

**DEPARTMENT OF
CITY PLANNING**

CITY PLANNING COMMISSION

DAVID H. J. AMBROZ
PRESIDENT

RENEE DAKE WILSON
VICE-PRESIDENT

ROBERT L. AHN

CAROLINE CHOE

RICHARD KATZ

JOHN W. MACK

SAMANTHA MILLMAN

VERONICA PADILLA-CAMPOS

DANA M. PERLMAN

ROCKY WILES
COMMISSION OFFICE MANAGER
(213) 978-1300

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

EXECUTIVE OFFICES
200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801

VINCENT P. BERTONI, AICP
DIRECTOR
(213) 978-1271

KEVIN J. KELLER, AICP
DEPUTY DIRECTOR
(213) 978-1272

LISA M. WEBBER, AICP
DEPUTY DIRECTOR
(213) 978-1274

JAN ZATORSKI
DEPUTY DIRECTOR
(213) 978-1273

<http://planning.lacity.org>

February 16, 2017

Los Angeles City Council
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, California, 90012

Attention: PLUM Committee

**SCOPE OF LAND USE REGULATIONS FOR MARIJUANA-RELATED USES;
CF 14-0366-S4**

Dear Honorable Members:

The City is in the process of transitioning from allowing limited land use provisions for the dispensing of medical marijuana to allow for the cultivation, distribution, processing, and sale of marijuana for both medical and non-medical adult use. In order to provide a clear regulatory path for this industry, the Department of City Planning (Department) will be navigating a complex legal framework, which includes an existing regulatory system governing Medical Marijuana Dispensaries (MMDs) and drafting proposed land use regulations, pursuant to new authority given by the passage of the State's Adult Use of Marijuana Act (AUMA). This report identifies some key land use topics to be addressed in this upcoming proposed land use ordinance. The passage of AUMA legalizes recreational/adult use of marijuana throughout the State and allows the City, at its discretion, to adopt local ordinances to regulate marijuana-related businesses. Those ordinances may include local zoning and land use requirements.

In May 2013, the City enacted Proposition D, which prohibited medical marijuana businesses but granted limited immunity from enforcement of the prohibition for the MMDs that evidenced a business tax registration or tax exemption from the City prior to November 13, 2007; this narrowed the number of immune businesses to 135. However, there are many other governmentally recognized and non-recognized MMDs in operation throughout the City. Additionally, there are many non-dispensary marijuana-related businesses that have been established throughout the City to accommodate the processing, testing, and distribution of medical marijuana for the dispensaries. It is anticipated that the existing inventory of marijuana-related businesses will not accommodate the demand for non-medical marijuana once it becomes legal in the State in 2018.

PROPOSED SCOPE OF LAND USE/ZONING REGULATIONS

The City intends to have regulations in place prior to AUMA going into effect on January 1, 2018. On December 6, 2016, the Planning and Land Use Management (PLUM) Committee of the City Council instructed the Department to submit this report on the scope of a land use and zoning ordinance for marijuana-related uses. In developing appropriate land use/zoning regulations pertaining to the adult use of marijuana, the City must assess appropriate land use controls for

various uses. The Department will also review current marijuana regulations in other California and US cities; this will assist Los Angeles in addressing the following land use topics in an upcoming draft ordinance:

1. Identification of New Marijuana-Related Uses in the Zoning Code
2. Buffering Sensitive Uses from Marijuana Stores
3. Zoning Permissions
4. Limitations on the Number of Marijuana Stores
5. Deliverables
6. Next Steps
7. Environmental Clearance

1. Identification of New Marijuana-Related Uses in the Zoning Code

The Department has preliminarily identified six marijuana-specific activities to be defined and added to the City's Zoning Code in order to provide consistent regulations for permitting and enforcement of marijuana-related land uses. The prospective marijuana-specific land uses are:

- a) Marijuana Cultivation (outdoor)
- b) Marijuana Cultivation (indoor)
- c) Marijuana Processing Facility
- d) Marijuana Storage and Distribution Facility
- e) Marijuana Store
- f) Marijuana Testing Facility

The State licenses more activities than the above list covers: 12 different licenses for marijuana cultivation, two for manufacturing, and one each for testing, retailer, distributor, and microbusiness. However, the Department believes that only the above-itemized uses would need to be added to the Zoning Code for land use and zoning purposes.

2. Buffering from Sensitive Uses

The Department recommends that minimum distance requirements from identified sensitive uses be established for marijuana stores. These distancing requirements could mirror existing requirements set forth by Proposition D regarding Medical Marijuana Dispensaries (MMDs), which restricts them as follows:

- 1,000-foot radius from schools, and
- 600-foot radius from:
 - alcoholism, drug abuse recovery, or treatment facilities,
 - child care facilities,
 - public libraries,
 - public parks,
 - religious institutions,
 - youth centers,
 - other marijuana businesses, and
- Entrance not abutting; across the street, alley or walk from; or share a common corner with residential zones.

