**MINUTES OF THE SOCIAL EQUITY COUNCIL (DRAFT)**

REGULAR MEETING

September 07, 2022, Meeting 10:00 A.M.

Virtual Meeting via Zoom

Meeting was called to order by Chairperson Andréa Comer at 10:03 a.m.

**Council Members Present:**

Kyle Abercrombie (Designee for DECD Commissioner David Lehman)

Corrie Betts

Andréa Comer

Avery Gaddis

Subira Gordon

Michael Jefferson

Ojala Naeem

Marc Pelka (Designee for OPM Secretary Jeffrey Beckham)

Christine Shaw (Designee for State Treasurer Shawn Wooden)

Edwin Shirley

Kelli-Marie Vallieres

Kevin Walton

**Council Members Absent:**

Marilyn Alverio

**SEC Staff**: Ginne-Rae Clay, Executive Director; Jennifer Stevens, Associate Accountant; Kristina Diamond, Communications & Legislative Program Manager; Komla Matrevi, Staff Attorney; Jennifer Edwards, State Project Manager; Crystal Morris-Crenshaw, Administrative Assistant.

**Guests**: Geoffrey Magon, Senior Manager, CohnReznick; Sarona Saadeh, Manager, CohnReznick.

The Councilmembers reviewed the August 2, 2022, regular meeting minutes. Discussion ensued. Members voted to approve the minutes with recommended changes.

The Councilmembers voted on 19 (8 EJVs and 11 Lottery applications) social equity applications reviewed and recommended by CohnReznick as follows:

The Councilmembers voted unanimously to accept CohnReznick’s recommendation to approve the social equity status for six (6) equity joint ventures (all retailers) and to deny the social equity status for two (2) equity joint ventures (one micro-cultivator and one delivery service).

The Councilmembers voted unanimously to accept CohnReznick’s recommendation to approve the social equity status for one (1) food and beverage license applicant and to deny the social equity status for four (4) food and beverage license applicants.

The Councilmembers voted unanimously to accept CohnReznick’s recommendation to approve the social equity status for two (2) product manufacturer license applicants and to deny the social equity status for one (1) product manufacturer license applicant.

The Councilmembers voted unanimously to accept CohnReznick’s recommendation to approve the social equity status for one (1) transporter license applicant and to deny the social equity status for one (1) transporter license applicant.

The Councilmembers voted unanimously to accept CohnReznick’s recommendation to approve the social equity status for one (1) hybrid retailer license applicant.

Chairwoman, Andréa Comer, stated that the approved applications would be sent to the Department of Consumer Protection for further processing, and the remaining license types would be sent to DCP once the maximum number of applicants were approved for social equity status in each license category.

Executive Director Ginne-Rae Clay presented a report that included an update on the application review process; an update on the ongoing outreach and marketing work with Camelo Communications; an update on the budget, and the contract with Oaksterdam University for the accelerator program. Executive Director Clay requested the Council take action to create an ad hoc committee that would be chaired by Councilmember Avery Gaddis, to oversee the finalizing of the joint SEC/DECD Low-Interest Loan Program.

The Councilmembers unanimously voted to amend the agenda to include Director Clay’s request to create an ad hoc committee.

Regarding the recertification of the DIA map, Director Clay stated that the policy committee would review recertification recommendations for Council consideration. Director Clay presented the schedule for future SEC meetings. Councilmember Subira Gordon stated that the Councilmembers should discuss the meeting dates before the schedule is finalized.

Finance Committee Chairwoman, Christine Shaw reported that unspent general fund dollars have lapsed into the general fund and will not roll over as previously reported. After the Finance Committee meets on September 16th, the exact revenues available would be confirmed. Director Clay is working with the budget team at OPM and DECD to confirm the available amounts and will review the current year's budget at the next meeting in September. Director Clay sent all the committee chairs an invitation for input on the proposed 2024/2025 biennium budget that the Finance Committee will review at its next meeting. This budget will be presented to the full council in October.

Governance Committee Chairwoman, Ojala Naeem reported that the Governance Committee did not meet in August. Therefore, there are no updates.

Outreach Committee Chairwoman, Marylin Alverio reported that Director Clay presented updates on outreach and marketing in her report.

Policy Committee Chairman, Edwin Shirley reported that the Policy Committee held a meeting on August 18, 2022, to discuss legislative recommendations and to outline the process for submitting the proposals. The committee also discussed the framework for engaging in community reinvestment and the need to establish an ad hoc committee to finalize the low-interest loan program.

Workforce Development Committee Chairwoman, Kelli-Marie Vallieres reported that the committee did not have a meeting. Still, she met with Director Clay and CohnReznick to provide clarifications to CohnReznick on the workforce development plan rubric and criteria. The rubric will be applied to all the workforce plans using a point system. If an applicant receives less than meets expectations on any individual scores, they will be asked to come back with an additional response to beef up the plan in any of those areas. That plan will be approved if they meet the overall threshold of 70%, regardless of the feedback given. If they score a 70% on the project, the application will be approved once they address the questions and the areas in which they did not score well on the rubric. The goal is not to inhibit anyone's ability to get a license but to ensure they are developing a robust workforce development plan that meets the expectations of the Council. Committee Chairwoman Vallieres discussed the possibility of a position being posted for a workforce development program manager, with the goal that that person would work with the applicants to enhance their workforce development plans if necessary and work with the business side to ensure we understand the timeline for workforce development. No federal dollar can be spent on anything related to cannabis, so there will be careful accounting that cannabis dollars are strictly separated.

Chairwoman Andréa Comer has called for an executive session to discuss legal updates regarding pending litigation involving the Council and a personnel matter. The Councilmembers voted unanimously to enter an executive session to discuss legal updates regarding pending litigation involving the Social Equity Council. The Councilmembers were joined by Assistant Attorney Generals Joseph Gasser and Rebecca Quinn.

The Councilmembers came out of the executive session and had no further discussions.

The Meeting was adjourned at 12:29 pm.