

Cannabis Equity Racial Equity Toolkit (RET)

Cannabis Equity Panel, Finance and Housing Committee

March 2, 2022



Background

- The City of Seattle legalized cannabis in 2015 without considering social equity in licensing.
- Ownership of these businesses is not accessible to all.
- Compelled engagement with former and existing Black business owners.



Cannabis Legalization History

- 2012 - WA and CO were the first states to legalize cannabis.
- Complex state licensing process and no outreach.
- **None** of the Seattle Black owned medical operators were licensed in Seattle.
- 2020 - State Social Equity in Cannabis licensing program.
- 2021 - The program was expanded to define eligibility.



Change in Perspective

- The City and State have acted to undo the harm caused by cannabis criminalization.
- 2018 - CAO and MO filed a motion with SMC.
- 2019 - State can remove records with just one cannabis conviction and vacate cannabis misdemeanors if the person is 21 or older when charged.



FAS Racial Equity Toolkit – FAS, OED, SDCI, OCR

The RET seeks to eliminate racial disparities by building a new systemic structure and centering Black communities through:

- Access to licenses and capital
- Access to business education and mentorship
- Community Reinvesting
- Small Business Association (SBA) business plan support
- Flexibility to pivot quickly as new barriers arise
- Reinvest proceeds into the Black community, and
- Rebuilding generational wealth



Stakeholder Engagement

- Two dozen stakeholder engagements.
- 200 Community members and City Departments.
- Cannabis Community Forum in February 2020.
- Themes that the City heard from the community were:
community, accurate data collection, monetary support, include a marginalized group currently omitted, and legal concerns.



Additional Recommendations from Stakeholders

1. Dedicate **\$1M** for ten years.
2. Align with the State's Social Equity Task Force recommendation.
3. Partner with OED to develop a program to assist Black retail cannabis license holders.
4. Support OED to implement grants for those most impacted by the War on Drugs.
5. File a motion with King County Superior Court to vacate convictions and dismiss charges for Felony cannabis possession.



Proposed Timeline and Schedule

- 2022 - Dedicate \$1M per year to Seattle Cannabis Equity Program.
- 2023 - Launch Seattle Cannabis Equity Program.
- 2023 - Seek additional cannabis retail licenses for Seattle.
- 2024 - Partner with other City departments to implement a grant program for those most impacted by the War on Drugs in Seattle.



Key Policy Change Recommendations

- Equity in business licensing, lowering licensing fees (FAS)
- Reducing buffering and dispersion requirements (SDCI)
- Providing grants or loans and technical assistance (OED)
- Mentorship and business planning (OED)
- Investment in communities most impacted (OED)



Thank you so much for this opportunity to talk about our efforts to promote equity in the cannabis industry, and we look forward to working with you towards these goals moving forward.

Any questions?

