



# Department of City Planning - Code Studies Division

## NOTICE OF PUBLIC HEARING

### Citywide Proposed Municipal Code Amendment

**CASE:** CPC-2017-2260-CA  
ENV-2017-2261-EAF

**Commercial Cannabis Location Restriction Ordinance**  
**Council District: All**

This notice is to inform you of a public hearing for case number CPC-2017-2260-CA, a proposed amendment to the Los Angeles Municipal Code concerning location restrictions and limited immunity from enforcement of specified City prohibitions relating to commercial cannabis activity consistent with Measure M adopted by Los Angeles City voters on March 7, 2017. All interested persons are invited to attend the public hearing, at which you may listen, speak, and submit written information relating to the proposed amendment.

**PLACE:** Los Angeles City Hall, Room 1010  
200 N Spring St, Los Angeles CA 90012

**DATE:** Thursday June 29, 2017

**TIME:** 10:00 a.m. – 12:00 noon

**Please submit comments by 5:00 p.m. on Wednesday, July 12, 2017 to:**  
Niall Huffman [niall.huffman@lacity.org](mailto:niall.huffman@lacity.org), (213) 978-3405.

**PROPOSED PROJECT:** An amendment to the Los Angeles Municipal Code concerning location restrictions and limited immunity from enforcement of specified City prohibitions relating to commercial cannabis activity consistent with Measure M adopted by Los Angeles City voters on March 7, 2017.

**PURPOSE:** The purpose of the hearing is to obtain testimony from affected and/or interested persons regarding this project. The hearing will be conducted by a Hearing Officer who will consider all the testimony presented at that time and any written communication received prior to or at the hearing from affected and/or interested persons regarding this proposed code amendment, as well as the merits of the draft ordinance as it relates to existing land use regulations. After the hearing, Department staff will finalize a report including a recommendation that will be considered by the City Planning Commission at a later date.

The city is currently reviewing the project pursuant to California Environmental Quality Act (CEQA) Guidelines and will prepare the necessary CEQA clearance for approval of the project based on that review. The public will be given a chance to comment on the CEQA clearance during applicable public comment periods and/or consideration of the project at future public hearings or meetings.

**EXHAUSTION OF ADMINISTRATIVE REMEDIES:** If you challenge a City action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence on these matters delivered to the Department before the action on this matter. Any written correspondence delivered to the Department before the action on this matter will become a part of the administrative record. Note: This may not be the last hearing on this matter.

**WRITTEN COMMUNICATION:** Written communications should cite the Case Number indicated at the top of this notice and may be mailed to the attention of the staff contact identified above at the Los Angeles Department of City Planning, Code Studies Division, City Hall - Room 701, 200 North Spring Street, Los Angeles CA 90012.

**REVIEW OF THE FILE:** The complete file including application and an environmental assessment is available for public review at the Department of City Planning, City Hall - Room 701, 200 North Spring Street, Los Angeles CA 90012 between the hours of 8:00 AM to 5:00 PM, Monday through Friday. Please call the staff contact identified in this notice several days in advance to assure its availability. Case files will not be available for inspection on the day of the hearing.

**ACCOMMODATIONS:** As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability. The hearing facility and its parking are wheelchair accessible. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. *Como entidad cubierta bajo el Título II del Acto de los Americanos con Desabilidades, la Ciudad de Los Angeles no discrimina. La facilidad donde la junta se llevará a cabo y su estacionamiento son accesibles para sillas de ruedas. Traductores de Lengua de Muestra, dispositivos de oído, u otras ayudas auxiliares se pueden hacer disponibles si usted las pide en avance.* Other services, such as translation between English and other languages, may also be provided upon request. *Otros servicios, como traducción de Inglés a otros idiomas, también pueden hacerse disponibles si usted los pide en avance.*

To ensure availability of services, please make your request no later than three working days (72 hours) prior to the hearing by calling the staff person referenced in this notice. *Para asegurar la disponibilidad de éstos servicios, por favor haga su petición al mínimo de tres días (72 horas) antes de la reunión, llamando a la persona del personal mencionada en este aviso.*

Department of City Planning | Case No. CPC-2017-2260-CA  
**Commercial Cannabis Location Restriction Ordinance**  
Questions & Answers | June 8, 2017



### **Summary**

The proposed Commercial Cannabis Location Restriction Ordinance, drafted by the Department of City Planning, would establish location restrictions and a limited immunity from enforcement of specified City prohibitions relating to various types of medical and nonmedical commercial cannabis activities. The location restrictions address zoning and distancing requirements to protect sensitive sites and avoid over-concentration of commercial cannabis activity.

