

CITY OF COACHELLA PROPOSAL



CANNABIS SOCIAL
EQUITY CONSULTING



EQUITY

PREPARED BY:
CHRISTOPHER MARTINEZ
SENIOR CONSULTANT
CHRISTOPHER@CANNABIZCG.COM
(760) 899-8025



Technical Proposal Qualifications

Since 2018, CannaBiz has taken vital roles in representing cannabis clients, establishing compliant and effective operating procedures, and licensing procurement for multiple corporate cannabis facilities in Southern California. Our most recent work consisted of consulting for a retail license recipient in the City of Moreno Valley, where we provided technical assistance to license and open the business compliantly on January 6, 2023. This project and our overall experience in the industry have exposed us to a myriad of demands and responsibilities associated with managing a project from construction buildout to acquiring the necessary licenses to begin operations. We are familiar with a multitude of cannabis application programs including social equity programs throughout the State of California. Our experience has given us the ability to recognize, anticipate, and resolve potential issues to ensure the desired outcome is achieved. The range of our experience in California includes but is not limited to:

- Implementation of social equity policies into cannabis licensing procedures;
- Oversight of cannabis social equity policy and verification processing;
- Oversight of social equity grant disbursement for cannabis businesses;
- Hosting cannabis licensing and application workshops to assist applicants;
- Creating a website to provide cannabis application and social equity information;
- Successful procurement of conditional use permits, regulatory permits, business licenses, and state cannabis operating licenses in several jurisdictions;
- Writing and implementing standard operating procedures in compliance with local and state regulations;
- Writing and implementing security procedures in compliance with local and state regulations;
- Writing and implementing track and trace procedures and waste management procedures;
- Establishing compliant packaging, labeling, and marketing procedures;
- Establishing procedures to meet strict and extensive audit and record-keeping requirements;
- Compliance oversight of cultivation, manufacturing, and distribution facilities; and
- Applying and obtaining state cannabis licenses.



Work Plan Overview

Situation Analysis: The City of Coachella has permitted licensed cannabis operations under Proposition 215 state regulations and was the first city in the Coachella Valley to pursue policies to allow cannabis operations within the City legally. On January 1, 2018, Medical and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) became the new cannabis law of California. Unfortunately, individuals who were disproportionately affected by the previous cannabis regulations have encountered numerous barriers of entry in their pursuit of a cannabis license under the new regulations. In the cannabis arrest report prepared by the Marijuana Arrest Research Projects and presented to the Drug Policy Alliance and the California NAACP, African Americans were arrested for cannabis offenses up to 12 times the rate of White Americans between 2008 and 2010. These types of disparities can be seen across the state to this day and are also experienced by Latinos. The disproportionate arresting of minorities by the previous marijuana laws has made it more difficult for minorities to participate in the current cannabis market. This is why the State of California has created a social equity program. Coachella has implemented a Social Equity program in an attempt to lower this barrier and has an opportunity to improve the program. Since the creation of the program, the City has licensed three social equity retailers with two currently operating. Christopher Martinez will utilize his professional experience of reviewing California Social Equity programs of various jurisdictions for Coachella and will implement his personal experience of being a social equity applicant of Los Angeles to better understand how to best engage and serve the community to improve the existing program. In order to reach our goal of lowering the barrier of entry into the cannabis industry and providing opportunities for success, we must execute on the following items:

Goals

- Engage community and industry input to understand current needs
- Identify disparities in cannabis-related arrests through police data
- Identify disproportionately disadvantaged communities through census data
- Identify cannabis arrest hotspots with police data
- Identify potentially eligible communities with the findings of the data review
- Improve the CSEP to better serve social equity applicants

Challenges

- Amending the existing CSEP analysis to be used for future SEED Grants
- Soliciting community engagement
- Soliciting industry feedback
- Retrieving Data related to cannabis arrests is limited
- Some residents may not welcome additional cannabis businesses
- Providing resources for existing social equity applicants
- Incorporating a viable equity program into a matured local cannabis industry



