

ORDINANCE NO. _____

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

Section 1. A new Article 5 is added to Chapter X of the Los Angeles Municipal Code to read as follows:

ARTICLE 5

COMMERCIAL CANNABIS ACTIVITY

SEC. 105.00. PURPOSES AND INTENT.

The purpose of this Article is to stem the negative impacts and secondary effects associated with Cannabis related activities in the City, including but not limited to those documented in case law and in the legislative histories of cannabis regulations in the City, including but not limited to: neighborhood disruption and intimidation caused in part by increased transient visitors; exposure of school-age children and other sensitive residents to cannabis; cannabis sales to minors; and violent crimes.

This Article is part of the City's first comprehensive set of regulations addressing Commercial Cannabis Activity in the City. The purpose of this Article is to strike a balance to protect local communities and neighborhoods from the known negative effects of cannabis activities, while also to provide for Commercial Cannabis Activity recognized by State law. This Article may be reviewed by the City within four years after its adoption with the purpose to determine whether the public health, welfare, and safety would be served by either expanding or restricting the locations where Commercial Cannabis Activity occurs.

This Article is not intended to conflict with federal or state law. It is the intention of the City Council that this Article be interpreted to be compatible with federal and state enactments and in furtherance of the public purposes that those enactments encompass.

SEC. 105.01. DEFINITIONS.

The following words or phrases, when used in this Article, shall be construed as defined below. Words and phrases not defined here shall be construed as defined in Sections 11.01 and 12.03 of this Code; and in Sections 1746, 11362.5, and 11362.7 of the Health and Safety Code.

"Alcoholism or Drug Abuse Recovery or Treatment Facility" shall be construed as defined in Section 11834.02 of the California Health and Safety Code.

"City" means the City of Los Angeles.

"Cannabis" means Cannabis as defined in Section 26001 of the California Business and Professions Code, included in the Medicinal and Adult Use Cannabis Regulation and Safety Act.

"Commercial Cannabis Activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products as provided for in Division 10 of the California Business and Professions Code.

"Public Library" means a place in which literary, musical, artistic, or reference materials, such as books, manuscripts, newspapers, recordings, or films, are kept for use but not for sale, which is under the control, operation or management of the City Board of Library Commissioners.

"Public Park" means an open space, park, playground, swimming pool, beach, pier, reservoir, golf course, or similar athletic field within the City of Los Angeles, which is under the control, operation or management of the City Board of Recreation and Park Commissioners, the Santa Monica Mountains Conservancy, the Mountains Recreation and Conservation Authority, the County of Los Angeles Department of Beaches and Harbors, or the California Department of Parks and Recreation.

"School" means an institution of learning for minors, whether public or private, which offers instruction in grades K through 12 in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education. This definition includes kindergarten, elementary, junior high, senior high or any special institution of learning under the jurisdiction of the State Department of Education, but it does not include a vocational or professional institution or an institution of higher education, including a community or junior college, college or university.

SEC. 105.02. LOCATION AND OTHER REQUIREMENTS FOR COMMERCIAL CANNABIS ACTIVITY.

The Commercial Cannabis Activity described in subsections A(1) – A(8) shall be limited to such activity conducted by a person licensed by the state of California and the City's Department of Cannabis Regulation to engage in such Commercial Cannabis Activity described in this Article.

The Commercial Cannabis Activity described in subsections A(1) – A(8) shall not be required to comply with the distance restriction from a school, day care center, or youth center stated in Business and Professions Code Section 26054. In place and stead of these State law distance and sensitive use restrictions, the Commercial Cannabis Activity shall be required to meet the distance and sensitive use restrictions stated in this Article.