This ordinance responds to recent changes in State law, as well as to Proposition M, approved by Los Angeles voters in March 2017. Starting in 2018, the State of California is anticipated to begin issuing licenses for businesses to produce and sell both medical and nonmedical (sometimes referred to as “recreational”) cannabis. Proposition M requires the City Council to repeal the City’s existing restrictions on medical cannabis businesses and develop a comprehensive regulatory process and structure for all cannabis-related commercial activity.

The Department is seeking input on the proposed ordinance and welcomes comments from all interested parties.

### **Background**

Due to recent changes in State law, as well as the passage of Proposition M, the City is developing new legislation to properly regulate commercial cannabis activity.

#### **State**

- In 2015, the Governor and Legislature enacted the Medical Cannabis Regulation and Safety Act (MCRSA), which creates a State licensing system for various cannabis-related commercial activities, with licenses anticipated to become available by 2018.
- In 2016, voters passed Proposition 64, the Adult Use of Marijuana Act (AUMA), which removes State prohibitions against personal possession of small amounts of cannabis for nonmedical use and creates a State licensing system for nonmedical commercial cannabis activity, also expected to become available in 2018.

#### **City of Los Angeles**

- In March 2017, City voters passed Proposition M, which requires the City Council to adopt an ordinance repealing the City’s existing restrictions on cannabis

dispensaries, effective January 1, 2018, and states the City's intent to adopt a comprehensive regulatory process and structure for all medical and nonmedical cannabis-related commercial activity by September 30, 2017.

Given these changes and the time frame established by Proposition M, the City has started the process of creating new legislation that will apply to both medical and nonmedical commercial cannabis activity.

### **Key Provisions of the City's Commercial Cannabis Location Restriction Ordinance**

The Commercial Cannabis Location Restriction Ordinance is only one component of a broader legislative approach to commercial cannabis in the City. This proposed ordinance, drafted by the Department of City Planning (DCP), is limited in scope to restricting the location of various types of commercial cannabis activity. Additional legislation is being developed by the City to, among other matters, establish a Cannabis Commission and operating and additional public safety restrictions for commercial cannabis activity.

Key elements of the ordinance drafted by DCP:

- Identifies zones and required distances from sensitive sites for specified commercial cannabis activity.
- Provides for limited specified commercial cannabis activity to assert limited immunity from enforcement of specified City prohibitions so long as the activity is conducted by persons operating under a State license and Certificate of Compliance issued by the City's Cannabis Commission, and meets the location restrictions in the ordinance and additional regulations.

In addition to the main text of the ordinance, DCP has also prepared an ordinance supplement providing a land use review process option, which the City Council may incorporate into the ordinance at its discretion.

### **Questions & Answers**

#### **What is commercial cannabis activity, and how is it different from personal cannabis use?**

Commercial cannabis activity includes the cultivation, processing, manufacturing, distribution, testing, transportation, dispensing, or sale of any part of the cannabis plant or of cannabis-derived products, whether for medical or nonmedical ("recreational") use. Individuals may, however, purchase, possess, and use small amounts of cannabis for personal use; and cultivate up to six living cannabis plants indoors at a personal residence for personal use. Such personal cannabis use is not considered commercial cannabis activity.

**Where will different types of commercial cannabis activity be allowed to assert limited immunity?**

The proposed ordinance provides for limited specified commercial cannabis activity to assert limited immunity, but only when: (1) conducted by a person that is both licensed by the State of California to engage in the activity and recognized by a compliance document issued by the city's Cannabis Commission; (2) located within certain zones; and (3) meeting additional regulations stated in the ordinance. The types of commercial cannabis activity and zones in which the limited immunity may be asserted are summarized as follows:

- Dispensary and retailer commercial cannabis activity – primarily commercial and manufacturing zones: CR, C1, C1.5, C2, C4, C5, CM, HI, M1, M2, M3
- Cultivation, manufacture and microbusiness commercial cannabis activity – primarily manufacturing zones: MR1, M1, MR2, M2, M3
- Testing and distribution commercial cannabis activity – primarily manufacturing zones: CM, HI, MR1, M1, MR2, M2, M3
- In Specific Plan areas without conventional zoning, the above commercial cannabis activity may assert limited immunity in specified subareas that most closely correspond to the zones listed above.

