

**BUSINESS LICENSE COMMISSION
CITY OF WEST HOLLYWOOD
MINUTES
TUESDAY, SEPTEMBER 13, 2022
WEST HOLLYWOOD PARK PUBLIC MEETING ROOM – COUNCIL CHAMBERS
625 N. SAN VICENTE BOULEVARD**

6:00 P.M. – SPECIAL MEETING

1. CALL TO ORDER

Vice Chair Vulin called the meeting to order at 6:04 P.M.

2. PLEDGE OF ALLEGIANCE

Vice Chair Vulin led the Pledge of Allegiance.

3. OATH OF OFFICE

Councilmember Erickson administered the Oath of Office to Catherine Eng into the Business License Commission. He thanked her for serving as Commissioner and offered his well wishes on her journey.

Commissioner Eng expressed her gratitude for the opportunity to serve on the Commission.

4. ROLL CALL

PRESENT: Commissioner Eisenberg
Commissioner Eng
Commissioner Saltzman
Commissioner Yusupov
Vice Chair Vulin

ABSENT: Commissioner Hang
Commissioner Lo

ALSO PRESENT: Director of Community Safety, Danny Rivas
Director of Economic Development, John Leonard
Code Enforcement Supervisor, Yessica Benitez
Commission Secretary, Falyn Kingi
Deputy City Attorney, David King

5. APPROVAL OF AGENDA

Approve the Business License Commission agenda of Tuesday, September 13, 2022.

ACTION: Approve the agenda of Tuesday, September 13, 2022.

Motion by Commissioner Saltzman, seconded by Commissioner Yusupov, and approved.

6. APPROVAL OF MINUTES

Approve the Minutes of the previous Business License Commission Meeting of Tuesday, August 9, 2022.

ACTION: Approve the minutes of Tuesday, August 9, 2022.

Motion by Commissioner Eisenberg, seconded by Commissioner Saltzman, and approved.

7. PUBLIC COMMENT

RICHARD MAGGIO, RENT STABILIZATION COMMISSIONER, announced that a workshop, meant to educate tenants of their rights, would be taking place at Plummer Park. A second workshop, meant to educate property owners, would be taking place the week following. He then congratulated Commissioner Eng.

8. PUBLIC HEARING

A. A VARIANCE REQUEST TO TRANSFER FIFTEEN PERCENT (15%) OWNERSHIP, A COMBINED TOTAL OF ONE HUNDRED PERCENT OWNERSHIP OF THE CANNABIS ADULT-USE RETAIL #CAU-000004 AND CANNABIS DELIVERY SERVICE #CDW-000002 BUSINESS LICENSES KNOWN AS CALMA LOCATED AT 1155 LA BREA AVENUE TO THE PARENT COMPANY

SUBJECT: The West Hollywood Business License Commission shall conduct a public hearing to consider a variance request from CALMA WeHo, LLC to allow the transfer of fifteen percent (15%) ownership, a combined total of one hundred percent (100%) in the Cannabis Adult-Use Retail and Cannabis Delivery Business Licenses to The Parent Company (The Parent Company Holding Corporation), a publicly traded company.

Business License Commission Secretary, Falyn Kingi, informed the Commission that all notices were posted at the City's three legally required posting locations and mailed to occupants within a 500-foot radius of the business.

Vice Chair Vulin opened the public hearing and asked for the Commission's disclosures.

Commissioner Eng provided disclosures.

Code Enforcement Supervisor, Yessica Benitez, reminded the Commission that the business was approved for operation in August 2019 and the action before the Commission was to consider the variance request only. She then presented the staff report dated September 13, 2022.

Commissioner Yusupov requested to know the number of complaints received and the date of the last complaint as of the approval of the last variance request. Code Enforcement Supervisor, Yessica Benitez, responded.

JAKE STEVENS, APPLICANT, provided a presentation detailing the business background information, reason for the variance request, and their continued efforts with community engagement and marketing.

Commissioner Eng inquired about the Cannabis Delivery operations. JAKE STEVENS, APPLICANT, responded.

TOD HALLMAN, WEST HOLLYWOOD, spoke in support of item 8A.

HIRSH JAIN, WEST HOLLYWOOD, spoke in support of item 8A.

LESLIE BARNES, CALMA GENERAL MANAGER, spoke in support of item 8A.

GENEVIEVE MORRILL, WEST HOLLYWOOD, congratulated newly appointed Commissioner Eng and spoke in support of item 8A.

JAKE STEVENS, APPLICANT, expressed his gratitude to the Commission and staff for their efforts.

