

ORDINANCE NO. _____

An ordinance adding Article 5 to Chapter X of the Los Angeles Municipal Code to limit the location and permissibility of specified cannabis activities in the City of Los Angeles.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. A new Article 5 is added to Chapter X of the Los Angeles Municipal Code to read as follows:

ARTICLE 5

COMMERCIAL CANNABIS ACTIVITY

SEC. 105.00. PURPOSES AND INTENT.

The purpose of this article is to stem the negative impacts and secondary effects associated with Cannabis related activities in the City, including, but not limited to, those documented in case law and in the legislative histories of cannabis regulations in the City, including but not limited to: neighborhood disruption and intimidation caused in part by increased transient visitors; exposure of school-age children and other residents sensitive to cannabis; cannabis sales to minors; and violent crimes.

This article is part of the City's first comprehensive set of regulations addressing Commercial Cannabis Activity in the City. The purpose of this article is to strike a balance to protect local communities and neighborhoods from the known negative effects of cannabis activities, while also to provide for Commercial Cannabis Activity recognized by State law. This article may be reviewed by the City within four years after its adoption with the purpose to determine whether the public health, welfare, and safety would be served by either expanding or restricting the locations where Commercial Cannabis Activity occurs.

This article is not intended to conflict with federal or state law. It is the intention of the City Council that this article be interpreted to be compatible with federal and state enactments and in furtherance of the public purposes that those enactments encompass.

SEC. 105.01. DEFINITIONS.

The following words or phrases, when used in this article, shall be construed as defined below. Words and phrases not defined here shall be construed as defined in Sections 11.01 and 12.03 of this Code; and in Sections 1746, 11362.5, and 11362.7 of the Health and Safety Code:

“Alcoholism or Drug Abuse Recovery or Treatment Facility” shall be construed as defined in Section 11834.02 of the California Health and Safety Code.

“Business Premises” means the designated structure or structures and land specified in an application for a License that is owned, leased, or otherwise held under the control of the Applicant or Licensee where the licensed Commercial Cannabis Activity will be or is conducted.

“City” means the City of Los Angeles.

“Cannabis” means Cannabis as defined in Section 26001 of the California Business and Professions Code, included in the Medicinal and Adult Use Cannabis Regulation and Safety Act, as currently defined or as may be amended.

“Commercial Cannabis Activity” includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products as provided for in Division 10 of the California Business and Professions Code as implemented by the California Code or Regulations, as currently defined or as may be amended.

“Day Care Center” means Day Care Center as defined in Section 26001 of the California Business and Professions Code.

“EMMD” means an existing medical marijuana dispensary that is in compliance with all restrictions of Proposition D, notwithstanding those restrictions would have been repealed, including, but not limited to, either possessing a 2017 L050 BTRC and current with all City-owed business taxes, or received a BTRC in 2007, registered with the City Clerk by November 13, 2007 (in accordance with the requirements under Interim Control Ordinance 179027), received a L050 BTRC in 2015 or 2016, and is current with all City-owed business taxes.

“Public Library” means a place in which literary, musical, artistic, or reference materials, such as books, manuscripts, newspapers, recordings, or films, are kept for use but not for sale, which is under the control, operation or management of the City Board of Library Commissioners.

“Public Park” means an open space, park, playground, swimming pool, beach, pier, reservoir, golf course, or similar athletic field within the City of Los Angeles, which is under the control, operation or management of the City Board of Recreation and Park Commissioners, the Santa Monica Mountain Conservancy, the Mountains Recreation and Conservation Authority, the County of Los Angeles Department of Beaches and Harbors, or the California Department of Parks and Recreation.

“Residentially Zoned Property” means any lot located in the RA Suburban Zone, RE Residential estate Zone, RS Suburban Zone, R1 One-Family Zone, RU Residential Urban Zone, RZ Residential Zero Side Yard Zone, RW1 Residential Waterways Zone, R2 Two-Family Zone, RD Restricted Density Multiple Dwelling Zone, RMP Mobilehome Park Zone, RW2 Residential Waterways Zone, R3 Multiple Dwelling Zone, RAS3 Residential / Accessory Services Zone, R4 Multiple Dwelling Zone, RAS4 Residential / Accessory Services Zone, or R5 Multiple Dwelling Zone.