**What additional protections are included to avoid negative impacts on communities?**

The proposed ordinance imposes distancing requirements that businesses must observe in order to assert limited immunity. This will provide protection for sensitive sites as well as help to avoid over-concentrations of cannabis sales. The distancing requirements are:

- Dispensary, retailer and microbusiness activity: 800 feet from schools, from alcoholism/drug rehabilitation or treatment facilities, from public libraries, from public parks, and from other cannabis retail, dispensing and microbusiness activity.
- Cultivation, manufacture, testing and distribution activity with no retail or dispensary on same site will not be subject to distancing requirements.
- Dispensary, retailer and microbusiness activity with no on-site sales (delivery only) will not be subject to distancing requirements.

**How can I get more information or share my input?**

More information on the proposed ordinance, including the full text and additional materials, may be found at <http://planning.lacity.org> under “Ordinances” and “Proposed Ordinances.”

The Department of City Planning will conduct a public hearing to gather input from interested parties. This hearing will take place **Thursday, June 29, 2017** at 10:00 a.m. in

Los Angeles City Hall, Room 1010. A copy of the hearing notice is available at <http://planning.lacity.org>. The hearing is open to the public and all interested persons are invited to attend. At the hearing, attendees may submit comments or written information pertaining to the proposed amendment.

Written comments may also be submitted, by email, to [niall.huffman@lacity.org](mailto:niall.huffman@lacity.org). Comments should be submitted no later than **July 12, 2017** to be considered in DCP's staff recommendation report. Comments may still be submitted after this date, but should be addressed directly to the City Planning Commission at [CPC@lacity.org](mailto:CPC@lacity.org).

### **What are the next steps?**

Following the hearing, DCP will prepare a recommendation report for the City Planning Commission. The Commission is scheduled to consider the proposed amendment at its regular meeting on September 14, 2017. The recommendation of the City Planning Commission on this portion of the legislation will be transmitted to the City Council and the Mayor for final consideration.

According to Proposition M, the City must adopt new regulations by September 30, 2017 – a timeline the Council may extend if it so chooses.

The city is currently reviewing the project pursuant to California Environmental Quality Act (CEQA) Guidelines and will prepare the necessary CEQA clearance for approval of the project based on that review. The public will be given a chance to comment on the CEQA clearance during applicable public comment periods and/or consideration of the project at future public hearings or meetings.

For questions, or to join our interested parties list for future updates on the proposed amendment, please contact Niall Huffman, [niall.huffman@lacity.org](mailto:niall.huffman@lacity.org), (213) 978-3405.

**ORDINANCE NO. \_\_\_\_\_**

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

Section 1. Sections 45.19.6 through 45.19.6.9 of the Los Angeles Municipal Code (Section 1 of Proposition D regarding Medical Marijuana) are hereby repealed concurrent with the effective date of this Article. This repeal is consistent with Measure M adopted by the voters of the City of Los Angeles at the March 7, 2017, municipal elections.

Section 2. A new Article 5.2.1 is added to Chapter IV of the Los Angeles Municipal Code to read as follows:

**ARTICLE 5.2.1**

**COMMERCIAL CANNABIS ACTIVITY PROHIBITION  
AND LIMITED IMMUNITY**

**SEC. 45.19.8. PURPOSES AND INTENT.**

This Article is necessary to preserve public safety and implement Measure M adopted by Los Angeles City voters on March 7, 2017. This Article provides limited immunity from specified criminal and civil remedies and enforcement measures of the City for defined Commercial Cannabis Activity, but only when conducted by persons that are both licensed by the state of California and recognized by a compliance document issued by the City's Cannabis Commission, and only on condition that the Commercial Cannabis Activity at all times complies with this Article, and all other restrictions and regulations applicable to Commercial Cannabis Activity under City ordinances and the laws of the state of California.

The use of any building, structure, location, premises or land for any Cannabis activity is not 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. It is thus unlawful to conduct any Cannabis activity except as expressly provided by State law.

The purpose of this Article is also to stem the negative impacts and secondary effects associated with Commercial Cannabis Activity 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.

