

Appendix C: Findings

General Plan/Charter Findings

1. In accordance with **City Charter Section 556**, the proposed ordinance (Appendix A) is in substantial conformance with the purposes, intent, and provisions of the General Plan. The draft ordinance furthers the following goals and objectives of the General Plan:

Framework Element:

Goal 7B. A City with land appropriately and sufficiently designated to sustain a robust commercial and industrial base.

Objective 7.2. Establish a balance of land uses that provides for commercial and industrial development which meets the needs of local residents, sustains economic growth, and assures maximum feasible environmental quality.

The draft ordinance helps to create a City with land appropriately and sufficiently designated to sustain a robust commercial and industrial base by balancing the proliferation of commercial cannabis activity, public safety, and access to cannabis and cannabis-derived products. It advances these policies by identifying certain agricultural, commercial and industrial zones as eligible locations for the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products, and by requiring businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis.

The draft ordinance helps to establish a balance of land uses that provides for commercial and industrial development which meets the needs of local residents, sustains economic growth, and ensures maximum feasible environmental quality, for the same reasons previously stated, by balancing the proliferation of commercial cannabis activity, public safety, and access to cannabis and cannabis-derived products.

Goal 7D. A City able to attract and maintain new land uses and businesses.

The draft ordinance helps to create a City able to attract and maintain new land uses and businesses by balancing the proliferation of commercial cannabis activity, public safety, and access to cannabis and cannabis-derived products. It advances this policy by identifying certain agricultural, commercial and industrial zones as eligible locations for the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products, and by requiring businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis.

Housing Element:

Objective 2.1. Promote safety and health within neighborhoods.

Policy 2.1.1. Establish development standards and policing practices that reduce the likelihood of crime.

Policy 2.1.2. Establish development standards and other measures that promote and implement positive health outcomes.

The draft ordinance helps to reduce the likelihood of crime and promote positive health outcomes by controlling the proliferation of commercial cannabis activity and restricting the location, in particular, of retail-type cannabis businesses, which have been associated with criminal activity, nuisance behavior, and negative secondary effects. The draft ordinance contains location restrictions that limit the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products to certain agricultural, commercial and industrial zones and require businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis.

These restrictions will help to reduce the likelihood of crime and associated negative secondary impacts on neighborhoods by discouraging over-concentration of cannabis retail businesses with on-site sales in the same neighborhood, so that no single area becomes a destination for cannabis retail and the anticipated instances of crime and nuisance behavior remain isolated from one another.

Despite legal prohibitions against the behavior, some public consumption of cannabis is inevitable near sites with on-site cannabis retail sales. By increasing the distance between on-site cannabis retail sales and between on-site cannabis retail sales and sensitive sites – particularly parks, libraries, and schools where minors are likely to congregate – these location restrictions will help to reduce exposure to health risks such as secondhand smoke, and will help to reduce minors' exposure to cannabis and cannabis-derived products.

2. In accordance with **City Charter Section 558(b)(2)**, the adoption of the proposed ordinance will be in conformity with public necessity, convenience, general welfare and good zoning practice.

Conformity with Public Necessity: The proposed ordinance is in conformity with public necessity because it: a) identifies appropriate zones for the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products in the City; and b) requires businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis; c) provides needed regulation to an emerging industry with the potential to generate jobs and revenue in the City; d) balances concerns regarding public safety with access to cannabis and cannabis-derived products.

In addition, the proposed ordinance is in conformity with public necessity because it responds to the passage by voters, in the election of March 7, 2017, of Proposition M, which requires the City Council to repeal the City's existing regulations concerning

medical cannabis dispensaries and states the City's intent to adopt a comprehensive regulatory process and structure for all medical and nonmedical commercial cannabis activity; and as part of that process and structure, it is in the interest of the public safety and welfare to regulate the location and distance requirements of cannabis-related businesses to ensure compatibility with surrounding neighborhoods and protect sensitive sites from negative impacts.

Furthermore, the proposed ordinance is in conformity with public necessity because it responds to recent State legislation – including the 2015 Medical Cannabis Regulation and Safety Act, and the 2016 Adult Use of Marijuana Act (Proposition 64) – that present challenges to license and regulate both medical and nonmedical cannabis and ensure that commercial cannabis activity is compatible with surrounding neighborhoods and that sensitive sites are protected from negative impacts.

Conformity with Public Convenience: The proposed ordinance is in conformity with public convenience for the same reasons as stated above, because it: a) identifies appropriate zones for the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products in the City; and b) requires businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis; c) provides needed regulation to an emerging industry with the potential to generate jobs and revenue in the City; d) balances concerns regarding public safety with access to cannabis and cannabis-derived products.

Conformity with General Welfare: The proposed ordinance is in conformity with general welfare for the same reasons as stated above, because it: a) identifies appropriate zones for the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products in the City; and b) requires businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis; c) provides needed regulation to an emerging industry with the potential to generate jobs and revenue in the City; d) balances concerns regarding public safety with access to cannabis and cannabis-derived products.

Conformity with Good Zoning Practice: The proposed ordinance is in conformity with good zoning practice by: a) identifying appropriate zones for the sale, cultivation, manufacturing, distribution and testing of cannabis and cannabis-derived products in the City; b) separating incompatible land uses and preserving the character of neighborhoods by requiring businesses engaging in on-site sales of cannabis to maintain an additional distance from specified categories of sensitive sites, as well as from other businesses engaging in on-site sales of cannabis.

CEQA Findings

The Department of City Planning determined that the proposed ordinance (Appendix A) would not have a significant impact on the environment. Negative Declaration ENV-2017-

2261-ND (Appendix D) was prepared to assess any potential impacts on the physical environment.

On the basis of the whole of the record before the lead agency, including any comments received, the lead agency finds that there is no substantial evidence that the proposed ordinance (Appendix A) could have a negative effect on the environment. The attached Negative Declaration was published in the Los Angeles Times on Thursday, August 31, 2016, and reflects the lead agency's independent judgment and analysis. The records upon which this decision is based are located at the Code Studies Division of the Department of City Planning in City Hall Room 701, 200 North Spring Street.

Furthermore, based on the whole of the administrative record, the lead agency finds that the project is exempt from CEQA pursuant to California Business and Professions Code Section 26055(h) on the basis that the project will adopt ordinances, rules and/or regulations, that will require discretionary review under CEQA to approve licenses to engage in commercial cannabis activity in the City of Los Angeles (ENV-2017-3361-SE).