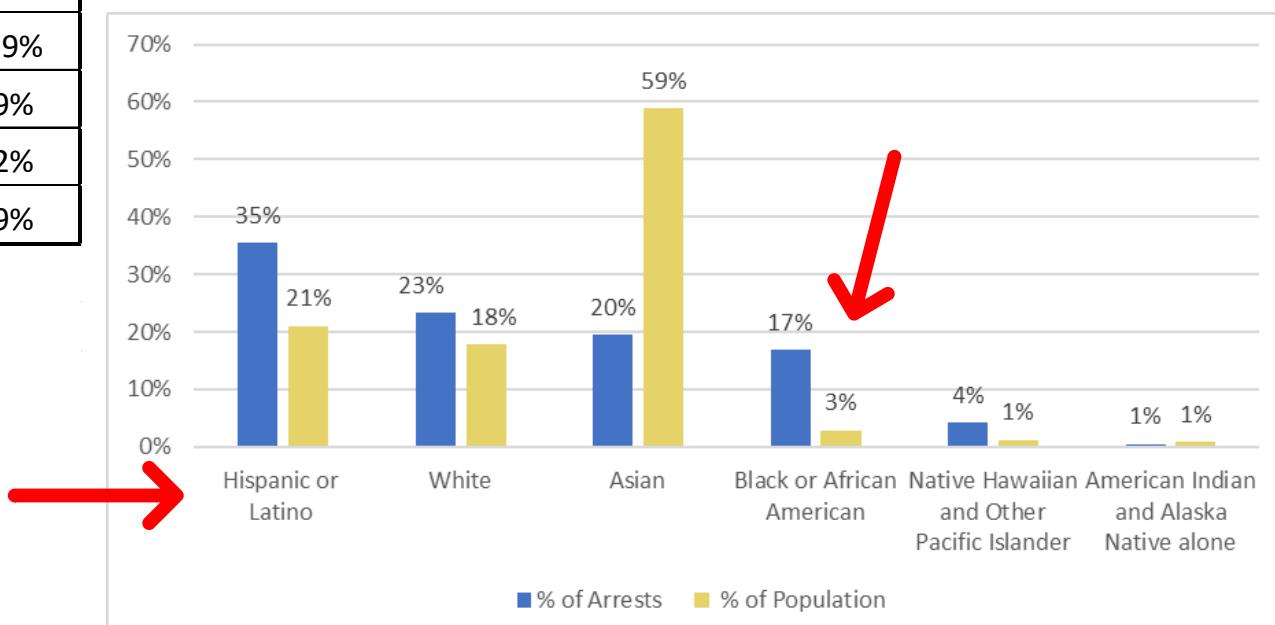


# Cannabis-Related Arrests By Race

Race/ Ethnicity	Arrests		Population	
	(2009-2024) <sup>1</sup>		(2022) <sup>2</sup>	
	Total	Percent	Total	Percent
Hispanic or Latino	67	35.4%	21,799	21.0%
White	44	23.3%	18,373	17.7%
Asian	37	19.6%	61,020	58.9%
Black or African American	32	16.9%	2,995	2.9%
Native Hawaiian and Other Pacific Islander	8	4.2%	1,263	1.2%
American Indian and Alaska Native alone	1	0.5%	924	0.9%