## **SEC. 45.19.8.1. 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.

"Commercial Cannabis Activity" includes: (1) "Commercial Cannabis Activity" as defined in Section 19300.5 of the California Business and Professions Code, included in the Medical Marijuana Regulation and Safety Act; and (2) "Commercial Marijuana Activity" as defined in Section 26001 of the California Business and Professions Code, included in the Adult Use of Marijuana Act.

"Limited Immunity" means the Commercial Cannabis Activity defined in Section 45.19.8.2 shall not be subject to the remedies set forth in Los Angeles Municipal Code Sections 11.00, 12.27.1, or 45.19.7.3, solely on the basis of an activity prohibited by Section 45.19.8.6(B) or that Cannabis is not a permitted use in the City. This immunity may only be asserted as an affirmative defense in an enforcement proceeding. The burden of proof in any enforcement proceeding to establish Limited Immunity shall be upon the person(s) engaging in the Commercial Cannabis Activity. Limited immunity is not available for a willful violation of: (1) this Article; (2) any restriction or regulation applicable to Commercial Cannabis Activity under this Code or any Ordinance adopted by the City; or (3) any restriction or regulation applicable to Commercial Cannabis Activity under the law of the state of California.

"Public Library" shall be construed as 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" shall be construed as 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 Conservancy, the County of Los Angeles Department of Beaches and Harbors, or the California Department of Parks and Recreation.

“School” shall be construed as 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. 45.19.8.2. COMMERCIAL CANNABIS ACTIVITY ENTITLED TO LIMITED IMMUNITY.**

Limited Immunity is available for the Commercial Cannabis Activity described in subsections A(1) – A(6) and that meets all of the following requirements:

- (1) Is conducted by a person that is both licensed by the state of California to engage in the Commercial Cannabis Activity defined in this section and recognized by a compliance document issued by the City’s Cannabis Commission; and
- (2) Meets all applicable restrictions and regulations applicable to the activity under this Code or any Ordinance adopted by the City; and
- (3) Meets all the restrictions and regulations applicable to the activity under the law of the state of California.

A. Commercial Cannabis Activity

1. Dispensary and Retailer Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 10—Dispensary; General” in Section 19300.7 of the California Business and Professions Code; or 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: CR Limited Commercial Zone, C1 Limited Commercial Zone, C1.5 Limited Commercial Zone, C2 Commercial Zone, C4 Commercial Zone, C5 Commercial Zone, CM Commercial Manufacturing Zone, HI Hybrid Industrial Live/Work 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: 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) Convention and Event Center Specific Plan Zone: Convention and Event Center Specific Plan Zone within Subareas 1A, 1B, 1C, 2A, 2B, 2C, 3A, 3B, 3C, 3D, and 4 under the Convention and Event Center Specific Plan;

or

(11) 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

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

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

(14) 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 Dispensary, Retailer, or Microbusiness Commercial Cannabis Activity, which has a State license or is an Existing Medical Marijuana Business eligible for priority processing following a determination by the City's Cannabis Commission.

Exception. Any Dispensary or 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 Dispensary, Retailer, or Microbusiness Commercial Cannabis Activity, which has a State license or is an Existing Medical Marijuana Business eligible for priority processing following a determination by the City’s Cannabis Commission.

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”, or “Type 4 (Cultivation;

Nursery)” in Section 19300.7 of the California Business and Professions Code; or under the category “Type 1A—Cultivation; Specialty indoor, Small”; “Type 2A—Cultivation; Indoor, Small”; “Type 3A—Cultivation; Indoor, Medium”; “Type 4 (Cultivation; Nursery)” 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. Manufacture Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 6—Manufacturer 1” in

Section 19300.7 the California Business and Professions Code; or 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

5. Testing Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category: “Type 8—Testing” in Section 19300.7 of the California Business and Professions Code; or 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, HI Hybrid Industrial Live/Work 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

6. Distributor Commercial Cannabis Activity. Commercial Cannabis Activity falling under the category “Type 11—Distributor” in Section 19300.7 of the California Business and Professions Code, or 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: CM Commercial Manufacturing Zone, HI Hybrid Industrial Live/Work 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” 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) Playa Vista Specific Plan Zone: M(PV) Industrial Zone, and M2(PV) Industrial Zone under the Playa Vista Specific Plan; or

(10) 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

7. Commercial Cannabis Activity Not Entitled to the Limited Immunity. Commercial Cannabis Activity falling under any of the following categories shall not be entitled to Limited Immunity:

