# BUSINESS LICENSE COMMISSION CITY OF WEST HOLLYWOOD MINUTES TUESDAY, FEBRUARY 9, 2021 SPECIAL TELECONFERENCE MEETING

## 6:00 P.M. – BUSINESS LICENSE COMMISSION MEETING VIA TELECONFERENCE

- 1. CALL TO ORDER— Chair Anthony called the meeting to order at 6:06 p.m.
- 2. PLEDGE OF ALLEGIANCE— Chair Anthony led the Pledge of Allegiance.

## 3. ROLL CALL

PRESENT: Commissioner Alden

Commissioner Lo

Commissioner Saltzman

Vice Chair Zaden Chair Anthony

ABSENT: Commissioner Kalonian

ALSO PRESENT: Code Compliance Manager, Danny Rivas

Code Compliance Supervisor, Yessica Benitez

Commission Secretary, Falyn Kingi

Event Services Technician, Paige Portwood Director of Public Works, Jackie Rocco

Community and Legislative Affairs Manager, John Leonard

Assistant City Attorney, Lauren Langer

# 4. APPROVAL OF AGENDA

*SUBJECT:* The West Hollywood Business License Commission is requested to approve the Agenda.

**ACTION:** Approve the agenda of Tuesday, February 9, 2021. **Motion by Commissioner Saltzman, seconded by Commissioner Alden, and approved.** 

#### 5. APPROVAL OF MINUTES

*SUBJECT:* The West Hollywood Business License Commission is requested to approve the Minutes of the previous Business License Commission Meeting on Tuesday, January 12, 2021.

**ACTION:** Approve the minutes of Tuesday, January 12, 2021. **Motion by Commissioner Saltzman, seconded by Commissioner Alden, and approved.** 

#### 6. PUBLIC COMMENT

YLSA TELLEZ, spoke in support of item 7.A.

# 7. PUBLIC HEARING

A. A VARIANCE REQUEST TO TRANSFER EIGHTY PERCENT OWNERSHIP OF A CANNABIS CONSUMPTION AREA (EDIBLES) BUSINESS LICENSE FOR THE BUSINESS KNOWN AS DOOR NUMBER SIX LOCATED AT 8228 W. SUNSET BOULEVARD.

SUBJECT: The West Hollywood Business License Commission shall conduct a public hearing to consider a variance request by Door Number Six to transfer a total of eighty percent ownership for the Cannabis Consumption Area (Edibles) Business License to Freddy Braidy, Kerim Ortanca, and Sholom Goodman.

Business License Commission Secretary, Falyn Kingi, stated that the item was noticed as required by law.

Code Compliance Supervisor, Yessica Benitez, and Community and Legislative Affairs Manager, John Leonard, provided background information as provided in the staff report dated February 9, 2021, and acknowledged the letter received by the Adult Use Retailers Association of West Hollywood (AURA).

Assistant City Attorney, Lauren Langer, provided information regarding the letter received from AURA. She explained that the letter addressed concerns regarding the variance application and process. AURA's letter argued that the business, Door Number Six, is not eligible for a variance as they do not have a business license and characterized them as an "applicant".

Assistant City Attorney, Lauren Langer, explained that under the City of West Hollywood screening application process, applicants fall in between a brand new unvetted "applicant" and an "operational business". She further explained the top scoring applicants were given a right to complete the process in obtaining a business license and that the business, Door Number Six, is in the middle of this process.

Assistant City Attorney, Lauren Langer, also explained AURA's letter to the City focuses on a reference in the West Hollywood Municipal Code of "continual operation" to certain types of variances. The City's interpretation of "continual operation" is not determinative of *when* a variance is obtainable but based on the *type* of variance that can be obtained.

AURA's allegation that the variance should not be issued until a business license is obtained was taken into consideration and as a compromise for both AURA and the business, Door Number Six, Assistant City Attorney, Lauren Langer, proposed that if the Business License Commission is supportive of the business ownership change, the Commission can make the variance conditional upon issuance of a business license.

Commissioner Saltzman requested clarification as to what would happen should the Commission not approve this variance. Community and Legislative Affairs Manager, John Leonard, explained that if the applicant would not be able to move forward by the deadline, the spot would go away and as such, there would be one less business. Chair Anthony inquired about the business being in a gray area (between "vetted" and "recommended") and asked the Assistant City Attorney if there was anything in the code that would prohibit a vetted and recommended applicant from transferring a certain amount of ownership prior to obtaining a business license. He also requested to know if a variance was required if a business license had not yet been obtained. Assistant City Attorney, Lauren Langer, responded to these questions and asked the Commission to hear from the applicant.

Jackie Subeck, APPLICANT, provided an overview of her cannabis experience, her vision of the cannabis market, and her involvement in helping craft the cannabis ordinance in the City of West Hollywood.

Vice Chair Zaden requested to know how the business name of "Door Number Six" was chosen. Applicant, Jackie Subeck, explained that she lives in apartment number 6.

ERRON SILVERSTEIN, requested clarification on the variance process.

ALEX KARDOS, spoke in support of item 7A.

GENEVIEVE MORRIL, spoke in support of item 7A.

SHOLI GOODMAN, spoke in support of item 7A.

