



Cannabis Equity Workshop

NOVEMBER 13, 2024



PRESENTED BY:

KYLE TANKARD, SCI CONSULTING GROUP

DAVID KAUFMAN, SCI CONSULTING GROUP

Agenda

- Introduction and Overview
- Background
- Overview of Cannabis Equity Assessment
- Barriers to Entry and Program Benefits
- Next Steps

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.

Social Equity in the Cannabis Industry

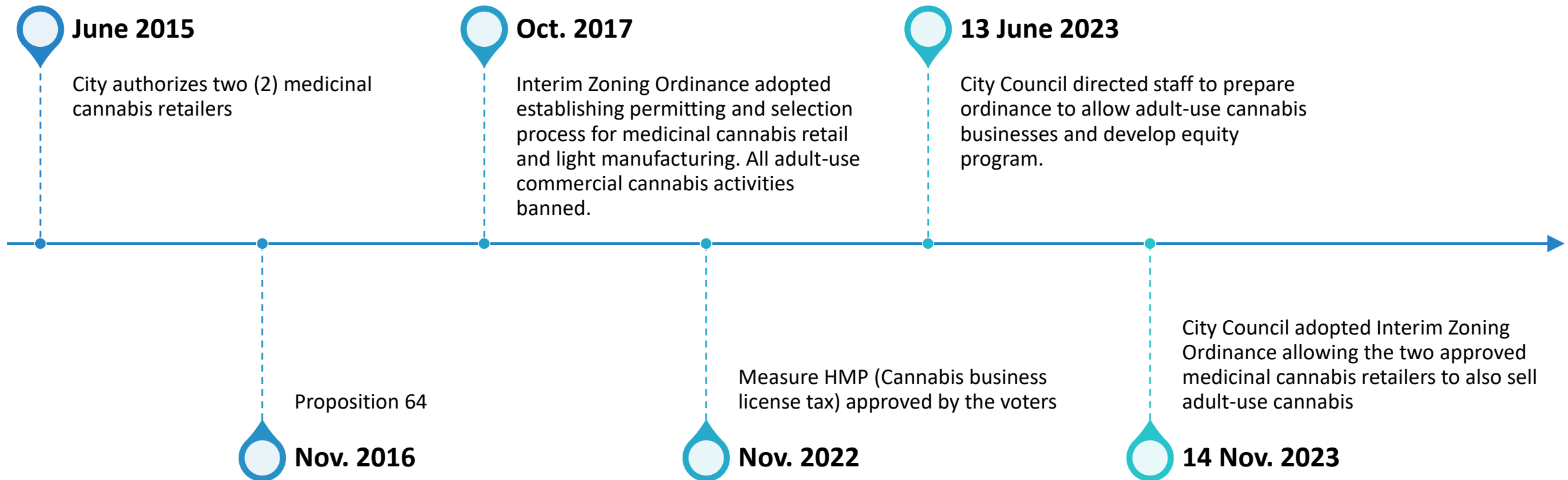
What is Social Equity in the Cannabis Industry?

“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 Santa Monica awarded \$40,000 Grant (Type 1)
 - Conduct social equity assessment
 - Develop local equity program recommendations

Santa Monica Cannabis Legislative History



Developing a Local Social Equity Program



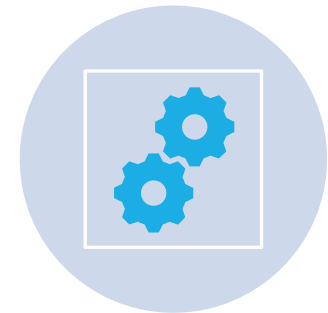
1. OUTREACH AND
EDUCATION



2. CANNABIS EQUITY
ASSESSMENT



3. PROGRAM
DEVELOPMENT



4. PROGRAM
IMPLEMENTATION

Outreach and Education

- Online Survey
- Community Meetings
- Stakeholder Interviews:
 - Current Operators
 - Prospective Operators
 - Non-profits
 - Community Members and Groups
 - Local Business Leaders



**Incorporate Feedback into Equity
Assessment and Program Development**

Cannabis Equity Website

www.santamonica.gov/cannabis-social-equity




Cannabis Social Equity

Santa Monica's cannabis social equity program will aim to address the disproportionate impact of past cannabis criminalization on marginalized communities, particularly communities of color. This program will focus on providing opportunities for those who have been negatively affected by cannabis prohibition to participate in the legal cannabis industry. As part of the broader adult-use cannabis policy, a social equity program ensures that the benefits of legalization – such as business opportunities, jobs, and economic growth – are accessible to all members of the community. Santa Monica's cannabis equity program will seek to reduce barriers and create pathways to success for individuals and communities historically disadvantaged by these policies.

The first step is hearing from the community on the impacts of cannabis criminalization and to gather ideas on how to develop and implement Santa Monica's equity program to best support residents, through this online survey. Please take 10 minutes to engage on this important issue and help shape Santa Monica's equity program.