“School” means an institution of learning for minors, whether public or private, which offers instruction in grades K through 12 in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education. This definition includes kindergarten, elementary, junior high, senior high or any special institution of learning under the jurisdiction of the State Department of Education, but it does not include a vocational or professional institution or an institution of higher education, including a community or junior college, college or university.

“Permanent Supportive Housing” means Supportive Housing as defined in the Draft Permanent Supportive Housing Ordinance initiated August 30, 2017, CPC-2017-3136-CA, as may hereafter be adopted or amended, to include housing with no limit on length of stay that is occupied by persons with low incomes who have one or more disabilities and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people, but only to the extent such Permanent Supportive Housing provides on-site Supportive Services. As may hereafter be adopted or amended, Supportive Services means services that are provided on a voluntary basis to residents of Supportive Housing, including, but not limited to, a combination of subsidized, permanent housing, intensive case management, medical and mental health care, substance abuse treatment, employment services, benefits advocacy, and other services or service referrals necessary to obtain and maintain housing.

SEC. 105.02. LOCATION AND OTHER REQUIREMENTS FOR COMMERCIAL CANNABIS ACTIVITY.

The Commercial Cannabis Activity described in Subsections A(1) – A(7) shall be limited to such activity conducted by a person licensed by the state of California and the City to engage in such Commercial Cannabis Activity described in this article.

The Commercial Cannabis Activity described in Subsections A(1) – A(7) shall not be required to comply with the distance restriction from a school, day care center, or youth center stated in Business and Professions Code Section 26054. In place and stead of these State law distance and sensitive use restrictions, the Commercial

Cannabis Activity shall be required to meet the distance and sensitive use restrictions stated in this article.

(a) Commercial Cannabis Activity.

1. **Retailer Commercial Cannabis Activity.** Commercial Cannabis Activity falling under the category “Type 10 – Retailer” in Section 26050 of the California Business and Professions Code or “Type 9 – Non-Storefront Retailer” in California Code of Regulations Title 16 Division 42 Chapter 3 Section 5414; only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: C1 Limited Commercial Zone, C1.5 Limited Commercial Zone, C2 Commercial Zone, C4 Commercial Zone, C5 Commercial Zone, CM Commercial Manufacturing Zone, M1 Limited Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Commercial Manufacturing (Glencoe/Maxella) Zone: CM(GM) Zone under the Glencoe/Maxella Specific Plan; or

(3) Central City West Specific Plan Zone: RC4(CW) Residential Mixed-Use Category, RC5(CW) Residential Mixed-Use Category, C1(CW) Limited Commercial Category, C2(CW) Commercial Category, C4(CW) Commercial Category, or CM(CW) Commercial Manufacturing Category, under the Central City West Specific Plan; or

(4) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Retail Store, general merchandise” or “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(5) Los Angeles Sports and Entertainment District Specific Plan Zone: LASED Los Angeles Sports and Entertainment District Specific Plan Zone under the Los Angeles Sports and Entertainment District Specific Plan; or

(6) Playa Vista Specific Plan Zone: C1(PV) Commercial Zone, C2(PV) Regional Mixed Use Commercial (Area D) and Commercial Zone (Area C), M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(7) Oxford Triangle Specific Plan Zone: C4(OX)
Community Commercial under the Oxford Triangle Specific Plan; or

(8) Paramount Pictures Specific Plan Zone: Paramount Pictures Specific Plan Zone within the Lemon Grove Lot (Parcels A and B), South Bronson Lot, Windsor Lot, Camerford Lot, Waring Lot, and Gregory Lot (Parcels A and B) under the Paramount Pictures Specific Plan; or

(9) USC Specific Plan Zone: USC Specific Plan Zone within Subarea 3 under the USC Specific Plan; or

(10) Jordan Downs Urban Village Specific Plan Zone: CM(UV) Commercial Manufacturing Zone under the Jordan Downs Urban Village Specific Plan; or

(11) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) On a lot not occupied by a Day Care Center and that does not abut a lot occupied by a Day Care Center; and

(C) Outside of a 750-foot radius of a School, Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, and Permanent Supportive Housing; and outside of a 750-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity having on-site retail sales, which is licensed by the state of California and licensed by the City to engage in the Commercial Cannabis Activity defined in this section.

