



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 22 - 0079
MAR 15 2022

REPORT RE:

**DRAFT ORDINANCE AMENDING SECTIONS 104.01, 104.03, 104.06,
104.06.1, AND 104.20 OF ARTICLE 4 OF CHAPTER X OF THE LOS ANGELES
MUNICIPAL CODE TO REGULATE COMMERCIAL CANNABIS ACTIVITY**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 21-1083

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Sections 104.01, 104.03, 104.06, 104.06.1 and 104.20 of Article 4, Chapter X of the Los Angeles Municipal Code (LAMC) to incorporate numerous changes related to commercial cannabis businesses, including:

- Amends the definition "Owner" to establish a City definition that does not rely on the State's cannabis regulations;
- Amends the definition of "Primary Personnel" to accommodate the new definition of "Owner";
- Clarifies when an Application or modification request may be abandoned for failure to timely submit payment, forms or documents;
- Creates a refiling process to allow Applicants with applications deemed abandoned to submit a new Application within a specified time period under certain conditions;

- Clarifies the administration of an application lottery to issue retail licenses;
- Establishes processing timelines to ensure both Applicants and the Department of Cannabis Regulation move Applications towards licensure in an efficient and timely manner;
- Clarifies that an Applicant or Licensee may continue to qualify under the Social Equity Program if either a successor in interest or surviving spouse inherits the Social Equity Individual Applicant's ownership interest; and
- Creates a standalone Social Equity Applicant Entity Verification process that may, at the Applicant's option, occur earlier in the licensing process.

Council Rule 38 Referral

A copy of the draft ordinances was sent, pursuant to Council Rule 38, to the Department of Cannabis Regulation with a request that all comments, if any, be presented directly to the City Council when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Taylor C. Wagniere at (213) 978-7439. She or another member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

DM:TCW:pj
Transmittal