<sup>1</sup> Source: Daly City Police Department

<sup>2</sup> Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates



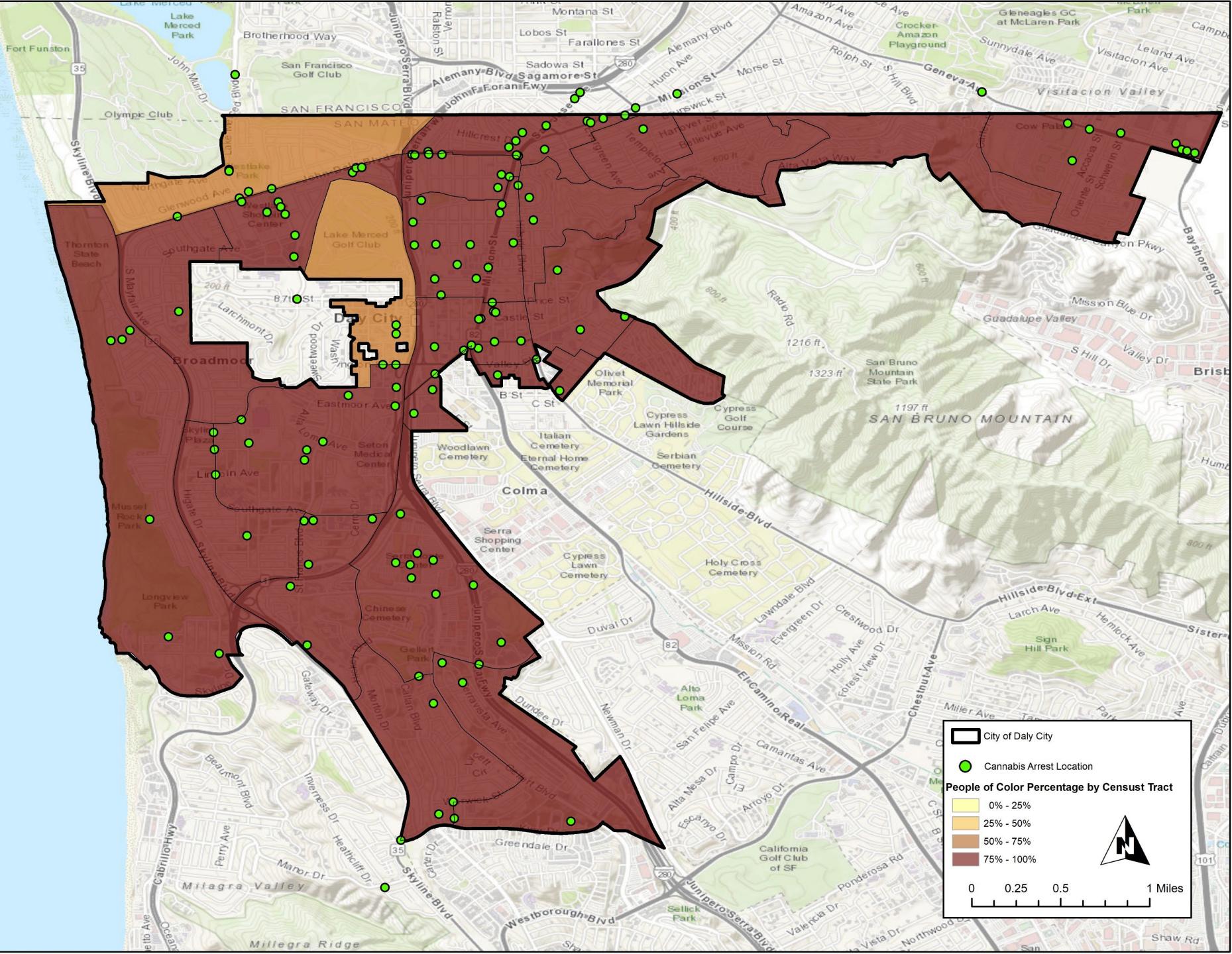


# Identification of Disproportionately Affected