Contact Us:

-  (866) 311-7266
-  311@santamonica.gov
-  [Submit a Request](#)

Cannabis Equity Assessment

Purpose: Analyze the historical impacts of cannabis-related policies and enforcement on communities and populations within Santa Monica

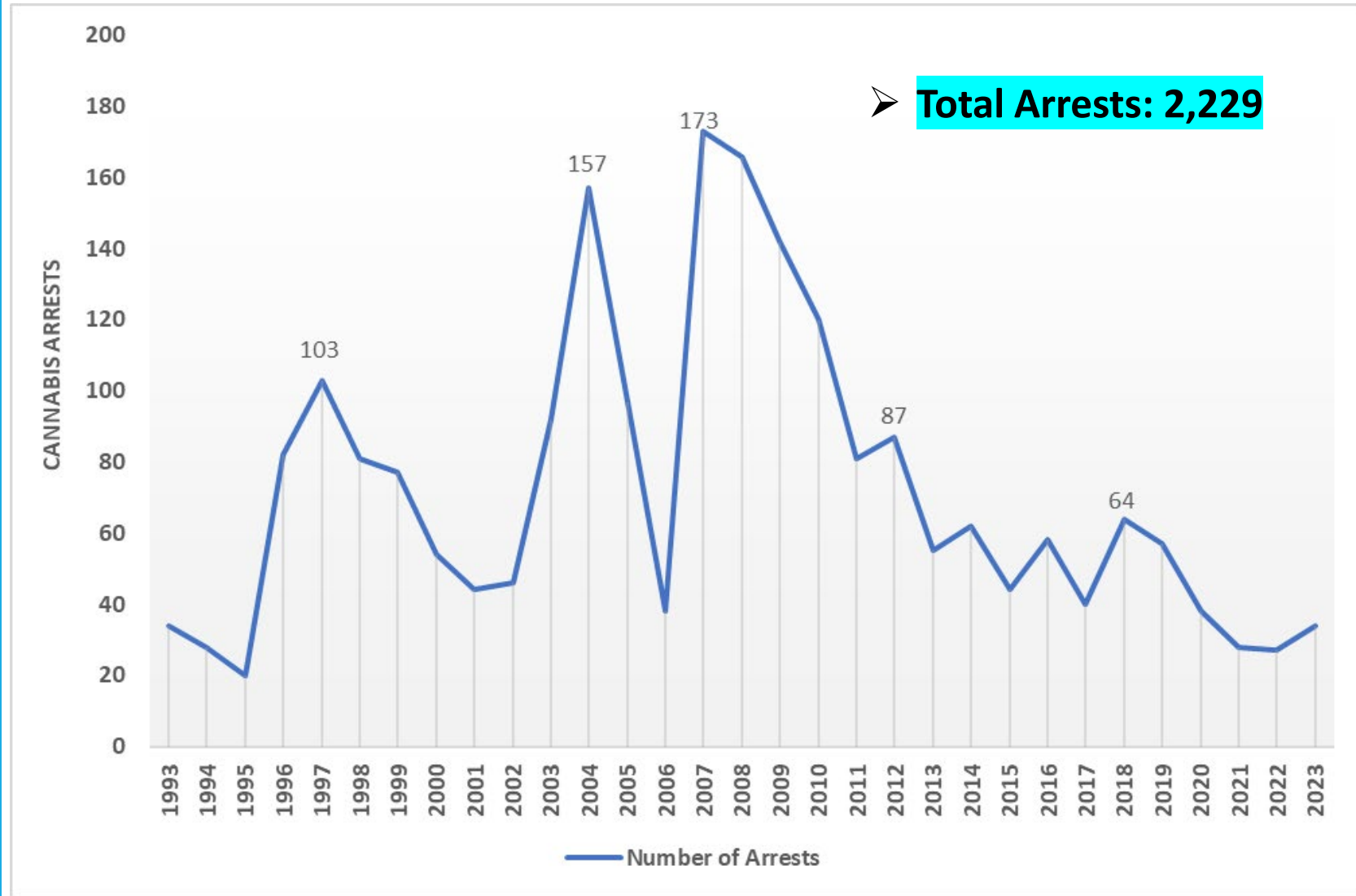
- Data-informed look at the history of impacts of illegalization
 - Analysis of Police statistics, demographics, poverty, and unemployment
- Identify, confirm, and describe impacted communities and populations
- Discuss and document barriers to entry
- Provide policy recommendations for program development:
 - Program eligibility, program benefits/services, regulatory changes