Exception. Type 9 – Non-Storefront Commercial Cannabis Activity shall not be required to locate outside of a 750-foot radius of a Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, and Permanent Supportive Housing; or outside of a 750-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity having on-site retail sales, which is licensed by the state of California and licensed by the City to engage in the Commercial Cannabis Activity. Type 9 – Non-Storefront Commercial Cannabis Activity shall be required to locate outside of a 600-foot radius of a School.

2. **Microbusiness Commercial Cannabis Activity.** Commercial Cannabis Activity falling under the category “Type 12 – Microbusiness” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: M1 Limited Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code. Type 12--Microbusiness Commercial Cannabis Activity that does not engage in retail activity with on-site sales may further locate in the MR1 Restricted Industrial Zone and MR2 Restricted Light Industrial Zone under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where "Hybrid Industrial" uses are permitted under the Warner Center Specific Plan; or

(3) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(4) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) For any Microbusiness Commercial Cannabis Activity with on-site sales to the public, on a lot not occupied by a Day Care Center and that does not abut a lot occupied by a Day Care Center; and

(C) Outside of a 750-foot radius of a School, Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, and Permanent Supportive Housing; and outside of a 750-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity, having on-site retail sales, which is licensed by the state of California and licensed by the City to engage in the Commercial Cannabis Activity defined in this section.

Exception. Any Microbusiness Commercial Cannabis Activity with sales to the public limited to off-site deliveries and having no on-site sales shall not be required to locate outside of a 750-foot radius of a Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, and Permanent Supportive Housing; or outside of a 750-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity having on-site retail sales, which is licensed by the state of California and licensed by the City to engage in the Commercial Cannabis Activity. Any Microbusiness Commercial Cannabis Activity Commercial Cannabis Activity with sales to the public limited to off-site

deliveries and having no on-site sales shall be required to locate outside of a 600-foot radius of a School.

3. Indoor Commercial Cannabis Cultivation Activity. Commercial Cannabis Activity falling under the category “Type 1A – Cultivation; Specialty indoor, Small”; “Type 1C – Cultivation, Specialty cottage, Small,” limited to indoor cultivation; “Type 2A – Cultivation; Indoor, Small”; “Type 3A – Cultivation; Indoor, Medium”; “Type 4 – Cultivation; Nursery,” limited to indoor cultivation; or “Type 5A – Cultivation; Indoor, Large,” in Section 26050 of the California Business and Professions Code; or “Processor” cultivation license in California Code of Regulations Title 3 Division 8 Chapter 1 Section 8201(f), limited to indoor processing; only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(3) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(4) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) Outside of a 600-foot radius of a School.

4. Level 1 Manufacturing Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 6 – Manufacturer 1” in Section 26050 of the California Business and Professions Code; or “Type N” or “Type P” in California Code of Regulations, Title 17, Division 1, Chapter 13, Section 40118; only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2

Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(3) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(4) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) Outside of a 600-foot radius of a School.

5. **Level 2 Manufacturing Commercial Cannabis Activity.**

Commercial Cannabis Activity falling under the category “Type 7 – Manufacturer 2” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(3) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; and

(B) Outside of a 600-foot radius of a School; and

(C) Outside of a 200-foot radius of any Residentially Zoned Property.

6. **Testing Commercial Cannabis Activity.** Commercial Cannabis Activity falling under the category “Type 8 – Testing” in Section 26050 of the

California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: CM Commercial Manufacturing Zone, MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Commercial Manufacturing (Glencoe/Maxella) Zone: CM(GM) Zone under the Glencoe/Maxella Specific Plan; or

(3) Central City West Specific Plan Zone: CM(CW) Commercial Manufacturing Category under the Central City West Specific Plan; or

(4) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where "Hybrid Industrial" uses are permitted under the Warner Center Specific Plan; or

(5) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(6) Jordan Downs Urban Village Specific Plan Zone: CM(UV) Commercial Manufacturing Zone under the Jordan Downs Urban Village Specific Plan; or

(7) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) Outside of a 600-foot radius of a School.

7. Distributor Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category "Type 11 – Distributor" in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3

Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” are permitted under the Warner Center Specific Plan; or

(3) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(4) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) Outside of a 600-foot radius of a School.