(A) Type 1 (Cultivation, Specialty outdoor, Small); Type 1B (Cultivation, Specialty mixed light, Small); Type 2 (Cultivation, Outdoor, Small); Type 2B (Cultivation, Mixed-light; Small); Type 3 (Cultivation, Outdoor, Medium); Type 3B (Cultivation, Mixed-light; Medium); Type 7 (Manufacturer 2); or Type 12 (Transporter), in Section 19300.7 of the California Business and Professions Code; or

(B) Type 1 (Cultivation, Specialty outdoor, Small); Type 1B (Cultivation, Specialty mixed light, Small); Type 2 (Cultivation, Outdoor, Small); Type 2B (Cultivation, Mixed-light; Small); Type 3 (Cultivation, Outdoor, Medium); Type 3B (Cultivation, Mixed-light; Medium); Type 5 (Cultivation; Outdoor; Large), Type 5B (Cultivation, Mixed-light, Large); or Type 7 (Manufacturer 2), in Section 26050 of the California Business and Professions Code; or

(C) Any other Commercial Cannabis Activity not described in subsections A(1) –A(6), or as may hereinafter be licensed by the state of California.

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 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 disqualified from asserting Limited Immunity 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 Cannabis Commission issues a compliance document as complying with this Article and all

other requirements stated in other applicable provisions of this Code and City ordinances as may be applicable for its location:

(1) A 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) A 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. Receipt by a private School of 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, on or prior to the date any Commercial Cannabis Activity described in subsections A(1) – A(6) receives a State issued license for Commercial Cannabis Activity for its location or City Cannabis Commission issued compliance document for its location, shall disqualify the Commercial Cannabis Activity from asserting Limited Immunity; or

(3) A 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. Receipt by a public School of any one approval by the Office of Public School Construction, California Department of Education, or 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, on or prior to the date any Commercial Cannabis Activity as described in subsections A(1) – A(6) receives a State issued license for Commercial Cannabis Activity for its location or a City Cannabis Commission issued compliance document for its location, shall disqualify the Commercial Cannabis Activity from asserting Limited Immunity.

D. Limited Immunity shall not be available to and shall not be asserted as an affirmative defense to any violation of law except as expressly set forth in this Article. Nothing contained in this Article is intended to provide or shall be asserted as a defense to a claim for violation of any law brought by any county, state, or federal governmental authority.

### **SEC. 45.19.8.3. LIMITED GRANDFATHERING OF PROPOSITION D COMPLIANT EXISTING MEDICAL MARIJUANA BUSINESSES**

A. Limited Grandfathering Pending Receipt of a Final Response by the City's Cannabis Commission to Application for a Compliance Document: An existing medical marijuana business (EMMB) that meets all conditions in the following three paragraphs, shall not be subject to the remedies set forth in Los

Angeles Municipal Code Sections 11.00, 12.27.1, or 45.19.7.3, solely on the basis of an activity prohibited by Section 45.19.8.6(B) of this Article or the fact that Cannabis is not a permitted use in the City, but only until such time that the EMMB receives a final response by the City's Cannabis Commission to its application for a compliance document.

(1) Operates and continues to operate in compliance with and satisfaction of: (a) all the limited immunity restrictions of Los Angeles Municipal Code Sections 45.19.6.3 of Proposition D, notwithstanding those restrictions are now repealed; and (b) the applicable business tax provisions of Article I of Chapter II of the Los Angeles Municipal Code, including, but not limited to Section 21.50;

(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, the Los Angeles Cannabis Enforcement, Taxation, and Regulation Act; and

(3) Applies for a compliance document to be issued by the City's Cannabis Commission within sixty calendar days of the first date that applications are made available.

B. Requirements To Obtain a Compliance Document from the City's Cannabis Commission: In order to obtain a compliance document from the City's Cannabis Commission, an EMMB meeting the requirements of Section A of this section, shall not be required to comply with the prohibitions in subsections 1(B) or 2(B) of Section 45.19.8.2(A) of this Article, but only to the extent such provisions are more restrictive than the limited immunity restrictions of Los Angeles Municipal Code Sections 45.19.6.3 (L) and (O) of Proposition D, notwithstanding those restrictions in Proposition D are now repealed.