City of Santa Monica Demographics

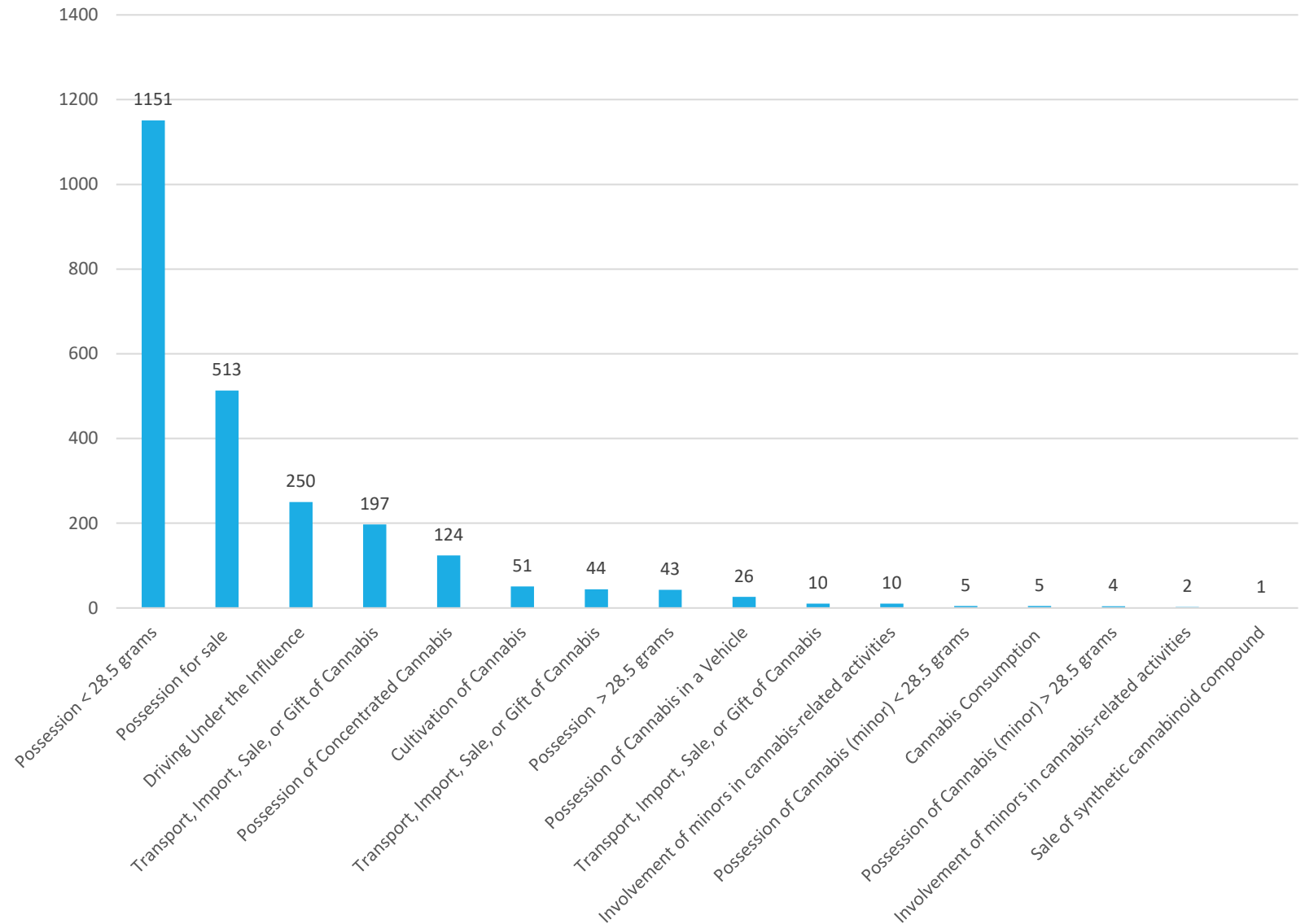
Race/Ethnicity	Population	Percent
White alone	63,638	69.0%
Hispanic or Latino	15,831	17.2%
Asian alone	8,156	8.8%
Black or African American alone	4,854	5.3%
American Indian and Alaska Native alone	608	0.7%
Native Hawaiian and Other Pacific Islander Alone	79	0.1%