(b) The distance specified in this section between Commercial Cannabis Activity businesses shall be the horizontal distance measured in a straight line, without regard to intervening structures, from the closest exterior wall of each business. The distance between any Commercial Cannabis Activity business and any School, Public Park, Public Library, Alcoholism or Drug Recovery or Treatment Facility, or Permanent Supportive Housing, shall be the horizontal distance measured in a straight line, without regard to intervening structures, from the closest exterior wall of the business to the closest property line of the School, Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Rehabilitation Treatment Facility, or Permanent Supportive Housing.

(c) Commercial Cannabis Activity that has received licenses by the State and City for its location and otherwise meeting all other restrictions and requirements of this article shall be in violation of the distance restrictions in this article required from an Alcoholism or Drug Abuse Recovery or Treatment Facility, if the Alcoholism or Drug Abuse Recovery or Treatment Facility first opened for use by its patrons prior to the date the Commercial Cannabis Activity received licenses by the State and City for its location.

Commercial Cannabis Activity that has received licenses by the State and City for its location and otherwise meeting all other restrictions and requirements of this article shall be in violation of the distance restrictions in this article required from a Permanent Supportive Housing, if the Permanent Supportive Housing first appeared on a list of addresses and parcel numbers of Permanent Supportive Housing developments that have received entitlement approvals or a building permit from the City, provided by the Housing and Community Investment Department to the Department of Cannabis Regulation, prior to the date the Commercial Cannabis Activity received licenses by the State and City for its location.

Commercial Cannabis Activity that has received licenses by the State and City for its location and otherwise meeting all other restrictions and requirements of this article shall be in violation of the distance restrictions in this article required from a Public Park, Public Library, or private School, if the Public Park, Public Library, or private School: (a) first opened for use by its patrons or students before the Commercial Cannabis Activity received licenses by the State and City for its location, even if the Public Park, Public Library, or private School opened without a permit, authorization or approval for a Public Park, Public Library, or School; or (b) first received a permit, authorization or approval for Public Park, Public Library, or School before the Commercial Cannabis Activity received licenses by the State and City for its location.

Commercial Cannabis Activity that has received licenses by the State and City for its location and otherwise meeting all other restrictions and requirements of this article shall be in violation of the distance restrictions in this article required from a public School, if the public School: (a) first opened for use by students before the Commercial Cannabis Activity received licenses by the State and City for its location, even if the public School first opens without a permit, authorization or approval for a public School; or (b) first received a permit, authorization or approval by the Office of Public School Construction or California Department of Education or Division of the State Architect, before the Commercial Cannabis Activity received licenses by the State and City for its location.

SEC. 105.03. LIMITED GRANDFATHERING OF EXISTING MEDICAL MARIJUANA DISPENSARIES.

(a) **Limited Grandfathering of Existing Medical Marijuana Dispensaries Pending Receipt of a Final Response by the City to Application for a License.** An EMMD that is operating in compliance with the limited immunity provisions (Los Angeles Municipal Code Section 45.19.6.3) of Proposition D notwithstanding those restrictions would have been repealed, including the tax provisions (Los Angeles Municipal Code Section 21.50) of Proposition D, may continue to operate within the City at the one location identified in its original or amended business tax registration certificate until such time that the EMMD applies for and receives a final response to its application for a City license for Commercial Cannabis Activity being conducted at that location. To avail itself of the terms of this Section, an EMMD must: (1) apply for a license from the City within sixty calendar days of the first date that license applications are made available by the City; and (2) limit on-site cultivation to not exceed the size of the EMMD's existing square footage of the on-site cultivation on the Business Premises as of March 7, 2017, as documented by dated photographs or comparable evidence.