ACTION: Adopt Resolution No. BLC22-0010, "A RESOLUTION OF THE BUSINESS LICENSE COMMISSION OF THE CITY OF WEST HOLLYWOOD APPROVING THE ASSIGNMENT OF FIFTEEN PERCENT (15%) OF THE OWNERSHIP, RESULTING IN THE ONE HUNDRED PERCENT OWNERSHIP FOR THE CANNABIS ADULT-USE RETAIL #CAU-000004 AND CANNABIS DELIVERY SERVICE #CDW-000002 BUSINESS LICENSES KNOW AS CALMA TO THE PARENT COMPANY" (ATTACHMENT A).

Motion by Commissioner Eisenberg, seconded by Commissioner Yusupov, and approved.

B. A VARIANCE REQUEST TO TRANSFER FIFTY-THREE-POINT-SIX PERCENT (53.6%) OWNERSHIP FOR THE CANNABIS ADULT-USE RETAIL, CANNABIS CONSUMPTION AREA AND CANNABIS MEDICAL DISPENSARY BUSINESS LICENSES FOR THE BUSINESS KNOWN AS AEON BOTANIKA TO ELEMENT7 CA, LLC

SUBJECT: The West Hollywood Business License Commission shall conduct a public hearing to consider a variance request from AEON West Hollywood Inc., LLC to allow the transfer of fifty-three point-six percent ownership in the Cannabis Adult-Use Retail, Cannabis Consumption Area and Cannabis Medical Dispensary Business Licenses to Element7 CA, LLC

Business License Commission Secretary, Falyn Kingi, informed the Commission that all notices were posted at the City's three legally required posting locations and mailed to occupants within a 500-foot radius of the business.

Vice Chair Vulin opened the public hearing and asked for the Commission's disclosures.

Commissioner Eng provided disclosures.

Code Enforcement Supervisor, Yessica Benitez, reminded the Commission that the business was approved for operation in October 2019 and the action before the Commission was to consider the variance request only. She then presented the staff report dated September 13, 2022.

Deputy City Attorney, David King, reiterated that the business was approved for operation and the action before the Commission was to consider the variance request only. He pointed to an email that was sent to the Commissioners by an ex-AEON Botanika employee and reminded the Commission that the City's focus is on operational findings and does not get involved in private business matters or civil disputes.

Commission Eisenberg requested clarification regarding the City's stand as it pertained to civil matters involving West Hollywood businesses. Deputy City Attorney, David King, responded.

Commissioner Yusupov questioned whether the City Attorney's Office contacted the applicant's legal counsel regarding the civil dispute. He then requested to know if there was a resolution to the civil suit. Deputy City Attorney, David King, responded.

Commissioner Eisenberg requested the ownership percentage held by the ex-AEON Botanika employee involved in the civil dispute with the applicant. This information was later provided and responded to by the Director of Economic Development, John Leonard.

NICOLE FOX, APPLICANT, provided a brief overview of the financial history of the business, challenges the business has faced, and the reason for the variance request.

JOSH BLACK, APPLICANT, shared historical information regarding ELEMENT 7's origin, the number of cannabis businesses the company currently operates in California, and addressed the importance of maintaining the integrity of the City's 2018 cannabis business license standards.

Commissioner Eisenberg inquired about the number of cannabis dispensary's currently operating under ELEMENT 7 and its operating practices. She then requested to know what changes would be made to AEON if the variance is approved. JOSH BLACK, APPLICANT, responded.

Commissioner Eng asked for clarity regarding the type of security improvements that would be implemented, as mentioned by the applicant, and the implementation of community involvement. JOSH BLACK, APPLICANT and NICOLE FOX, APPLICANT, responded.

Commissioner Yusupov asked if the applicants could comment on their current civil dispute. NICOLE FOX, APPLICANT, stated they were not allowed to comment.

Director of Economic Development, John Leonard, disclosed the percentage of ownership held by ex-AEON employee and stated that no other complaints or disputes were received.

ERRON SILVERSTEIN, WEST HOLLYWOOD, ex-AEON employee, informed the Commission that he is currently involved in a civil dispute with the applicant.

GENEVIEVE MORRILL, WEST HOLLYWOOD, spoke in support of item 8B.

JOHN, VENTURA COUNTY, expressed concern with the variance request.

JOSH BLACK, APPLICANT, addressed the Commission, in response to Public Comments, and expressed the desire, held by Element 7, to correct all financial problems upon approval of the variance request.