A. Commercial Cannabis Activity

1. Retailer Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 10--Retailer” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: C1 Limited Commercial Zone, C1.5 Limited Commercial Zone, C2 Commercial Zone, C4 Commercial Zone, C5 Commercial Zone, CM Commercial Manufacturing Zone, M1 Limited Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Commercial Manufacturing (Glencoe/Maxella) Zone: CM(GM) Zone under the Glencoe/Maxella Specific Plan; or

(3) Central City West Specific Plan Zone: RC4(CW) Residential Mixed-Use Category, RC5(CW) Residential Mixed-Use Category, C1(CW) Limited Commercial Category, C2(CW) Commercial Category, C4(CW) Commercial Category, or CM(CW) Commercial Manufacturing Category, under the Central City West Specific Plan; or

(4) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Retail Store, general merchandise” or “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(5) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan; or

(6) Los Angeles Sports and Entertainment District Specific Plan Zone: LASED Los Angeles Sports and

Entertainment District Specific Plan Zone under the Los Angeles Sports and Entertainment District Specific Plan; or

(7) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(8) Playa Vista Specific Plan Zone: C1(PV) Commercial Zone, C2(PV) Regional Mixed Use Commercial (Area D) and Commercial Zone (Area C), M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(9) Oxford Triangle Specific Plan Zone: C4(OX) Community Commercial under the Oxford Triangle Specific Plan; or

(10) Paramount Pictures Specific Plan Zone: Paramount Pictures Specific Plan Zone within the Main Lot, Lemon Grove Lot (Parcels A and B), South Bronson Lot, Windsor Lot, Camerford Lot, Waring Lot, and Gregory Lot (Parcels A and B) under the Paramount Pictures Specific Plan; or

(11) USC Specific Plan Zone: USC Specific Plan Zone within Subarea 3 under the USC Specific Plan; or

(12) Jordan Downs Urban Village Specific Plan Zone: CM(UV) Commercial Manufacturing Zone under the Jordan Downs Urban Village Specific Plan; or

(13) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) Outside of an 800-foot radius of a School, Public Park, Public Library, and Alcoholism or Drug Abuse Recovery or Treatment Facility; and outside of an 800-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity having on-site retail sales, which is licensed by the state of California and licensed by the City's Department of Cannabis Regulation to engage in the Commercial Cannabis Activity defined in this section.

Exception. Any Retailer Commercial Cannabis Activity with sales to the public limited to off-site deliveries and having no on-site sales shall not be required to be located outside of the 800-foot radius cited in this Paragraph (B).

2. Microbusiness Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 12--Microbusiness” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: M1 Limited Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(3) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan; or

(4) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(5) Paramount Pictures Specific Plan Zone: Paramount Pictures Specific Plan Zone within the Main Lot under the Paramount Pictures Specific Plan; or

(6) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(7) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

(B) Outside of an 800-foot radius of a School, Public Park, Public Library, and Alcoholism or Drug Abuse Recovery or Treatment

Facility; and outside of an 800-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity, having on-site retail sales, which is licensed by the state of California and licensed by the City's Department of Cannabis Regulation to engage in the Commercial Cannabis Activity defined in this section.

Exception. Any Microbusiness Commercial Cannabis Activity with sales to the public limited to off-site deliveries and having no on-site sales shall not be required to be located outside of the 800-foot radius cited in this Paragraph (B).

3. Indoor Commercial Cannabis Cultivation Activity. Commercial Cannabis Activity falling under the category "Type 1A—Cultivation; Specialty indoor, Small"; "Type 2A—Cultivation; Indoor, Small"; "Type 3A—Cultivation; Indoor, Medium"; "Type 4—Cultivation; Nursery", limited to indoor cultivation; or "Type 5A—Cultivation; Indoor, Large", in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where "Hybrid Industrial" uses are permitted under the Warner Center Specific Plan; or

(3) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan; or

(4) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(5) Paramount Pictures Specific Plan Zone: Paramount Pictures Specific Plan Zone within the Main Lot under the Paramount Pictures Specific Plan; or

(6) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(7) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

4. Mixed-Light Commercial Cannabis Cultivation Activity. Commercial Cannabis Activity falling under the category “Type 1B—Cultivation; Specialty mixed-light, Small”; “Type 2B—Cultivation; Mixed-light, Small”; “Type 3B—Cultivation; Mixed-light, Medium”; “Type 4—Cultivation; Nursery”, limited to mixed light cultivation, in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: A1 Agricultural Zone, or A2 Agricultural Zone, under Chapter 1 of the Los Angeles Municipal Code, provided that the use is accessory in nature.

