

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to amending the Los Angeles Municipal Code (LAMC) to extend the limited grandfathering period for Existing Medical Marijuana Dispensaries.

Recommendation for Council action, as initiated by Motion (Padilla – Hernandez):

1. REQUEST the City Attorney, with the assistance of the Department of Cannabis Regulation (DCR), to prepare and present an Ordinance to amend LAMC Section 105.03 to extend the limited grandfathering period for Existing Medical Marijuana Dispensaries only through December 31, 2029.
2. RESCIND the June 25, 2025 Council action in this matter.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes

Against:
Studio City Neighborhood Council

Summary:

On October 7, 2025, your Committee considered an Motion (Padilla – Hernandez) relative to amending the Los Angeles Municipal Code to extend the limited grandfathering period for Existing Medical Marijuana Dispensaries. According to the Motion, in 2013, the voters of the City of Los Angeles passed Proposition (Prop) D which established a framework for limiting Medical Marijuana Dispensaries, exempting them from zoning requirements as long as they observed certain standards. Those standards included: forbidding minors from entering the premises; ensuring that each location is not within a 1,000-foot radius of a school or within a 600-foot radius of a public park, public library, religious institution, child care facility, youth center, alcoholism/ drug abuse recovery or treatment facility, among other restrictions.

After the passage of Measure M in 2017, these businesses received limited grandfathering under LAMC Section 105.03. These businesses, also known as Existing Medical Marijuana Dispensaries (EMMDs) were permitted to continue operating, so long as they applied for a license under the newly created DCR and the regulatory structure created by Articles 104 and 105 of Chapter X of the LAMC. Currently, LAMC Section 105.03 states EMMDs are exempt from the distancing and sensitive use requirements under Section 105.02 until December 31, 2025.

The vast majority of EMMDs have successfully completed the Annual Licensing process and have been operating continuously since 2007 in a manner consistent with the Los Angeles Municipal Code and the DCR's Rules and Regulations. As required by State law,

these businesses are located at least 600 feet from State-designated sensitive uses. Additionally, the current economic climate and high State cannabis taxes is already causing many cannabis businesses to struggle or close their doors. As a result, EMMDs forced to relocate during this challenging time may not survive the added costs of leasing new commercial property, moving, and/or construction to bring a new location into compliance. An extension of the EMMD grandfathering period would ensure consumers continue to have safe access to tested cannabis products and the City continues to receive the maximum tax revenue from these sales, especially in advance of the 2026 World Cup and 2028 Olympics. Given that the current EMMD grandfathering period expires on December 31, 2025, City Council should approve an extension of location grandfathering for EMMDs only. Therefore, this request supersedes the prior request of Council in Council File No. 20-1125-S1 for an Ordinance to extend grandfathering to all licensed businesses which will require a longer administrative process and may not be enacted before December 31, 2025. After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion and to rescind the June 25, 2025 Council action in this matter. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

COUNCILMEMBER	VOTE
PADILLA:	YES
LEE:	ABSENT
JURADO:	YES

ARL
10/7/25

-NOT OFFICIAL UNTIL COUNCIL ACTS-