Communities

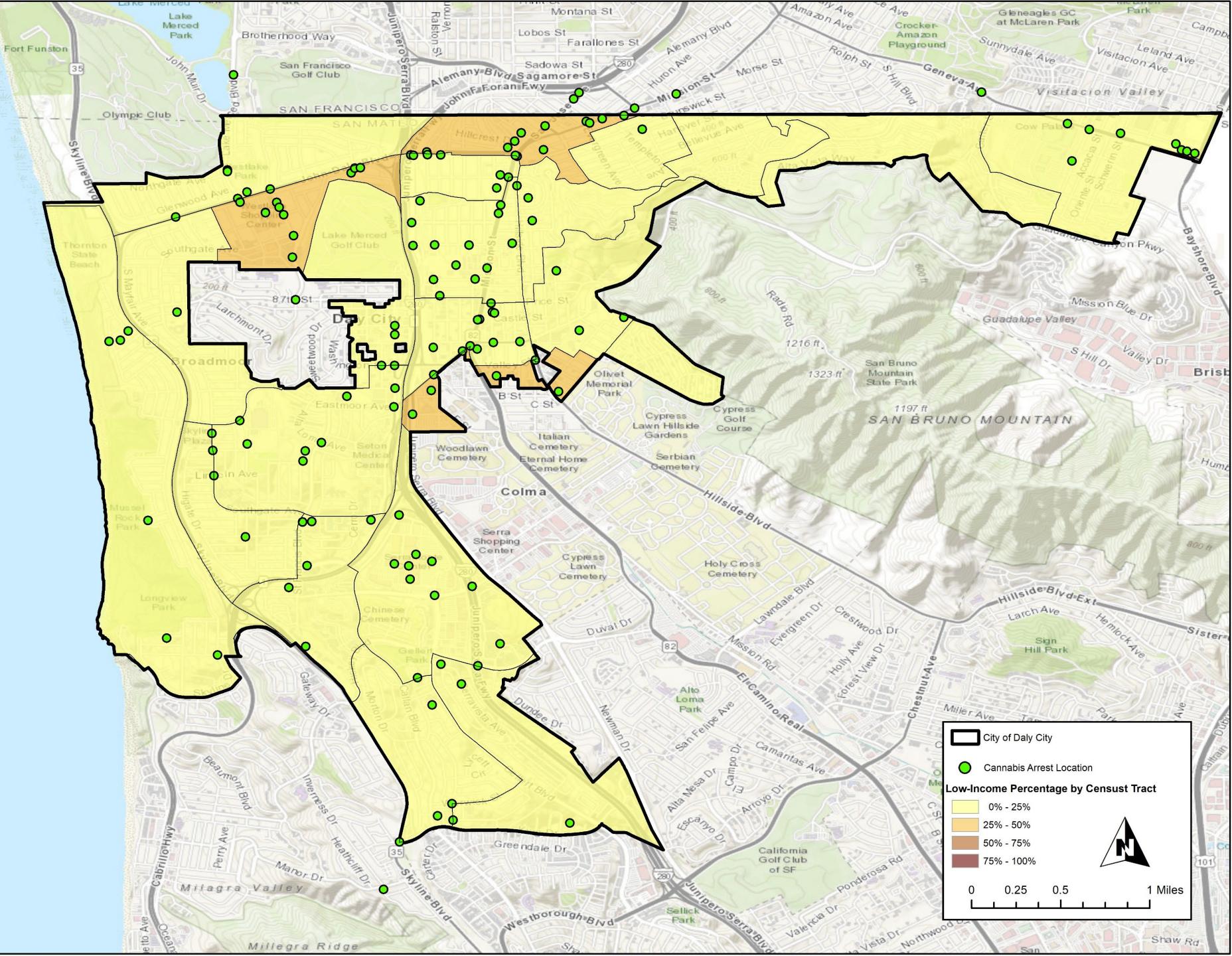
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- Three Key Indicators:
  - Minority Populations
  - Low-Income Populations
  - Educational Attainment levels
  