5. Level 1 Manufacturing Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 6—Manufacturer 1” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(3) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan; or

(4) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(5) Paramount Pictures Specific Plan Zone: Paramount Pictures Specific Plan Zone within the Main Lot under the Paramount Pictures Specific Plan; or

(6) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(7) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

6. Level 2 Manufacturing Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 7—Manufacturer 2” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(3) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan; or

(4) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(5) Paramount Pictures Specific Plan Zone: Paramount Pictures Specific Plan Zone within the Main Lot under the Paramount Pictures Specific Plan; or

(6) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan.

7. Testing Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 8—Testing” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: CM Commercial Manufacturing Zone, MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(2) Commercial Manufacturing (Glencoe/Maxella) Zone: CM(GM) Zone under the Glencoe/Maxella Specific Plan; or

(3) Central City West Specific Plan Zone: CM(CW) Commercial Manufacturing Category under the Central City West Specific Plan; or

(4) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” uses are permitted under the Warner Center Specific Plan; or

(5) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan; or

(6) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(7) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(8) Jordan Downs Urban Village Specific Plan Zone: CM(UV) Commercial Manufacturing Zone under the Jordan Downs Urban Village Specific Plan; or

(9) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA) Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan; and

8. Distributor Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 11—Distributor” in Section 26050 of the California Business and Professions Code, only to the extent such commercial activity is located and occurring:

(A) Within any of the following zones:

(1) Chapter 1 of the Los Angeles Municipal Code: MR1 Restricted Industrial Zone, M1 Limited Industrial Zone, MR2 Restricted Light Industrial Zone, M2 Light Industrial Zone, or M3 Heavy Industrial Zone, under Chapter 1 of the Los Angeles Municipal Code; or

(4) Warner Center Specific Plan Zone: WC Warner Center Specific Plan Zone where “Hybrid Industrial” are permitted under the Warner Center Specific Plan; or

(5) Alameda District Specific Plan Zone: ADP Alameda District Specific Plan Zone under the Alameda District Specific Plan, or

(6) Los Angeles International Airport Specific Plan Zone: LAX Los Angeles International Airport Specific Plan Zone within the Airport Airside Sub-Area, Airport Landside Sub-Area, and LAX Northside Sub-Area under the Los Angeles International Airport Specific Plan; or

(7) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(8) Cornfield-Arroyo Seco Specific Plan Zone: UC(CA) Urban Center, UI(CA) Urban Innovation, UV(CA)

Urban Village Zones under the Cornfield-Arroyo Seco Specific Plan.

B. The distances specified in this section shall be the horizontal distance measured in a straight line from the property line of the School, Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, or other stated Commercial Cannabis Activity, to the closest property line of the lot on which the subject Commercial Cannabis Activity is located, without regard to intervening structures.

C. Commercial Cannabis Activity otherwise meeting all restrictions of this Article shall not be in violation of the distance restrictions in this Article applied to a Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, or School, respectively, if the following occurs after the later of the date on which the: (a) State issues a license to the Commercial Cannabis Activity for its location; and (b) the City's Department of Cannabis Regulation issues a license to the Commercial Cannabis Activity:

(1) The Public Park, Public Library, or Alcoholism or Drug Abuse Recovery or Treatment Facility, first opens for use by its patrons within the prohibited distances stated in subsections 1(B) or 2(B) of subsection A of this section; or

(2) The private School receives a building permit from the City for a school at a location within the prohibited distances stated in subsections 1(B) or 2(B) of subsection A of this section; or

(3) The public School receives approvals by the Office of Public School Construction and California Department of Education and Division of the State Architect, for a location within the prohibited distances stated in subsections 1(B) or 2(B) of subsection A of this section.