SHERRI FRANKLIN, spoke in support of item 7A.

JASON BECK, spoke in support of item 7A.

Commissioner Lo requested to hear directly from the existing owners, Amy Lund and Laurent Zilber, and asked if they agreed with the transfer of ownership. Both Amy Lund and Laurent Zilber confirmed that they agreed with the transfer of ownership and supported Jackie Subeck.

Commissioner Alden requested to know if there were any negative impacts in approving the variance request as she was unsure why AURA was opposed to it. Community and Legislative Affairs Manager, John Leonard, clarified that he could not speak on behalf of AURA. Instead, he provided background information as to why the assignment provisions were included in the ordinance.

Commissioner Saltzman asked Assistant City Attorney, Lauren Langer, to reiterate the proposed compromise. Assistant City Attorney, Lauren Langer, stated that the Business License Commission could conditionally approve the proposed variance request and it would not go into effect until after the business license is approved by the Commission and issued. This proposal would give the new owners the certainty needed to move forward with the business license process and address AURA's concern.

Community and Legislative Affairs Manager, John Leonard, added that the compromise is helpful because when the owners and applicant return to the Business License Commission to obtain approval for the business license, the

Commission will then be able to know how the new owners were able to comply with what the previous ownership team proposed on their 2018 application.

Assistant City Attorney, Lauren Langer, read the revised language reflected on Resolution BLC21-00004.

Chair Anthony stated that clarification needed to be made as to whether a variance was needed without a business license and requested to know what the process is to clarify this. Assistant City Attorney, Lauren Langer, explained further discussion of the process could be had later and suggested that the focus remain on whether Door Number Six's variance request was appropriate. Community and Legislative Affairs Manager, John Leonard, explained that although this situation was unique the applicant and owners need the certainty to move forward. Chair Anthony indicated that the code needed to be clarified. Community and Legislative Affairs Manager, John Leonard, informed the Commission that change in language of the code would be a challenge as the language used was part of a settlement agreement.

Commissioner Lo requested clarification on whether the proposed conditional variance would be addressed again in the future. Assistant City Attorney, Lauren Langer, stated that the conditional element would further be discussed at the Business License Hearing for the actual business license and the changes would not go into effect until after the business license is approved and issued.

ACTION: Approve the variance request on a conditional basis and Adopt Resolution No. BLC21-0004, "A RESOLUTION OF THE BUSINESS LICENSE COMMISSION OF THE CITY OF WEST HOLLYWOOD APPROVING THE ASSIGNMENT OF EIGHTY PERCENT OF THE OWNERSHIP FOR THE PROPOSED CANNABIS CONSUMPTION AREA (EDIBLES) BUSINESS KNOWN AS DOOR NUMBER SIX." (Attachment A) Motion by Commissioner Saltzman, seconded by Vice Chair Zaden, and approved.

#### 8. SPECIAL ITEMS

None.

#### 9. UNFINISHED BUSINESS

# A. ENHANCING COMPLIANCE DURING COVID-19 LOS ANGELES COUNTY PUBLIC HEALTH ORDERS AND CITY CODE ENFORCEMENT EFFORTS

SUBJECT: The West Hollywood Business License Commission will receive an update regarding COVID-19 Los Angeles County Public Health Orders to keep businesses, workers, and members of the public informed of relevant public health orders and local enforcement measures that will provide opportunities for workers and other members of the public to give public comment at Business License Commission meetings if there are concerns regarding businesses' compliance with public health orders.

Code Compliance Event Services Technician, Paige Portwood, provided background information as provided in the staff report dated February 9, 2021.

Commissioner Saltzman thanked staff for their efforts with the staff report and expressed concern with the lines at restaurants that are blocking the sidewalk.

Chair Anthony and Vice Chair Zaden thanked staff for their detailed reports and presentations.

**ACTION:** Received and file.

#### 10. ITEMS FROM STAFF

Code Compliance Manager, Danny Rivas, made the following announcements:

- The City of West Hollywood will be hosting its Business Round Table on Friday, February 19<sup>th</sup> from 8:30 a.m. to 10:00 a.m. The purpose is to provide creative short-term solutions to assist businesses during the COVID-19 pandemic. Businesses are encouraged to attend this event as feedback and input are vital, to attend please register on the City's website at www.weho.org/business.
- The City has created the West Hollywood Small Business Grant Program, which
  is offering a five-thousand-dollar (\$5,000) grant to aid eligible and qualifying
  businesses impacted by COVID-19. The grants will be awarded on Thursday,
  February 25<sup>th</sup> on a first come first serve basis. More information can be found on
  the City's website <a href="https://www.weho.org/business">www.weho.org/business</a>.

# 11. PUBLIC COMMENT

None.

12. ITEMS FROM COMMISSIONERS

None.

**13. ADJOURNMENT:** The West Hollywood Business License Commission adjourned at 7:24 p.m. to the next required meeting of this body, to be determined by the Code Compliance Manager, and to be held via teleconference.

**PASSED, APPROVED, AND ADOPTED** by the Business License Commission of the City of West Hollywood at a meeting held this 2<sup>nd</sup> day of March, 2021.

KEITH ANTHONY CHAIRPERSON

ATTEST:

FALYN KINGI, COMMISSION SECRETARY