



STAFF REPORT
8/25/2021

TO: Honorable Mayor and City Council Members
FROM: Gabriel Perez, Community Development Director
SUBJECT: Receive and file, Cannabis Social Equity Assessment

STAFF RECOMMENDATION:

Receive and file the Cannabis Social Equity Assessment prepared by BOTEC Analysis for the City of Coachella.

Executive Summary:

On March 27, 2019 City Council approved Resolution 2019-15 adopting a Cannabis Social Equity Program in the City of Coachella. The program is dedicated to aiding individuals and businesses that were negatively or disproportionately impacted by cannabis criminalization within the City with a stated program goal to allow participants to gain entry and successfully operate in the State of California's regulated cannabis marketplace and economy. In an effort to improve the program and increase funding opportunities, City staff has taken steps to prepare a Cannabis Social Equity Assessment (the "Study").

On March 9, 2020, the City of Coachella submitted an application to the Governor's Office of Business and Economic Development (also known as GO-Biz) and proposed to commission the study under a Go-Biz Cannabis Equity Grants Program for Local Jurisdictions. The purpose of the study is to determine if and which demographic groups have been arrested at a disproportionate rate to their population within the City of Coachella. The study will help determine what the various barriers to entry to begin a cannabis business are, these barriers could include access to capital, access to real estate, regulatory fees and banking among others.

GO-Biz awarded the City a grant and on April 22, 2020, the City Council authorized the City Manager to execute a Grant Agreement with the GO-Biz in the amount of \$94,784 with a stated purpose of doing a cannabis social equity assessment.

On January 28, 2021, the City released a Request for Proposals (RFP) to complete the Study for the purposes of revising and augmenting its existing Cannabis Social Equity Program. The purpose of the RFP is to produce a report analyzing available data related to disparities in the cannabis industry, and provide recommendations regarding policy options to foster equitable access to participation in the industry, mitigate the adverse effects of drug enforcement policies that have

disproportionately affected those communities, and prioritize individuals who have been previously arrested or convicted for marijuana-related offenses.

Based on the outcomes of this Study City staff intends to recommend revisions and updates to the City's existing Cannabis Social Equity Program to support those impacted by cannabis enforcement.

Financial Impact:

This action will have not financial impact.

ALTERNATIVES:

1. Receive and file the Cannabis Social Equity Assessment as presented.
2. Receive and file the Cannabis Social Equity Assessment as presented with direction to staff to obtain additional analysis.
3. Provide alternative recommendation.

Attachments:

Cannabis Social Equity Assessment