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

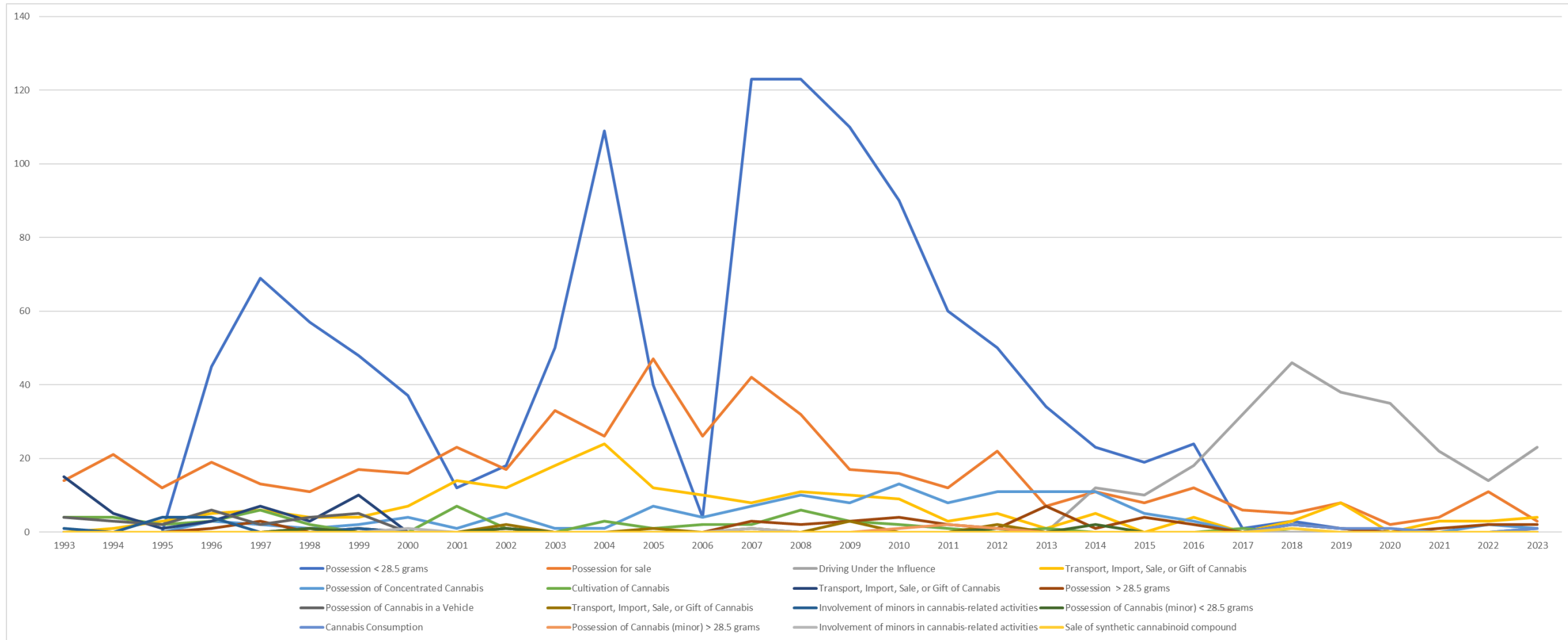
Cannabis-Related Arrests (1993-2023)



