

City of Los Angeles
Department of Cannabis Regulation



April 10, 2021

PCN at a Glance



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

- This PCN Process involves Retail Storefront Activity Only
- The Retail Storefront application process is limited to Social Equity Applicants (SEAs) until January 1, 2025. As such, Prospective Social Equity Applicants seeking to apply for a Retail storefront license can apply one of two ways:
 - Applicants seeking to apply in a Community Plan Area yet to reach Undue Concentration via Phase 3 Retail Round 2 lottery
 - Through the PCN Process, if the Applicant is seeking to to apply in a Community Plan Area subject to a finding of Undue Concentration

PCN at a Glance



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

- Local law has established that per [Community Plan Area, DCR is authorized to issue 1 Retail license per 10,000 residents.](#)
 - EMMDs and Phase 3 Retail Round 1 (First 100) *
- As such each Community Plan Area, has its own limit on the number of Retail Licenses that DCR may issue, based on the size of its population.
- Community Plan Areas are subject to a finding of Undue Concentration once DCR has issued all of the licenses available in a given Community Plan Area.
- The PCN process is outlined in [LAMC Sec 104.03\(a\)\(4\)](#)
- Therefore an Applicant seeking to apply in a Community Plan Area subject to a finding of Undue Concentration must go through this PCN process before they can submit an application for a Retail license to DCR.

PCN PILOT at a Glance



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

- A total 53 PCN requests that have been submitted to DCR. (47 have paid the PCN filing fee)
 - Six PCN requests may be abandoned due to unpaid fees
- On February 25, 2021, DCR began transmitting PCN requests to the City Clerk.
- These PCN requests will be transmitted in three batches:
 - 1st Batch 2/25 through 3/9 - **Completed**
 - 2nd Batch 3/23 through 3/30 - **Completed**
 - 3rd Batch 4/15 through 4/22 - **Pending**

PCN PILOT at a Glance



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

- The following requests have been transmitted:
 - CD 1: (1) Central City North
 - CD 2: (4) Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass; (3) Sun Valley - La Tuna Canyon (1 pending)
 - CD 4: (2) Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass
 - CD 6: (2) Sun Valley - La Tuna Canyon (1 pending)
 - CD 11: (3) Venice
 - CD14: (25) Central City; (4) Central City North
 - CD 15: (3) Harbor Gateway (1 pending)

PCN at a Glance



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

DCR has developed a number of resources for the public regarding the PCN Process.

- [PCN Standards](#) - CF 20-0420
- [PCN Information and Procedure Bulletin](#)
- [PCN Workflow](#)
- PCN Request Form - visit cannabis.lacity.org/Licensing/Licensing-Information/Application-Forms-and-Documents ([LIC-4001-FORM](#))
- PCN Stakeholder Input Request Form ([LIC-4002-FORM](#))

In addition, DCR prepared this [Video Tutorial for Stakeholders](#).

DCR Online Licensing Resources



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

The screenshot shows the website's navigation structure. At the top, there is a dark blue header with the City of Los Angeles logo and name on the left, and utility links for 'Update on coronavirus', '311 City Services', and 'LA City Directory' on the right. Below this is a white banner with the 'CANNABIS REGULATION' logo and a search icon. A dark blue navigation bar contains the following menu items: 'About', 'Laws & Policy', 'Licensing', 'Social Equity Program', 'Personal Activity', and 'Complaint Portal'. The 'Licensing' menu is expanded, showing three columns of sub-items: 'News and Updates' (including Licensing Updates, PCN, Phase 1, Phase 2, Phase 3 Non-Retail, Phase 3 Retail Round 1, Phase 3 Retail Round 2, and Testing Labs), 'Licensing Information' (including General Overview, Public Participation, Public Notice, Application Procedures & Resources, Application Forms & Documents, Fees & Fines, Licensing Map, Apply for a License, and Video Tutorials), and 'Inspections and Compliance' (including Virtual Inspections and Initial Inspection (Temporary Approval)).

LOS ANGELES

Update on coronavirus 311 City Services LA City Directory

CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

About Laws & Policy Licensing Social Equity Program Personal Activity Complaint Portal

News and Updates

- Licensing Updates
- PCN
- Phase 1
- Phase 2
- Phase 3 Non-Retail
- Phase 3 Retail Round 1
- Phase 3 Retail Round 2
- Testing Labs

Licensing Information

- General Overview
- Public Participation
- Public Notice
- Application Procedures & Resources
- Application Forms & Documents
- Fees & Fines
- Licensing Map
- Apply for a License
- Video Tutorials

Inspections and Compliance

- Virtual Inspections
- Initial Inspection (Temporary Approval)



At PLUM...