SEC. 105.03 LIMITED GRANDFATHERING OF PROPOSITION D COMPLIANT EXISTING MEDICAL MARIJUNA DISPENSARIES

A. Limited Grandfathering of Existing Medical Marijuana Dispensaries Pending Receipt of a Final Response by the City's Department of Cannabis Regulation to Application for a License: 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) of Proposition D notwithstanding those restrictions are now repealed, 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 until such time that the EMMD applies for and receives a final response to its application for a City license for Commercial Cannabis Activity being conducted at that location. To avail itself of the terms of this Section, an EMMD must: (1) apply

for a license from the City's Department of Cannabis Regulation within sixty calendar days of the first date that license applications are made available by the City's Department of Cannabis Regulation; and (2) not expand the physical size of its business premises beyond the physical size of its business premises existing as of March 7, 2017, the date Los Angeles City voters passed the Los Angeles Cannabis Enforcement, Taxation, and Regulation Act (Proposition M).

B. Limited Grandfathering If the City's Department of Cannabis Regulation Issues a License: If the City's Department of Cannabis Regulation issues the EMMD a City license 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. Such EMMB shall not however be subject to the zone, distance and sensitive use restrictions stated in Section 105.02 of this Article as long as and on the condition that the EMMB: (1) operates and continues to operate in compliance with the distance and sensitive use restrictions (Los Angeles Municipal Code Section 45.19.6.3(L) and (O) of Proposition D notwithstanding those restrictions are now repealed; and (2) does not expand the physical size of its business premises beyond the physical size of its business premises existing as of March 7, 2017, the date Los Angeles City voters passed Proposition M.

SEC. 105.04 NO AUTHORITY TO PERMIT USE IN ANY ZONE

The use of any building, structure, location, premises or land for any Cannabis related activity is not currently enumerated in the Los Angeles Municipal Code as a permitted use in any zone, nor is the use set forth on the Official Use List of the City as determined and maintained by the Zoning Administrator.

The Commercial Cannabis Activity described in subsections A(1)–A(8) of this Article is limited to the activities provided by the licenses issued to such Commercial Cannabis Activity by the state of California and the City's Department of Cannabis Regulation.

So long as this Article remains in effect, the Zoning Administrator shall not have the authority to determine that the use of any building, structure, location, premises or land for any Cannabis related activity may be permitted in any zone; to add any Cannabis activity to the Official Use List of the City; or to grant any land use approval authorizing any Cannabis activity.

Subject to the restrictions of this section, the Zoning Administrator shall have authority to issue interpretations under Section 12.21A.2 of Chapter 1 of this Code as may be necessary to clarify any provision(s) of this Article to remain consistent with any amendments to State law.

SEC. 105.05. NO VESTED OR NONCONFORMING RIGHTS.

Neither this Article, nor any other provision of this Code, or action, failure to act, statement, representation, recognition, certificate, approval, permit or license issued by the City, its Department of Cannabis Regulation, its departments, or their respective representatives, agents, employees, attorneys or assigns, shall create, confer, or convey any vested or nonconforming right or benefit regarding any Commercial Cannabis Activity beyond the activities provided by the licenses issued to such activity by the state of California and the City's Department of Cannabis Regulation.

SEC. 105.06. UNLAWFUL CANNABIS ACTIVITY.

A. It is unlawful to conduct any Commercial Cannabis Activity in the City without a license issued by the state of California and by the City's Department of Cannabis Regulation.

B. It is unlawful to conduct any Commercial Cannabis Activity in the City falling under Type 1 (Cultivation, Specialty outdoor, Small); Type 1C (Cultivation, Specialty cottage, Small); Type 2 (Cultivation, Outdoor, Small); Type 3 (Cultivation, Outdoor, Medium); Type 5 (Cultivation; Outdoor; Large); or Type 5B (Cultivation, Mixed-light, Large), in Section 26050 of the California Business and Professions Code.