- Geospatial analysis of arrests locations across the three indicators

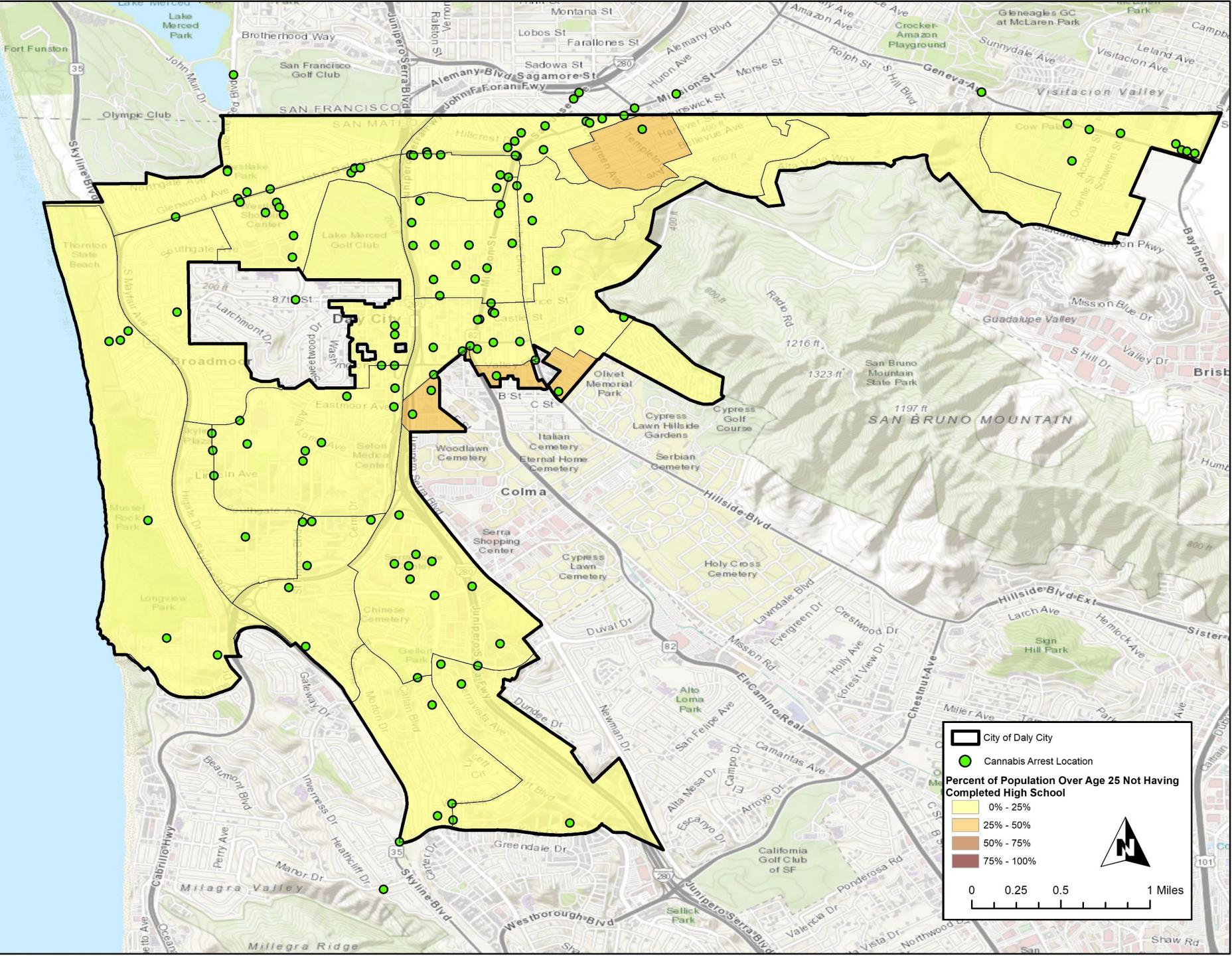
# People of Color Populations



# Low-Income Populations



# Educational Attainment





# Barriers to Entry

Financial:	Technical	Criminal	Regulatory	Social
<ul style="list-style-type: none"><li>• Access to capital or financing – start-up and operational</li><li>• Access to real estate</li><li>• High Fees &amp; Taxes</li></ul>	<ul style="list-style-type: none"><li>• General business ownership</li><li>• Lack of industry knowledge / legal and regulatory rules</li><li>• Difficult application and permitting processes</li></ul>	<ul style="list-style-type: none"><li>• Existing Criminal records</li></ul>	<ul style="list-style-type: none"><li>• Restrictive Laws and Zoning</li><li>• Caps on Licenses</li></ul>	<ul style="list-style-type: none"><li>• Distrust of government</li><li>• Social stigma associated with Cannabis industry</li><li>• Awareness of opportunities</li></ul>

# Potential Program Services/Benefits

## Financial Assistance:

- Loans/Grants for Financing Capital
- Fee Deferral or Reduced Fees
- Training and Certification Fees

## Administrative/ Technical Assistance:

- Application Assistance and Workshops
- Pro bono Legal Assistance

## Business Acumen:

- General Business Development Training
- Cannabis Specific Business Development Training
- Cannabis Regulatory Compliance Training
- Workforce Development

## Other:

- Expedited Application, Permitting, and Plan Check Review
- Additional Permits Reserved for Equity Applicants
- Public Outreach, Education, & Awareness Campaign Outreach
- Incubator / Shared Use Facilities / Apprenticeship Program
- Record Expungement Program



# Eligibility Criteria

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- Eligibility criteria should:
  - Aid communities and populations within Daly City
  - Prioritize individuals previously arrested or convicted for cannabis-related offenses
- Structured and defined to capture majority of impacted individuals
  - Narrow definition – potentially excludes impacted individuals
  - Broad definition – allows non-impacted individuals to benefit
- Criteria to consider:
  - Individuals or immediate family members with prior conviction history
  - Low-income status
  - Residency
  - Ownership
  - Eligibility Tiers



# Next Steps

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## Task 1: Cannabis Equity Assessment

Quantitative Data Collection	Complete
Draft Assessment & Analysis	Underway
Stakeholder Interviews	Underway
Program Development	January 2025
Report and Program Adoption	February 2025



# Questions and Answers Session

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- How does the current cannabis industry impact you, your family and community?
- What do you feel are the largest barriers to operating a cannabis business?
- What program benefits/services would be most beneficial? (I.e. Grants, Technical Assistance, legal support)
- What do you think are some qualifying eligibility criteria for applicants that should take priority in receiving equity assistance? (I.e. Prior cannabis-related arrest record, Low-income, City residency)
- Are there Policy changes you would like to see to City's Cannabis Ordinance? (I.e. more permits, zoning changes, ect.?)



# Contact Information

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- Kyle Tankard, SCI, [kyle.tankard@sci-cg.com](mailto:kyle.tankard@sci-cg.com)
- Dr. Ayoka Nurse, [ayokabatini@gmail.com](mailto:ayokabatini@gmail.com)
- Maybelle Manio, [mmanio@dalycity.org](mailto:mmanio@dalycity.org)

**Scan to Take the Survey!**