C. Limited Grandfathering If the City's Cannabis Commission Issues a Compliance Document: If the City's Cannabis Commission issues an EMMB a compliance document, the EMMB shall be subject to all provisions of this Article and the applicable business tax provisions of Article I of Chapter II of the Los Angeles Municipal Code including Section 21.52. Notwithstanding the prior sentence, an EMMB that receives a compliance document issued by the City's Cannabis Commission shall not be required to comply with the prohibitions in subsections 1(B) or 2(B) of Section 45.19.8.2(A) of this Article that are more restrictive than the restrictions of Los Angeles Municipal Code Sections 45.19.6.3(L) and (O) of Proposition D, notwithstanding those restrictions in Proposition D are now repealed, but only to the extent such EMMB does not expand the physical size of its business premises beyond the physical size of its business premises existing as of March 7, 2017.

D. The prohibitions in subsections 1(B) or 2(B) of Section 45.19.8.2(A)

of this Article shall be deemed more restrictive than the limited immunity restrictions of Los Angeles Municipal Code Sections 45.19.6.3 (L) and (O) of Proposition D, only where such prohibitions of Section 45.19.8.2A of this Article would prohibit assertion of the Limited Immunity of this Article and where such prohibitions of Proposition D would not have prohibited assertion of the limited immunity provided by Section 45.19.6.3 of Proposition D.

**SEC. 45.19.8.4. NO AUTHORITY TO PERMIT USE IN ANY ZONE.**

The use of any building, structure, location, premises or land for any Cannabis activity, including any Commercial Cannabis 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. 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 Cannabis activity, including any Commercial Cannabis 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 the first paragraph of this section, this section shall not prohibit the Zoning Administrator from issuing an interpretation under Section 12.21A.2 of Chapter 1 of this Code, as necessary to clarify any provision(s) of this Article to remain consistent with any amendments to state law or to the City's Zoning Code or any City land use ordinance.

**SEC. 45.19.8.5. 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, or permit issued by the City or 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 Cannabis activity, including any Commercial Cannabis Activity.

**SEC. 45.19.8.6 UNLAWFUL CANNABIS ACTIVITY.**

A. It is unlawful to possess, plant, cultivate, harvest, dry, or process living marijuana plants outdoors at any location in the City. It is unlawful to possess, plant, cultivate, harvest, dry, or process living marijuana plants indoors at any location in the City other than upon the grounds of a private residence and limited to six or fewer live marijuana plants. It is unlawful to possess, plant, cultivate, harvest, dry, or process living marijuana plants in any Structure where any Cannabis or Cannabis derived product is visible from the exterior of the structure.

B. It is unlawful to conduct any Commercial Cannabis Activity in the City or to participate as an employee, contractor, agent or volunteer, or in any other manner or capacity, in any Commercial Cannabis Activity in the City. It is unlawful to own, establish, or permit the establishment of any land or structure for any Commercial Cannabis Activity in the City. It is unlawful to operate, use, or permit the operation or use of any land or structure for any Commercial Cannabis Activity in the City. These prohibitions include renting, leasing or otherwise permitting any Commercial Cannabis Activity at any location or structure in the City. These prohibitions do not apply to the following:

(1) Any dwelling unit where a maximum of five (5) or fewer qualified patients, persons with an identification card, and/or primary caregivers process or associate to collectively or cooperatively cultivate Cannabis on-site, with respect to qualified patients and persons with an identification card for their own personal medical use, and with respect to the primary caregivers for the personal medical use of the qualified patients or persons with an identification card who have designated the individual as a primary caregiver, in accordance with California Health and Safety Code Sections 11362.5 and 11362.7 et seq.; and

(2) In any case in which a qualified patient or person with an identification card receives medical care or supportive services, or both, from any clinic licensed pursuant to Chapter 1 (commencing with Section 1200), a health care facility licensed pursuant to Chapter 2 (commencing with Section 1250), a residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 (commencing with Section 1568.01), a residential care facility for the elderly licensed pursuant to Chapter 3.2 (commencing with Section 1569), a hospice, or a home health agency licensed pursuant to Chapter 8 (commencing with Section 1725), all of Division 2 of the California Health and Safety Code: Cannabis activity at the location of the clinic, facility, hospice, or home health agency by the qualified patient or person with an identification card, or by the owner or operator, or no more than three employees who are designated by the owner or operator, of the clinic, facility, hospice, or home health agency, if designated as a primary caregiver by that qualified patient or person with an identification card; and

(3) Transportation of marijuana or marijuana products on public roads by a state licensee transporting marijuana or marijuana products in compliance with Business and Professions Code Section 26080; or

(4) The limited and specified personal cannabis activity made lawful by the state of California under Health and Safety Code Section 11362.1, subject to Sections 11362.2, 11362.3, 11362.4, and 11362.45 of the Health and Safety Code Section; and

(5) The limited and specified cannabis activities by a qualified patient and primary caregiver excluded from commercial cannabis activity by Business and Professions Code Section 19319.