Cannabis Arrests by Type

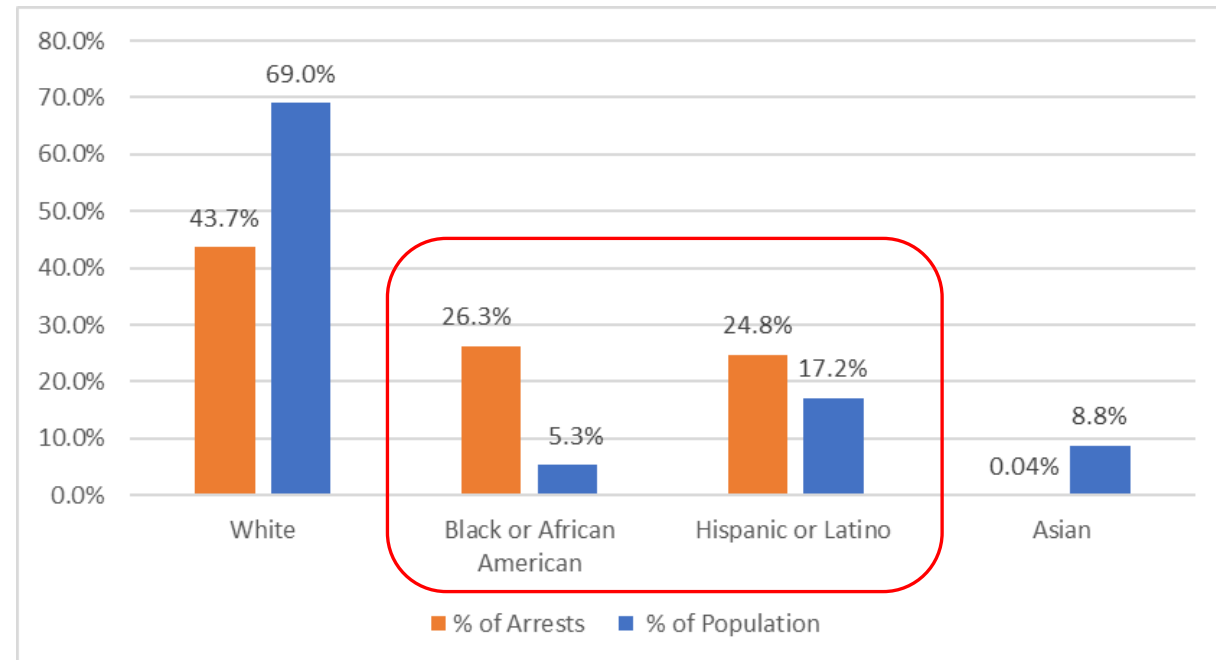


Cannabis Arrests by Type



Cannabis-Related Arrests By Race

Race/ Ethnicity	Arrests		Population	
	(1993-2023) ¹		(2022) ²	
	Total	Percent	Total	Percent
White	975	43.7%	63,638	69.0%
Black or African American	587	26.3%	4,854	5.3%
Hispanic or Latino	552	24.8%	15,831	17.2%
Asian	8	0.4%	8,156	8.8%



¹ Source: Santa Monica Police Department

² Source: U.S. Census Bureau, 2018-2022 ACS 5-Year Estimates

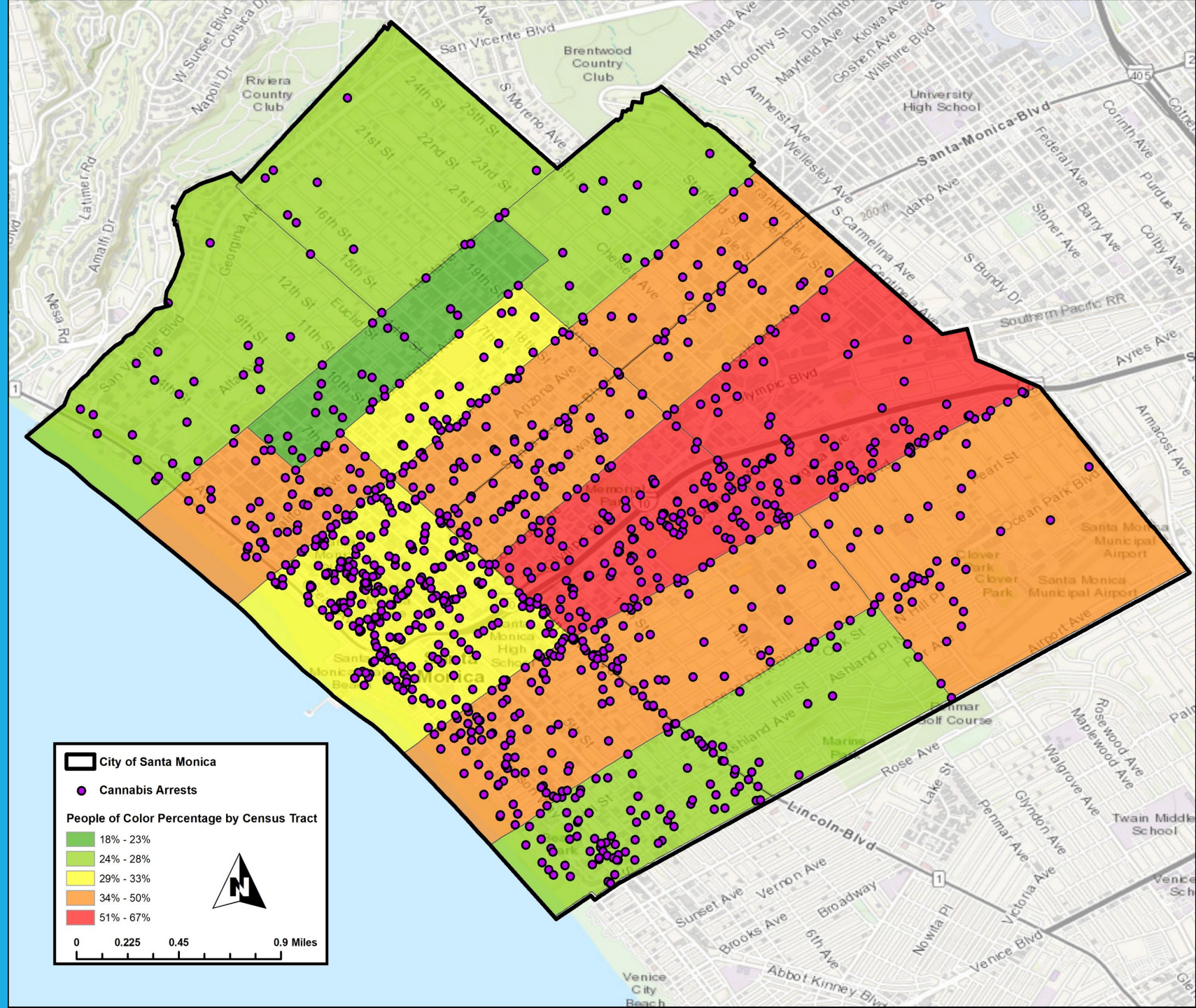
Note: Population demographics have remained stable over the arrest data period