Commissioner Eisenberg asked for clarity concerning outstanding payments due to former employees. JOSH BLACK, APPLICANT, responded.

Commissioner Eisenberg thanked Staff for reaching out to jurisdictions where Element 7 has operating dispensaries to ensure they are in good standing. She then pointed to Element 7's businesses being operational for less than a year and suggested that, due to the lack of experience, the applicant return to the Commission within 6 months.

Commissioner Yusupov requested clarity on the impact the Commission's decision would have to any ongoing civil disputes involving the applicant. Deputy City Attorney, David King, responded and informed the Commission that the applicant holds a Cannabis Business License which is valid for one year. As such, the applicant is not required to return to the Commission unless operational issues arise at which point staff would bring the item back to the Commission after one year.

Commissioner Saltzman and Vice Chair Vulin suggested that the Commission focus on the Business License Commission's purview and focus on the findings presented before the Business License Commission.

ACTION: Adopt Resolution No. BLC22-0007, "A RESOLUTION OF THE BUSINESS LICENSE COMMISSION OF THE CITY OF WEST HOLLYWOOD APPROVING THE LICENSE ASSIGNMENT OF FIFTY-THREE-POINT-SIX PERCENT OWNERSHIP FOR THE CANNABIS ADULT-USE RETAIL AND CANNABIS CONSUMPTION AREA (SMOKING, VAPING, EDIBLES) AND MEDICAL DISPENSARY BUSINESS LICENSES KNOW AS AEON BOTANIKA" (ATTACHMENT A).

Motion by Commissioner Saltzman, seconded by Commissioner Eng, and approved.

9. UNFINISHED BUSINESS

A. UPDATE ON THE LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH AND CITY EXECUTIVE ORDERS AND ITEMS RELATED TO BUSINESSES.

SUBJECT: The West Hollywood Business License Commission will receive an update regarding the Los Angeles County Department of Public Health and City Executive Orders and items related to businesses.

Code Enforcement Supervisor, Yessica Benitez, reported on the monthly Health Officer Order updates and provided background information as provided in the staff report dated September 13, 2022.

Commissioner Saltzman commended City Staff for their efforts regarding the Monkeypox vaccination opportunities.

ACTION: Receive and file.

10. NEW BUSINESS

A. ELECTION OF CHAIR

SUBJECT: The West Hollywood Business License Commission will elect a Chair.

City Clerk, Melissa Crowder, opened the nomination for Chair.

Commissioner Eisenberg nominated Vice Chair Vulin as Chair of the Business License Commission.

ACTION: The Business License Commission unanimously elected Vice Chair Vulin as Chair.

B. UPDATE ON CANNABIS BUSINESS LICENSES STATUS

SUBJECT: The West Hollywood Business License Commission will receive an update on the status of the City's Cannabis Business licenses.

Code Enforcement Supervisor, Yessica Benitez, provided an update on the current City's cannabis business licenses as provided in the staff report dated September 13, 2022.

ACTION: Receive and file.

11. ITEMS FROM STAFF

Director of Community Safety, Danny Rivas, congratulated Chair Vulin on his appointment and welcomed newly appointed Commission Eng. He informed the Commission that an item, as it pertains to civil matter concerns brought during Public Hearings, would be brought before the Commission next month. He then announced that September is National Preparedness Month, and the City would be partnering with a consultant to provide a free community seminar on Saturday, September 24th and encouraged the Commissioners to attend. He concluded by also extending an invitation to a seven-week CERT Training, hosted by the City in partnership with the West Hollywood Sheriff's Station.

12. PUBLIC COMMENT

None

13. ITEMS FROM COMMISSIONERS

The Commission welcomed newly appointed Commissioner Eng and congratulated Chair Vulin on his appointment as Chair of the Commission.


Commissioner Eng provided information on the newly signed bill AB1954.

Commissioner Eisenberg requested that the Commission adjourn in memory of Queen Elizabeth.

14. ADJOURNMENT

The West Hollywood Business License Commission adjourned in memory of Queen Elizabeth, at 7:50 P.M. to its next regular meeting scheduled for Tuesday, October 4, 2022, at 6:00 P.M. at the West Hollywood Park Public Meeting Room - Council Chambers, 625 N. San Vicente Boulevard, West Hollywood, CA 90069.


PASSED, APPROVED AND ADOPTED by the Business License Commission of the City of West Hollywood at a regular meeting the 4th day of October 2022.

DocuSigned by:


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ANTHONY VULIN, CHAIR

ATTEST:

DocuSigned by:


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YESSICA BENITEZ
Code Enforcement Supervisor