- DCR Staff will make a brief presentation stating the geophysical facts of the request:
 - Where the Business Premises is located
 - The zone of the parcel where the Business Premises is located
 - If there are sensitive uses that have been identified within 700 feet of the Business Premises location*
- LAPD will provide the crime statistics and their position on the application
- The Applicant will provide testimony
- Council Office may or may not provide position on the record
- Public Comment



After PLUM....

- In coordination with the Council President's Office, the City Clerk will publish the Council agenda within 90 calendar days of the :
 - With a recommendation from PLUM for approval or denial, it will publish the findings to support or deny the request
 - With no recommendation from PLUM
- If the matter is continued beyond the 90 calendar day limit, the matter will be denied as operation of law.

PCN Standards



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

- The existing commercial cannabis businesses in the requestor's Community Plan Area are concentrated in one area, such that the requestor's business, located in another area, would serve the public convenience or necessity; or
- The proposed business premises would serve an area of increased density or consumer traffic, including but not limited to an entertainment or commercial corridor, such that the proposed location would serve the public convenience or necessity by satisfying a higher demand for retail locations; or

PCN Standards



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

- The proposed business premises would be located in an area with a high number of unlicensed commercial cannabis retail establishments, such that an additional licensed location would serve the public convenience or necessity by satisfying a higher demand for retail locations and reduce patronage of unlicensed establishments;
- The requestor's business would include clear specified public safety related features, such that the operation of the requestor's business would serve the public convenience or necessity by likely reducing crime or nuisance activity in the surrounding area,

PCN Information and Procedure Bulletin



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**



INFORMATION AND PROCEDURE BULLETIN

LIC-4001-IPB

October 5, 2020

PUBLIC CONVENIENCE OR NECESSITY (PCN) PROCEDURE

The Cannabis Procedures Ordinance limits the number of Retail, Cultivation and Volatile-Manufacturing Commercial Cannabis Activity Licenses by Community Plan Area (CPA) based on the definition of Undue Concentration under Los Angeles Municipal Code (LAMC) Section 104.01(a)(48). An area is considered unduly concentrated when DCR issues the maximum number of these License types in that CPA.

Pursuant to LAMC Section 104.03(a)(4), Applicants seeking to engage in Retail, Cultivation, and Volatile-Manufacturing Commercial Cannabis Activity in a CPA that is unduly concentrated are required to file a request that the City Council find that approval of the License application would serve a public convenience or necessity (PCN) supported by evidence in the record. This bulletin, in conjunction with the PCN Workflow ([LIC-4001-WF](#)), provides general information, procedure and requirements for an Applicant to submit a PCN request to the City Council.¹

Overview of Responsibilities

Applicant Responsibilities:

- Reach out to key stakeholders as early as possible in the process.
- Perform due diligence to verify that the location of the Business Premises complies with LAMC Section 105.02(a)(1).
- Complete and submit the "Public Convenience or Necessity Finding Request Form" ("PCN Request Form") to DCR.
- Pay the PCN Filing Fee and the Written Notice Fee.
- After the City Clerk assigns a Council File to the PCN request, complete and send the "Stakeholder Input Request Form" ("Stakeholder Form") to key stakeholders.
- Submit any additional documentation in support of the PCN request to DCR prior to the City Council meeting.
- Subscribe to the Council File to receive notifications from the City Clerk related to the PCN request.

DCR Actions:

- Review PCN request.
- Transmit PCN request to the City Clerk within 30 days of the PCN Filing Fee payment.
- Provide Written Notice in accordance with LAMC Section 104.05(b)(1).
- Transmit any additional documentation from the Applicant to the City Clerk.
- Communicate Council's final action to the Applicant.

City Clerk Actions:

- Issue a Council File Number to the PCN request and inform the City Council or processing deadlines.

City Council Actions:

- May schedule the item in Council Committee and/or City Council within 90 days of the PCN request receipt.

¹ This document is intended to serve as an informational guide only. It does not replace or supersede the Los Angeles Municipal Code and does not constitute legal advice. This document is subject to change and may not constitute the most up-to-date or complete information. Applicants are encouraged to conduct their own due diligence and research to ensure that they are in compliance with all legal requirements.