Buffering Marijuana Stores from sensitive uses is necessary because retail uses are most appropriately located within commercial areas for easy access and visibility. Conversely, safeguards from the other, non-retail marijuana-related specific land uses, such as Marijuana

Cultivation, Marijuana Processing Facility, Marijuana Testing Facility, and Marijuana Storage and Distribution Facility, could be better satisfied through limiting the range of zones within which those uses could be allowed, as opposed to buffering them from the sensitive uses. Appropriate, more restrictive zoning could address potential land use conflicts associated with these remaining uses, whereas adding a buffer requirement on top of more restrictive zoning could render the legal placement of these remaining uses exceedingly difficult.

3. Zoning Permissions

Every land use permitted in the City is assigned a zone where it is first permitted and a level of permission. Levels of permission are generally as follows: “Permitted” (allowed by-right, ministerially), “Limited” (allowed with pre-set limitations, ministerially), “Conditionally” (allowed on a case-by-case basis, public hearing required), or not allowed. Uses are only allowed in zones with a given permission level. However, it should be noted that while non-residential uses generally cannot be developed in residential zones, the current structure of the Zoning Code allows residential uses to be developed in many non-residential zones.

The Department proposes assigning an appropriate zone and level of permission for new marijuana-related uses. Preliminary permission levels for marijuana-related businesses are proposed as follows:

USE TYPE	PERMITTED ZONES	PROHIBITED ZONES
Marijuana Cultivation Farm	Agricultural Zones	Commercial & Residential Zones
Marijuana Cultivation Facility	Most Industrial Zones	Agriculture, Commercial, & Residential Zones
Marijuana Processing Facility	Most Industrial Zones	Agriculture, Commercial, & Residential Zones
Marijuana Storage/Distribution Facility	Most Industrial Zones	Agriculture, Commercial, & Residential Zones
Marijuana Store	Limited Commercial & Industrial Zones	Agriculture & Residential Zones
Marijuana Testing Facility	Limited Commercial & Most industrial Zones	Residential Zones

4. Limitations on the Number of Marijuana Stores

The Department recognizes the need to balance the demand to purchase marijuana while controlling the possibility of the proliferation of such uses in any one area. Additionally, the Department is reviewing best practices to allow reasonable proximity for all City residents to marijuana sales and providing an appropriate range of siting locations for marijuana-related businesses.

The Department is reviewing regulations to establish two levels of limits on the number of Marijuana Stores as the method by which to accomplish this balance. The Department proposes that there be a cap on the total number of Marijuana Stores Citywide. In addition, to equitably distribute the limited citywide allowance, the Department proposes that there be a second cap on the number of Marijuana Stores allowed per geographic area, such as by community plan area or by Area Planning Commission area. This dual cap system will both limit the proliferation of new marijuana uses while also incentivizing their equitable distribution throughout the City’s 35 community plan areas. The Department will review the existing and/or proposed regulations of relevant other jurisdictions to learn whether any have instituted limitations on the number of marijuana-related businesses and what, if any, methodology was utilized.

5. Deliverables

The Department will proceed in preparing the following items. These materials will assist PLUM to further guide the development of an ordinance regulating the land use and zoning of marijuana-related businesses:

- a. Proposition D Medical Marijuana Dispensaries. The Department will provide a map illustrating the locations of all existing Proposition D Medical Marijuana Dispensaries.
- b. Sensitive uses. The Department will work with the Department of Building and Safety and the City Attorney's office in developing a workable list of sensitive uses, clear parameters as to what uses/businesses are included and what are not, and proposed buffer distances from these sensitive uses. The Department will then prepare a database identifying each sensitive use in the City, so that buffer areas can be mapped.
- c. Zoning maps. The Department will prepare maps illustrating where each type of marijuana-related use is proposed to be allowed, with proposed buffer areas excluded. A package of maps would be prepared for each community plan area, and each package would contain maps illustrating the potential locations for each of the new marijuana-related uses.

6. Next Steps

Upon review of the deliverables and further input from PLUM after the next report, the Department will prepare a draft ordinance. The draft ordinance would outline the basic elements needed to regulate the land use of specific marijuana-related businesses. The regulations would include in what zones each marijuana-related business would be permitted and under what required development, performance, or operational standards. Where not permitted, the specific use would be prohibited. It is anticipated that there would be no conditionally permitted marijuana-related uses. Other items that may be included in the ordinance are revocation procedures, enforcement, annual reporting, first inspections, and fees. It is also anticipated that the land use and zoning regulations will be used as objective standards, and that licensing review will be performed by a separate City department, agency, or office tasked with the responsibility of issuing local permits for marijuana-related establishments.

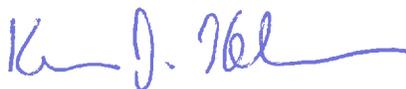
7. Environmental Clearance

Once the parameters of the ordinance are defined, the scope for an environmental analysis can be initiated.

Should you need further information on this matter please contact Phyllis Nathanson at (213) 978-1474 or Tom Rothmann at (213) 978-1891.

Sincerely,

VINCENT P. BERTONI, AICP
Director of Planning



Kevin J. Keller, AICP
Deputy Director

VPB:KJK:TR:PN:mn