Work Deliverables and Tactics

Deliverables

- **Analyze Data:** Review Coachella census data and Coachella policing agency's cannabis arrest records. Analyze Social Equity programs of cities with similar demographics to identify barriers for social equity applicants and equity policies with proven success.
- **Community Outreach:** Conduct workshops to educate, solicit feedback, and inform community residents of current and future social equity opportunities.
- **Generate Report:** Generate a report with findings from data and community outreach to amend the existing report. The report will include recommendations on how to incorporate social equity opportunities into the current local cannabis industry and how to improve the existing social equity program.
- **Consult:** Allocate 20 hours of compliance consulting to existing social equity license holders. Consulting can be utilized for compliance, improving operational efficiencies, and application renewals.
- **Workshop:** Host industry workshops to instruct cannabis operators on how to compliantly manage inventory, generate sales, report waste, and other required procedures.
- **Technical Assistance:** Provide ongoing assistance to city staff and CSEP participants. This will help cannabis equity applicants and licensees acquire the knowledge and/or skills necessary in order to gain entry to, and to successfully operate. One-on-one consulting and training, including direct interactions in group settings, to provide equity applicants and licensees the technical knowledge and expertise necessary to facilitate business ownership and employment in the cannabis industry.

Tactics:

- Utilize census data to identify regions with high poverty and minority populations
- Analyze police cannabis arrest data to identify regions with higher arrest rates
- Utilize data findings to produce color-coded maps of Coachella showing income demographics and arrest rates
- Utilize the City's listserv to conduct industry outreach with a Q & A document
- Hold a community workshop for community input
- Provide digital outreach in English and Spanish
- Provide an email account or website for Coachella residents to leave feedback
- Review city cannabis license data to identify current and past cannabis ownership demographics to understand current trends
- Use data findings to identify additional eligibility criteria
- Analyze social equity programs of other cities with similar demographics to identify policies that fit Coachella



Work Plan Continued

Target Audiences:

- City Residents
- Community Leaders
- Current License Holders
- City Officials

Communications:

- **Schedule Progress meetings:** We will schedule meetings with city staff to provide updates and maintain deadlines. Up to a total of four meetings with city staff will be held.
- **Email Account:** An email account will be set up for questions and community responses that will forward to each team member's email.
- **Phone Line:** A phone line will be set up for direct communication with city staff and community members

Final Results:

In order to ensure the quality of the social equity program, we will utilize the work plan to get an accurate pulse of the community's needs and improve the CSEP:

- Amend the Social Equity Assessment Report
- Improve the Social Equity Program
- Conduct Operational Workshops
- Provide technical assistance hours to CSEP Licensees
- Provide assistance to City Staff

The Project Manager will meet with his team members with all data and information gathered from the above strategies to begin drafting the assessment study and CSEP amendments. Our team will go through a three-stage draft. The initial draft will be produced by the project manager, and second by the project assistant. Close after, we will schedule a status meeting with city staff and request final input. Once the final input is received from city staff, the CannaBiz project team will meet to finalize the assessment amendments for approval.

Fees and Referrals

Proposed Fees: CannaBiz will not exceed the 10% allotted by the state's Cannabis Equity Grant Program which equates to \$50,000.00.

Social Equity Consulting:

Hourly Rates:

Senior Consultant

\$200.00

Project Manager

\$125.00

Project Assistant

\$75.00

Referrals:

Kevin Flores, Owner
Its420Time
kevin@the420time.com

Nicolas Meza, Owner
Coachella Smoke Dispensary
csoachella@yahoo.com

Charles Pfeifer, CEO
CEO of We Care Cat City (Cannabis Manufacturing)
charles@guidegroups.com

**Phone numbers can be provided upon request*

CITY OF COACHELLA CANNABIS EQUITY CONSULTING

"OUR PROPOSED SERVICES ARE INTENDED TO GIVE COACHELLA THE TOOLS NEEDED TO CREATE A SOCIAL EQUITY PROGRAM THAT BRINGS DOWN THE LICENSING BARRIERS ENCOUNTERED BY THOSE ADVERSELY AFFECTED BY CANNABIS PROHIBITION"

We greatly appreciate the opportunity to provide this proposal to the City of Coachella and look forward to your consideration.

Kindest Regards,

Christopher Martinez
Senior Consultant
CannaBiz Consulting Group