C. It is unlawful to plant, cultivate, harvest, dry, process, manufacture or store any living marijuana plants allowed by State law, if such action or conduct occurs outdoors at any location in the City. This prohibition shall not apply to the limited conduct allowed under Health and Safety Code § 11362.1(a)(3).

D. It is unlawful to possess, plant, cultivate, harvest, dry, process, manufacture, distribute, store, test, package, label, transport, deliver, sell, purchase, obtain or give away any Cannabis or Cannabis product allowed by State law, if such action or conduct occurs in any structure where any Cannabis or Cannabis derived product is visible from the exterior of the structure. This prohibition shall not apply to the limited conduct allowed under Health and Safety Code § 11362.1(a)(3).

E. It is unlawful to transport or deliver by vehicle any Cannabis or Cannabis derived product allowed by State law, where any Cannabis or Cannabis derived product is visible from the exterior of the vehicle.

F. It is unlawful to operate, use, or permit the operation or use of any land, structure, or vehicle in the City for any of the stated prohibited actions or conduct. It is unlawful to own, establish, or permit the establishment of any land, structure or vehicle in the City for any of the stated prohibited actions or conduct.

It is unlawful to rent, lease or otherwise permit any of the prohibited actions or conduct at any location, structure or vehicle in the City.

SEC. 105.07. NO CONFLICT WITH STATE LAW

This Article is not intended to conflict with State law. This Article shall be interpreted to be compatible with State enactments and in furtherance of the public purposes that those enactments encompass.

SEC. 105.08. NO CONFLICT WITH FEDERAL LAW

This Article is not intended to conflict with Federal law or stand as an obstacle or conflict with any efforts by the Federal government to enforce Federal laws related to Cannabis related activities.

Sec. 3. **URGENCY.** 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 in, among other places, case law and the legislative histories of cannabis regulations in the City, the proliferation of unauthorized cannabis businesses, with the attendant crime and negative secondary impacts, poses a current and immediate threat to the public welfare; that despite aggressive enforcement by the office of the City Attorney, an unknown number of unauthorized cannabis businesses, including growers, delivery apps and delivery services, continue to open, close, and reopen within the City, and the proliferation of these unauthorized businesses has led to increased crime and negative secondary impacts in neighborhoods, including but not limited to violent crimes, robberies, the distribution of tainted marijuana, and the diversion of marijuana; that with State licenses for retail sales of cannabis, including nonmedical cannabis, becoming available in 2018, a comprehensive regulatory and enforcement system is required to protect the public and consumers of cannabis from the aforementioned crime and negative secondary impacts on the City's communities; that the passage of the 2016 Adult Use of Marijuana Act has created confusion about the legality of commercial cannabis activity in the City in the absence of a comprehensive local regulatory and enforcement system, with certain businesses selling or distributing nonmedical cannabis to the public despite lacking the proper authorization from the State or City to do so; that the State's issuance of licenses to businesses in other, nearby jurisdictions in the absence of a comprehensive local regulatory and enforcement program in the City of Los Angeles would create further confusion and potentially lead to the further proliferation of unauthorized cannabis businesses in the City; and that this further proliferation would result in that threat 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. 4. **SEVERABILITY.** If any section, subsection, subdivision, clause, sentence, phrase or portion of this Article is held unconstitutional or invalid or unenforceable by any court or tribunal of competent jurisdiction, the remaining sections, subsections, subdivisions,

clauses, sentences, phrases or portions of this measure shall remain in full force and effect, and to this end the provisions of this Article are severable.

Notwithstanding anything to the contrary in the prior sentence, if any State or City licensure requirement is held unconstitutional or invalid or unenforceable by any court or tribunal of competent jurisdiction, the Commercial Cannabis Activity subject to such licensure requirement shall be prohibited in the City.

Sec. 5. The City Clerk shall certify, etc.