**SEC. 45.19.8.7. 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.

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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.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles at its meeting of \_\_\_\_\_.

HOLLY L. WOLCOTT, City Clerk

By \_\_\_\_\_ Deputy

Approved \_\_\_\_\_ Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By \_\_\_\_\_  
STEVEN BLAU  
Deputy City Attorney

Date \_\_\_\_\_

File No(s). \_\_\_\_\_

Pursuant to Charter Section 559, I **approve** this ordinance on behalf of the City Planning Commission and recommend that it be adopted . . . . .

\_\_\_\_\_, 2017

See attached report.

\_\_\_\_\_  
Vince Bertoni  
Director of Planning

## ORDINANCE SUPPLEMENT - LAND USE REVIEW OPTION

[NOTE: *In response to a request from the City Council Planning and Land Use Management (PLUM) Committee, this Land Use Review option provides for the Department of City Planning to review and impose site-specific conditions for each Commercial Cannabis Activity Business seeking a compliance document.*]

### SEC.45.19.8.3

G. Land Use Review and Determination: Each person seeking a compliance document from the City's Cannabis Commission shall be subject to site-specific land use review and a determination by the Zoning Administrator and appellate decision-maker, as provided in the following subparagraphs.

(1) Application and Initial Review Process. Applications shall be subject to the procedures set forth in the following subsections of Section 12.24 of the Los Angeles Municipal Code [This process generally follows the application, review, and decision-making process for a conditional use permit, deviating from that process as indicated.]:

- a. Subsection B (Application for Permit), except that the application shall be for a determination by the Zoning Administrator regarding a Certificate of Compliance for the proposed Commercial Cannabis Activity at the proposed location, not a conditional use permit or other similar approval providing any affirmative authorization or vested right;
- b. Subsection C (Initial Decision), except that the initial decision shall be made by the Zoning Administrator;
- c. Subsection D (Public Hearing and Notice);
- d. Subsection E (Findings for Approval), except that the Zoning Administrator shall have the authority to issue a determination regarding a Certificate of Compliance for the proposed Commercial Cannabis Activity at the proposed location, not a conditional use permit or similar approval specified in Subsections U., V., W., or X. of Section 12.24;
- e. Subsection F (Conditions of Approval), except that in issuing a determination regarding a Certificate of Compliance, the Zoning Administrator may impose conditions related to the interests addressed in the findings set forth in Subsection E;
- f. Subsection G (Time to Act); and
- g. Subsection H (Failure to Act – Transfer of Jurisdiction).

(2) Appeals. An applicant or any other person aggrieved by the Zoning Administrator may appeal the decision to the Area Planning Commission in accordance with the procedures set forth in the following subsections of Section 12.27 of the Los Angeles Municipal Code [This process generally follows the appeals process for a variance, deviating from that process as indicated.]:

- a. Subsection H (Filing of an Appeal), except that the appeal shall be regarding the Zoning Administrator's determination, not a variance;
- b. Subsection I (Appellate Decision and Public Notice);
- c. Subsection J (Time for Appellate Decision);
- d. Subsection K (Record on Appeal);
- e. Subsection L (Appellate Decision), except that the Area Planning Commission shall be subject to the same limitations regarding findings and conditions as are applicable to the Zoning Administrator in Subparagraph (1) of this Subsection G;
- f. Subsection M (Date of Final Decision), except that the action of the Zoning Administrator may be appealed to the Area Planning Commission regardless of the Zoning Administrator's determination;
- g. Subsection N (Failure to Act);
- h. Subsection O (Appeal to City Council), except that the decision of the Area Planning Commission may be appealed to the City Council whether or not the Area Planning Commission upholds or denies the Zoning Administrator's determination; and
- i. Subsection P (Action by Council and Mayor), except that the City Council's decision on the matter shall not be transmitted to the Mayor for his or her action.