- Overview of Responsibilities
- Associated Forms
- Instructions
- Standards
- Applicable Code Sections

PCN Request Form



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**

PUBLIC CONVENIENCE OR NECESSITY (PCN)
FINDING REQUEST

LC-4001-FORM

Instructions: Applicants seeking to engage in Retail Commercial Cannabis Activity in a Community Plan Area that has reached Undue Concentration must complete and submit this form to the Department of Cannabis Regulation in order to file a request that the City Council find that approval of the license application would serve a public convenience or necessity (PCN) supported by evidence in the record pursuant to LAMC Section 104.03(a)(4).

To: Office of the City Clerk
City of Los Angeles
City Hall, Room 395
Los Angeles, CA 90012

For City Clerk Use Only:
Council File No. _____
Received On: _____
Expiration Date: _____

Business Premises Location: _____
Community Plan Area: _____ CD: _____
Applicant Entity Name: _____
Contact Name: _____ Phone No. _____
Applicant's Email: _____
Total Floor Area of Business: _____ square feet
Proposed Hours of Operation: _____ Days: _____
_____ Days: _____

The Cannabis Procedures Ordinance limits the number of Retail Commercial Cannabis Activity Licenses by Community Plan Area (CPA) based on the definition of Undue Concentration under Los Angeles Municipal Code (LAMC) Section 104.01(a)(48). An area is considered unduly concentrated when DCR issues the maximum number of these license types in that CPA.

Explain how the Commercial Cannabis Activity will serve the public convenience or necessity (attach and number additional pages if necessary):

PCN Request Form

Explain how this request meets one or more of the City Council's public convenience or necessity standards pursuant to City Council's adopted [Resolution](#) (attach and number additional pages if necessary):

LAMC Section 104.03(a)(4) requires the Applicant to engage with and seek input from stakeholders in or near the Community Plan Area where the proposed Business Premises is located. Please provide the following information about the stakeholders with whom you will engage and seek to obtain written input.

Neighborhood Council: _____
LAPD Division / Station: _____
Chamber of Commerce: _____
Substance Abuse Intervention, Prevention and Treatment Organization(s):
Name: _____
Address: _____
Distance from Business Premises: _____ miles

Total number of pages attached: _____

PCN Request Form

I declare under the penalty of perjury under the laws of the State of California that the information presented in this form and its attachments are true and correct to the best of my knowledge.

Applicant's Signature

Date

Signature of the property owner(s), or the property owner's authorized representative, if a tenant or lessee is filing this form:

Name of Property Owner and/or Representative

Signature of Property Owner and/or Representative

Date

Title (i.e. Owner or Representative)

PCN Stakeholder Input Request Form



CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
REGULATION**



STAKEHOLDER INPUT REQUEST

LIC-4002-FORM

Instructions: Please complete and submit this form to each stakeholder as required per Los Angeles Municipal Code Section 104.03(a)(4).

Date: _____

To: _____

(Name of Stakeholder, i.e. Sherman Oaks NC)
Stakeholder Type

Attention: _____

(Contact)

RE: CITY COUNCIL TO CONSIDER REQUEST FOR PUBLIC CONVENIENCE OR NECESSITY (PCN) FINDING; COUNCIL FILE NO. _____

Dear Stakeholder,

Pursuant to Los Angeles Municipal Code (LAMC) Section 104.03(a)(4), an Applicant seeking to apply for a Commercial Cannabis Activity License in a Community Plan Area that has reached Undue Concentration, as defined in LAMC Section 104.01(a)(48), is required to engage with and seek input from your agency/organization as part of the PCN process.

On _____, a PCN Request Form was submitted to the Department of Cannabis Regulation (DCR). After DCR reviews the PCN Request Form and all applicable fees are paid, the request will be transmitted to the City Council. The City Council will either approve or deny the request.

If you would like to submit any comments and/or documents to the City Council pertaining to this request, you may do so at: [LACouncilComment.com](https://lacouncilcomment.com).

Please be advised that while key stakeholders may make recommendations on potential operating conditions, conditions may only be imposed by the Department of Cannabis Regulation or Cannabis Regulation Commission upon issuance of a License to address public safety concerns. (LAMC §§ 104.06(a)(3)(ii), 104.06 (b).)

Stakeholder Input Request

Information regarding the proposed Commercial Cannabis Activity associated with this PCN request:

Business Premises Location: _____

Community Plan Area: _____ CD: _____

Applicant Name: _____

Applicant's Phone No. _____; Email: _____

Total Floor Area of Business: _____ square feet

Proposed Hours of Operation: _____ Days: _____

_____ Days: _____

_____ Days: _____

Applicant's representative (contact info): _____

If you have any questions, please contact the following individual:

Name: _____

Phone: _____

Email: _____

Applicant's Signature

Date