(b) **Limited Grandfathering if the City Issues a License.** If the City issues the EMMD a City license for Commercial Cannabis Activity, the EMMD shall continue to operate at its location within the City in accordance with the rules and regulations set forth by the City. Such EMMD shall not be subject to the zone, distance and sensitive use restrictions stated in Section 105.02 of this article until after December 31, 2022, on the condition that the EMMD: (1) operates and continues to operate in compliance with

the distance and sensitive use restrictions (Los Angeles Municipal Code Section 45.19.6.3(L) and (O) of Proposition D notwithstanding those restrictions would have been repealed; and (2) limits on-site cultivation to not exceed the size of the EMMD's existing square footage of the on-site cultivation on the Business Premises as of March 7, 2017, as documented by dated photographs or comparable evidence. If the EMMD issued a License fails to operate in compliance with these provisions of Proposition D, the EMMD's License shall be subject to revocation. This limited grandfathering shall not create, confer, or convey and vested right or nonconforming right or benefit regarding any activity conducted by the EMMD beyond the term and activities provided by the License. This limited grandfathering shall cease immediately after December 31, 2022. After December 31, 2022, all EMMDs shall be required to be located on a Business Premises that meets all the requirements of Article 5 of Chapter X of this Code. Any EMMD located on a Business Premises that does not meet all the requirements of Article 5 of Chapter X of this Code shall cease operating immediately after December 31, 2022.

(c) The limited grandfathering provided by this Section 105.03 shall not create, confer, or convey any vested right or nonconforming right or other benefit regarding any activity conducted by the EMMD beyond the term and activities provided by the licenses issued by the State and City to such EMMDs.

SEC. 105.04. NO AUTHORITY TO PERMIT USE IN ANY ZONE.

The use of any building, structure, location, premises or land for any Cannabis related activity is not currently enumerated in the Los Angeles Municipal Code as a permitted use in any zone, nor is the use set forth on the Official Use List of the City as determined and maintained by the Zoning Administrator.

The Commercial Cannabis Activity described in Subsections A(1) – A(7) of this article is limited to the term and activities provided by the licenses issued to such Commercial Cannabis Activity by the state of California and the City.

So long as this article remains in effect, the Zoning Administrator shall not have the authority to determine that the use of any building, structure, location, premises or land for any Cannabis related activity may be permitted in any zone; to add any Cannabis activity to the Official Use List of the City; or to grant any land use approval authorizing any Cannabis activity.

Subject to the restrictions of this section, the Zoning Administrator shall have authority to issue interpretations under Section 12.21A.2 of Chapter 1 of this Code as may be necessary to clarify any provision(s) of this article to remain consistent with any amendments to local or State law.

SEC. 105.05. NO VESTED OR NONCONFORMING RIGHTS.

Neither this article, nor any other provision of this Code, or action, failure to act, statement, representation, recognition, certificate, approval, permit or license issued by the City, the Department of Cannabis Regulation, the Cannabis Regulation Commission, or their respective representatives, agents, employees, attorneys or assigns, shall create, confer, or convey any vested or nonconforming right or benefit regarding any Commercial Cannabis Activity beyond the period of time and range of activities specifically provided by the licenses issued to such activity by the state of California and the City.

SEC. 105.06. UNLAWFUL CANNABIS ACTIVITY.

(a) It is unlawful to conduct any Commercial Cannabis Activity in the City without a license issued by the state of California and by the City. It is unlawful to conduct any Commercial Cannabis Activity in the City falling under Type 1 (Cultivation, Specialty outdoor, Small); Type 1B (Cultivation; Specialty mixed-light, Small); Type 1C (Cultivation, Specialty cottage, Small) (outdoor and mixed-light cultivation); Type 2 (Cultivation, Outdoor, Small); Type 2B (Cultivation; Mixed-light, Small); Type 3 (Cultivation, Outdoor, Medium); Type 3B (Cultivation; Mixed-light, Medium); Type 4 (Cultivation; Nursery) (mixed light cultivation); Type 5 (Cultivation; Outdoor; Large); or Type 5B (Cultivation, Mixed-light, Large), in Section 26050 of the California Business and Professions Code.

(b) It is unlawful to conduct any Commercial Cannabis Activity on any lot located within the Alameda District Specific Plan Zone, Los Angeles International Airport Specific Plan Zone, Port Master Plan of the Port of Los Angeles, or any zone or other area not identified in Section 105.02A of this article.

(c) It is unlawful to plant, cultivate, harvest, dry, process, manufacture or store any living marijuana plants allowed by State law, if such action or conduct occurs outdoors at any location in the City. This prohibition shall not apply to the limited conduct allowed under Health and Safety Code Section 11362.1(a)(3).

