

## ORDINANCE NO. \_\_\_\_\_

An ordinance amending Section 45.19.7.2 of Article 5.1 of Chapter IV of the Los Angeles Municipal Code to regulate commercial cannabis activities in the City of Los Angeles.

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

Section 1. Subsection (C) of Section 45.19.7.2 of Article 5.1, Chapter IV of the Los Angeles Municipal Code is amended to read as follows:

C. **Priority of Proposition D Compliant Dispensaries.** An existing medical marijuana dispensary ("EMMD") that is operating in compliance with the limited immunity provisions (Los Angeles Municipal Code Section 45.19.6.3) and 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 (BTRC) as of October 19, 2018, until such time that the EMMD applies for and receives a final response to its application for a City permit or license for commercial cannabis activity being conducted at that location. An EMMD that requested an amended BTRC prior to October 19, 2018, shall not be prohibited from operating at a new location approved by the Department of Cannabis Regulation. The City's designated licensing or permitting agency shall give priority in processing applications of EMMDs that can demonstrate to the City's designated licensing or permitting agency that the EMMD has operated in compliance with the limited immunity and tax provisions of Proposition D. To avail itself of the terms of this Section, including the priority processing, an EMMD must apply for a City permit or license within sixty calendar days of the first date that applications are made available for commercial cannabis activity. If the City issues the EMMD a license or permit 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.

Sec. 2. **URGENCY CLAUSE.** 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 by the Los Angeles Police Department, the City Attorney, and City Departments, unauthorized cannabis activity in the City continues to proliferate, with the attendant crime and negative secondary impacts that pose a current and immediate threat to the public welfare. In addition, most unauthorized cannabis businesses cultivate, manufacture, and sell cannabis that has not been tested in accordance with State standards, which also creates a current and immediate threat to the public welfare. The City's Social Equity Program plays a critical role in providing applicants equitable access to the licensed cannabis marketplace in the City and is an essential bulwark against the proliferation of unauthorized cannabis activity. The success of the Social Equity Program depends in part on the existence of viable locations for applicants to start their businesses. The recent movement of EMMDs across the City reduces the number of viable locations for Social Equity Program

applicants and therefore hinders the City's efforts to eliminate unauthorized cannabis activity and its attendant harm 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. 3. 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

By   
ALEXANDER FREEDMAN  
Deputy City Attorney

Date 11/9/18

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 its members.

CITY CLERK

MAYOR

\_\_\_\_\_  
Ordinance Passed \_\_\_\_\_

\_\_\_\_\_  
Approved \_\_\_\_\_