



**MICHAEL N. FEUER**  
CITY ATTORNEY

REPORT NO. R 18 - 0337

NOV 09 2018

**REPORT RE:**

**DRAFT ORDINANCES AMENDING SECTION 45.19.7.2 OF ARTICLE 5.1, CHAPTER IV OF THE LOS ANGELES MUNICIPAL CODE, SECTIONS 104.03 THROUGH 104.08, 104.10, 104.11, 104.13, 104.14 AND 104.20 OF ARTICLE 4, CHAPTER X OF THE LOS ANGELES MUNICIPAL CODE, AND CHAPTER 31 OF THE LOS ANGELES ADMINISTRATIVE CODE PERTAINING TO THE REGULATION OF COMMERCIAL CANNABIS ACTIVITY AND AMENDING THE RULES AND REGULATIONS FOR CANNABIS PROCEDURES**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Council File No. 14-0366-S5

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration, four enclosed draft ordinances, approved as to form and legality. The first draft ordinance amends Section 45.19.7.2 of Article 5.1, Chapter IV of the Los Angeles Municipal Code to preclude Existing Medical Marijuana Dispensaries (EMMD) from moving locations after October 19, 2018, while they are awaiting a final decision licensing decision from the City.

The second draft ordinance amends Article 4, Chapter X of the Los Angeles Municipal Code to: clarify the manner in which the Department of Cannabis Regulation (DCR) processes applications; specify the notice requirements for public hearings and community meetings; expand the scope of limited immunity provided to certain applicants; modify the procedures for an applicant to appeal a licensing decision by

DCR; clarify DCR's authority to take enforcement action against licensees and owners of business premises; provide additional direction for the conduct of administrative hearings; allow certain persons working at unlawful cannabis establishments to be issued citations under the City's Administrative Citation Enforcement Program; require the payment of additional fees related to licensing; expand the ownership requirements for the Social Equity Program; allow Tier 3 Social Equity Applicants to pay a fee in lieu of providing access to property; require licensees to submit a Cannabis Corporate Responsibility Report; and institute a Storefront Retailer Emblem Program.

The third draft ordinance amends the Rules and Regulation for Cannabis Procedures to align its provisions with the amendments to the City's Cannabis Procedures as described above.

The fourth draft ordinance amends Chapter 31 of the Los Angeles Administrative Code to change the name of the Cannabis Commission to the Cannabis Regulation Commission and the Cannabis Department to the Department of Cannabis Regulation.

The City Council also requested this Office to prepare an ordinance to provide that an EMD shall not be subject to Section 45.19.6.3(L) of Proposition D (notwithstanding it has been repealed), which restricts the location of ingress and egress to its premises. To do so, this Office would have to amend Article 5, Chapter X of the Los Angeles Municipal Code, which was passed by the City Council pursuant to Charter Section 558. All amendments to an ordinance passed pursuant to Charter Section 558 must first be referred to the City Planning Commission. Accordingly, this Office advises the City Council to refer this request to the City Planning Commission.

#### Council Rule 38 Referral

Copies of the draft ordinances were sent, pursuant to Council Rule 38, to the Department of Cannabis Regulation with a request that all comments, if any, be presented directly to the City Council when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Alexander Freedman at (213) 978-7476. He or another member of this Office will be present when you consider this matter to answer questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON  
Chief Assistant City Attorney

DM:pj  
Transmittal