(d) It is unlawful to possess, plant, cultivate, harvest, dry, process, manufacture, distribute, store, test, package, label, transport, deliver, sell, purchase, obtain or give away any Cannabis or Cannabis product allowed by State law, if such action or conduct occurs in any structure where any Cannabis or Cannabis derived product is visible from the exterior of the structure. This prohibition shall not apply to the limited conduct allowed under Health and Safety Code Section 11362.1(a)(3).

(e) It is unlawful to transport or deliver by vehicle any Cannabis or Cannabis derived product allowed by State law, where any Cannabis or Cannabis derived product is visible from the exterior of the vehicle.

(f) It is unlawful to establish, operate or participate in a medical marijuana collective or cooperative unless in a dwelling unit which has no more than three qualified patients, persons with identification cards or primary caregivers or a combination of these amounting to three.

(g) It is unlawful to operate, use, or permit the operation or use of any land, structure, or vehicle in the City for any of the stated prohibited actions or conduct. It is unlawful to own, establish, or permit the establishment of any land, structure or vehicle in the City for any of the stated prohibited actions or conduct. It is unlawful to rent, lease or otherwise permit any of the prohibited actions or conduct at any location, structure or vehicle in the City.

SEC. 105.07. NO CONFLICT WITH STATE LAW.

This article is not intended to conflict with State law. This article shall be interpreted to be compatible with State enactments and in furtherance of the public purposes that those enactments encompass.

SEC. 105.08. NO CONFLICT WITH FEDERAL LAW.

This article is not intended to conflict with Federal law or stand as an obstacle or conflict with any efforts by the Federal government to enforce Federal laws related to Cannabis related activities.

Sec. 2. **SEVERABILITY.** If any section, subsection, subdivision, clause, sentence, phrase or portion of this article is held unconstitutional or invalid or unenforceable by any court or tribunal of competent jurisdiction, the remaining sections, subsections, subdivisions, clauses, sentences, phrases or portions of this measure shall remain in full force and effect, and to this end the provisions of this article are severable. Notwithstanding anything to the contrary in the prior sentence, if any State or City licensure requirement is held unconstitutional or invalid or unenforceable for any reason by any court or tribunal of competent jurisdiction, the Commercial Cannabis Activity subject to such licensure requirement shall be prohibited in the City.

Sec. 3. **URGENCY.** The City finds and declares that this ordinance is required for the immediate protection of the public peace, health and safety for the following reasons: As documented in, among other places, case law and the legislative histories of cannabis regulations in the City, the proliferation of unauthorized cannabis businesses, with the attendant crime and negative secondary impacts, poses a current and immediate threat to the public welfare; that despite aggressive enforcement by the office of the City Attorney, an unknown number of unauthorized cannabis businesses, including growers, delivery apps and delivery services, continue to open, close, and reopen within the City, and the proliferation of these unauthorized businesses has led to increased crime and negative secondary impacts in neighborhoods, including, but not limited to, violent crimes, robberies, the distribution of tainted marijuana, and the diversion of marijuana; that with State licenses for retail sales of cannabis, including

nonmedical cannabis, becoming available in 2018, a comprehensive regulatory and enforcement system is required to protect the public and consumers of cannabis from the aforementioned crime and negative secondary impacts on the City's communities; that the passage of the 2016 Adult Use of Marijuana Act has created confusion about the legality of commercial cannabis activity in the City in the absence of a comprehensive local regulatory and enforcement system, with certain businesses selling or distributing nonmedical cannabis to the public despite lacking the proper authorization from the State or City to do so; that the State's issuance of licenses to businesses in other, nearby jurisdictions in the absence of a comprehensive local regulatory and enforcement program in the City of Los Angeles would create further confusion and potentially lead to the further proliferation of unauthorized cannabis businesses in the City; and that this further proliferation would result in that threat to the public welfare. For all of these reasons, this ordinance shall become effective upon publication pursuant to Section 253 of the Los Angeles City Charter.

Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

Pursuant to Charter Section 559, I **disapprove** this ordinance on behalf of the City Planning Commission and recommend that it **not** be adopted

By _____
DAVID MICHAELSON
Chief Assistant City Attorney

November __, 2017

See attached report.

Date _____

Vincent P. Bertoni, AICP
Director of Planning

File No. _____

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I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than three-fourths** of all of its members.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____