

**NEGATIVE DECLARATION; EXEMPTION; RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT; and, ORDINANCE FIRST CONSIDERATION** relative to establishing location restrictions for commercial cannabis activity.

**Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:**

1. FIND, pursuant to California Environmental Quality Act of 1970 (CEQA) Guidelines Section 15074(b), after consideration of the whole of the administrative record, including Negative Declaration No. ENV-2017-2261-ND, and all comments received, that there is no substantial evidence that the project will have a significant effect on the environment.
2. DETERMINE, based on the whole of the administrative record, 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.
3. PRESENT and ADOPT the accompanying ORDINANCE, and REQUEST the City Attorney, with the assistance of the Department of City Planning (DCP), the Department of Cannabis Regulation (DCR), and the Chair of the Rules, Elections, and Intergovernmental Relations Committee, to make the following changes, additions, or deletions to the revised proposed Ordinance relative to the Commercial Cannabis Location Restriction Ordinance, and to PREPARE and PRESENT a revised ordinance, including a redlined version based on the November 27 version and new maps, incorporating the following amendments:
  - a. Modify language to Section 105.01 relative to Definitions for a Public Park to include any property in the City of Los Angeles zoned Open Space (OS) as defined under Section 12.04.05 of the Los Angeles Municipal Code.
  - b. Modify language to Section 105.01 relative to Definitions for a Public Library to clarify that this definition is intended to describe facilities that are open to the public.
  - c. Modify language to Section 105.01 relative to Definitions for Existing Medical Marijuana Dispensary (EMMD) to state ...2015 or 2016, and submits payment for all City-owned business taxes before the application is deemed complete... to allow for a grace period for those unable to previously pay business taxes due to non-acceptance by the Office of Finance.
  - d. Delete the language in Sections 105.02(a)(1)(B) and 105.02(a)(2)(B) relative to Day Care Centers, Add Day Care Centers as defined in Section 1596.76 of the State of California Health and Safety Code and licensed by the State of California to the list of sensitive uses under Sections 105.02(a)(1)(C) and 105.02(a)(2)(C), and Modify Sections 105.02 (a)(1)(C) and 105.02(a)(2)(C) relative to sensitive uses to change the buffer to a 700 foot radius.
  - e. Modify language in Section 105.02(a)(1)(A)(6) relative to the Playa Vista Specific Plan to remove the following reference: C1 (PV) Commercial Zone, C2 (PV)

Regional Commercial (Area D) and Commercial Zone (Area C).

- f. Delete Section 105.02(a)(1)(A)(7) relative to the Oxford Triangle Specific Plan.
  - g. Add the term Day Care Center to Section 105.02(b) relative to sensitive use measurements.
  - h. Modify language to Sections 105.03(a)(2) and 105.03(b)(2) relative to Prop M Priority Processing to read: limit on-site cultivation at the Business Premises to not exceed the size of the EMMD's existing square footage of building space as of March 7, 2017, as documented by dated photographs, building lease entered into on or before March 7, 2017, or other comparable evidence.
  - i. Modify language to Section 105.05 relative to no vested or nonconforming rights to include the following additional language: This article does not create, confer, or convey any right or benefit regarding any activity beyond the lawfulness of any License issued by the City to engage in Commercial Cannabis Activity or any applicable State of California license for such activity. If any City License or any applicable State license is held unconstitutional, invalid or unenforceable for any reason by any court or tribunal of competent jurisdiction, the Commercial Cannabis Activity subject to such license shall be prohibited in the City of Los Angeles and shall immediately cease all operations in the City. The owner of any City License or any applicable State license assumes all risk associated with the validity of such licenses. The owner of any license found to be unconstitutional, invalid or unenforceable and required thereby to cease Commercial Cannabis Activity, shall not be entitled to any compensation from the City of Los Angeles based upon such license; the finding that such license is unconstitutional, invalid or unenforceable; or the requirement that any Commercial Cannabis Activity must thereby immediately cease in the City.
4. AUTHORIZE the City Attorney, with the assistance of DCR and the Chair of Rules, Elections, and Intergovernmental Relations Committee, to make any technical modifications and/or legal corrections to the draft ordinance, draft ordinance requests, and any other related actions listed above in order to further the objectives as described in these recommendations and to make consistent with Council File No. 14-0366-S4.
  5. INSTRUCT the DCP, with the assistance of the City Attorney and the DCR, to report with an analysis of mixed light cultivation in manufacturing zones.
  6. INSTRUCT the Housing and Community Investment Department, with the assistance of the DCR, DCP, and the Department of Building and Safety, to report monthly beginning Tuesday January 2, 2018, and on the first business day of every month with a list of addresses and parcel numbers of permanent supportive housing developments where services are provided on site that has received entitlement approvals or a building permit from the City, including the date of such approvals.

Fiscal Impact Statement: None submitted by the Department of City Planning. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes.  
Foothill Trails District Neighborhood Council  
East Hollywood Neighborhood Council  
Studio City Neighborhood Council (Communication)

**- URGENCY CLAUSE -**

**(12 VOTES REQUIRED)**

**SUMMARY**

At its special meeting held December 4, 2017, the Rules, Elections, and Intergovernmental Relations Committee considered this matter. During the public comment period, several speakers expressed concern regarding allowing applicants with felony records to obtain a license to sell cannabis. Other expressed support for the proposed provisions of the social equity program and urged the Committee to include a process for applicants with non-cannabis felony records to obtain licenses. Other speakers expressed concern that zoning and setback requirements were too strict for cannabis businesses.

The Rules, Elections, and Intergovernmental Relations Committee recommended that Council approve the accompanying Ordinances and related environmental findings. Committee also recommended additional amendments and instructions, as reflected above.

Respectfully Submitted,

Rules, Elections, and Intergovernmental Relations Committee

<u>MEMBER</u>	<u>VOTE</u>
WESSON:	YES
HUIZAR:	YES
HARRIS-DAWSON:	YES

jaw

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**