Identification of Disproportionately Affected Communities

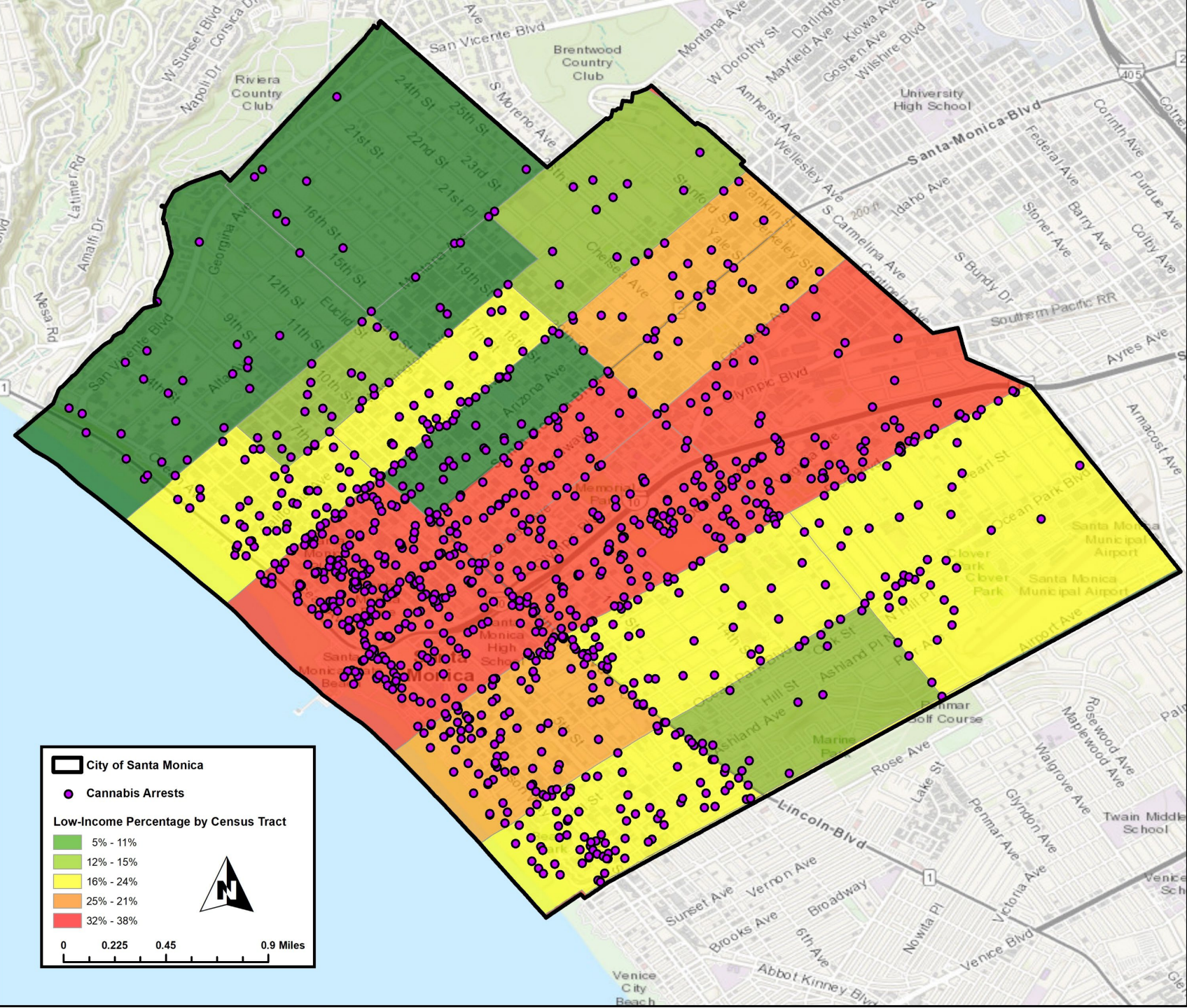
- Three Key Indicators:
 1. People of Color Populations
 2. Low-Income Populations
 3. Educational Attainment levels

- Geospatial analysis of arrests locations across the three indicators

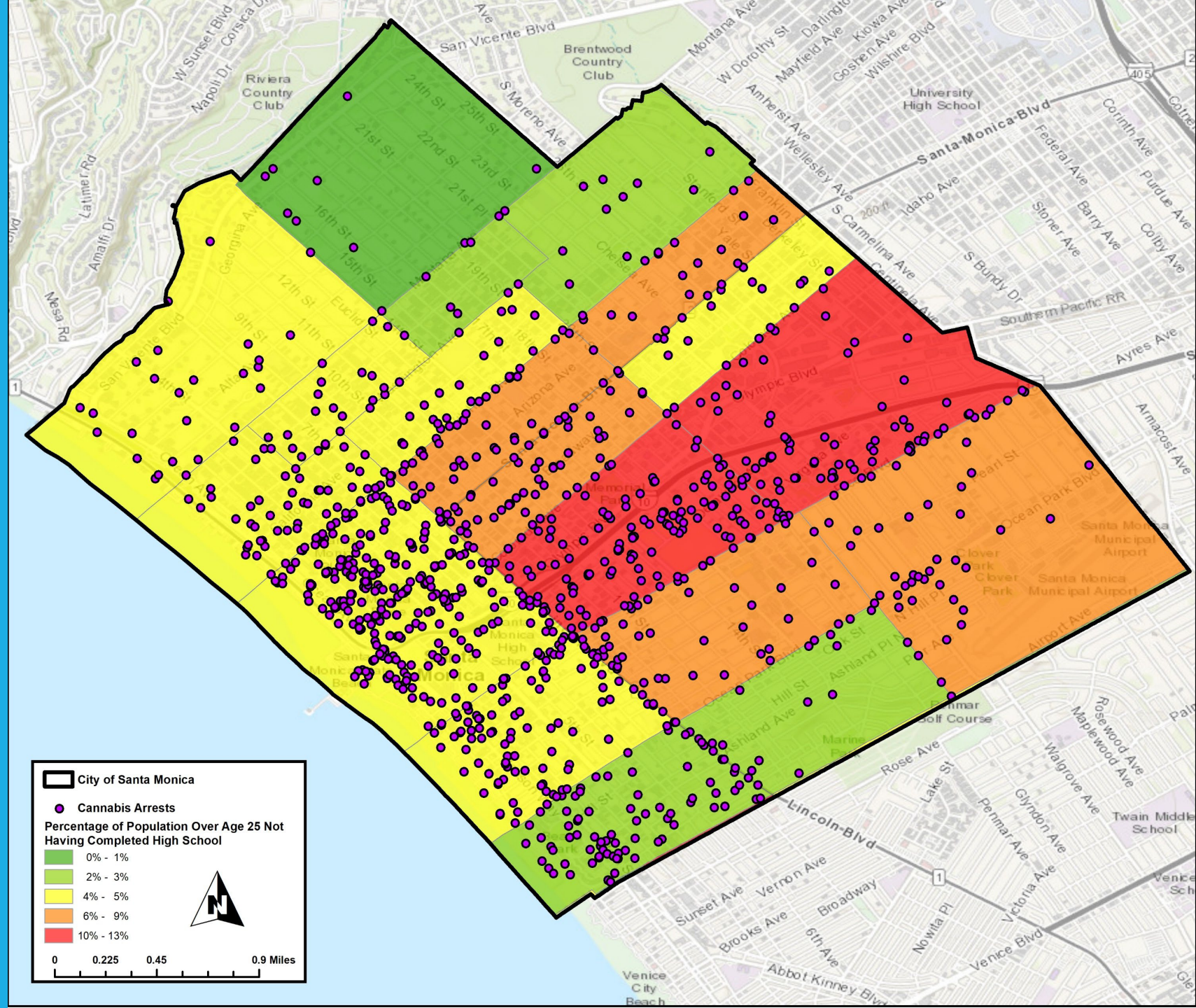
People of Color Populations



Low-Income Populations

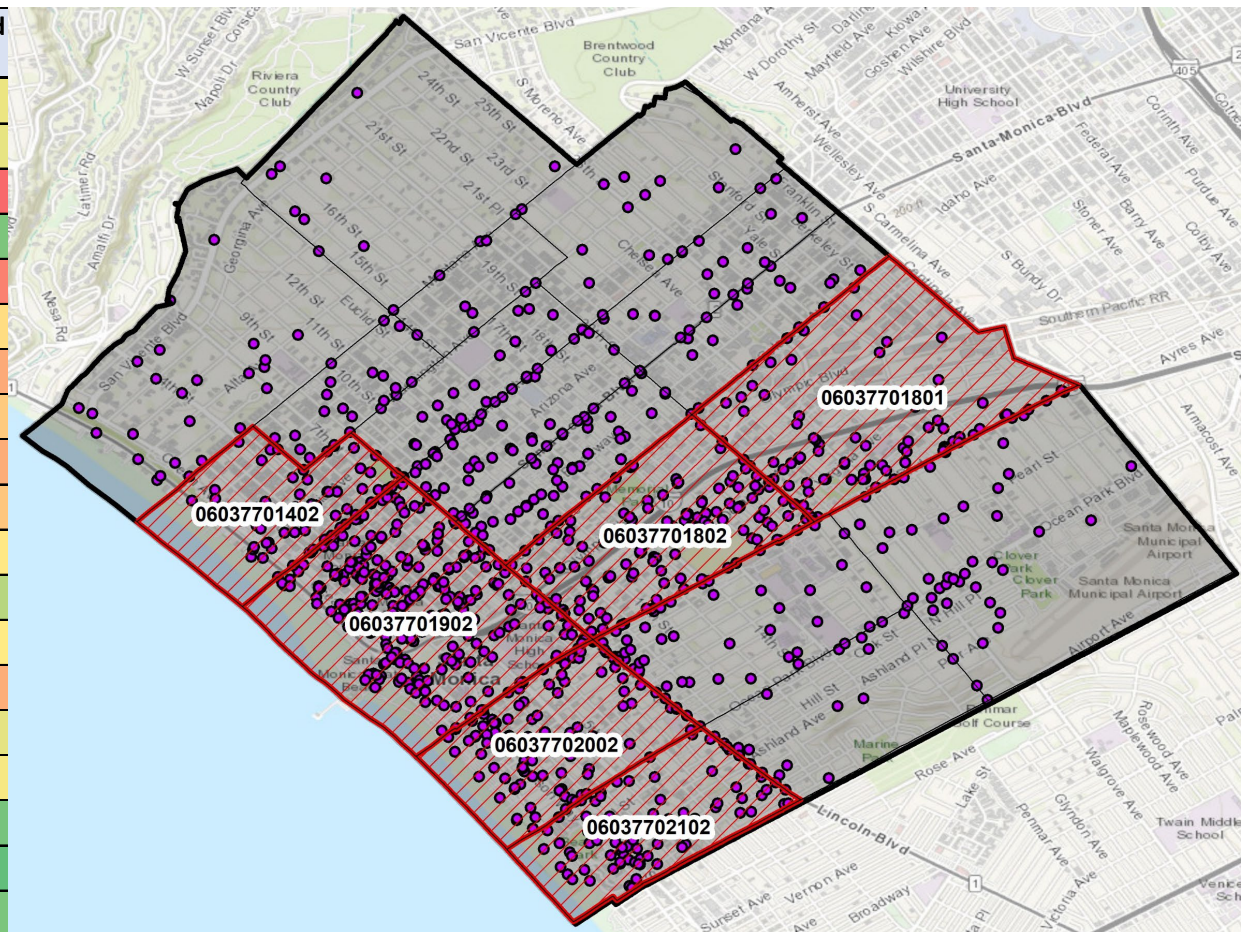


Educational Attainment



Impacted Census Tracts

Census Tract	Number of Arrests	Percent of Arrests	% People of Color	% Low Income	% Not Completed High School
06037701902	854	42.3%	32%	38%	4%
06037702002	202	10.0%	39%	31%	4%
06037701802	196	9.7%	61%	33%	13%
06037702102	129	6.4%	27%	22%	1%
06037701801	100	5.0%	67%	36%	12%
06037701402	97	4.8%	38%	22%	5%
06037702201	79	3.9%	45%	24%	9%
06037701702	63	3.1%	39%	37%	6%
06037701502	54	2.7%	38%	10%	8%
06037702300	53	2.6%	38%	23%	7%
06037701501	35	1.7%	33%	18%	4%
06037702202	28	1.4%	27%	13%	3%
06037701304	27	1.3%	27%	11%	4%
06037701602	26	1.3%	50%	28%	8%
06037701701	25	1.2%	43%	30%	4%
06037701302	22	1.1%	23%	15%	4%
06037701601	13	0.6%	28%	14%	1%
06037701201	10	0.5%	28%	11%	1%
06037701202	7	0.3%	18%	11%	1%



Barriers to Entry

Financial:

- Access to capital or financing – start-up and operational
- Access to real estate
- High Fees & Taxes

Technical

- General business ownership
- Lack of industry knowledge / legal and regulatory rules
- Difficult application and permitting processes

Criminal

- Existing Criminal records

Regulatory

- Restrictive Laws and Zoning
- Caps on Licenses

Social

- Distrust of government
- Social stigma associated with Cannabis industry
- Awareness of opportunities

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 Development:

- 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, and Awareness Campaign Outreach
- Incubator / Shared-Use Facilities / Apprenticeship Program
- Record Expungement Program

Eligibility Criteria

➤ Eligibility Criteria Should:

- Aid communities and populations within Santa Monica
- Prioritize individuals previously arrested or convicted for cannabis-related offenses
- Capture majority of impacted individuals:
 - Narrow definition – potentially excludes impacted individuals
 - Broad definition – allows non-impacted individuals to benefit

➤ Criteria Considerations:

- Individuals or immediate family members with prior conviction history
- Low-income status
- Residency
- Ownership
- Eligibility tiers

Next Steps

Task 1: Cannabis Equity Assessment

Draft Assessment & Analysis	Underway
Stakeholder Interviews	December 2024 - January 2025
Community Meeting #2	January 2025
Final Assessment Report	Early 2025

Project Contact Information



kyle.tankard@sci-cg.com, david.kaufman@sci-cg.com



<https://www.santamonica.gov/programs/cannabis-in-santa-monica>

English Survey:



Spanish Survey:

