

MOTION

PLANNING & LAND USE MANAGEMENT

Despite the legalization of cannabis and cannabis-related activities, unlicensed cannabis businesses continued to proliferate and operate in the City. Unlicensed cannabis businesses undermine the ability of legal cannabis businesses to operate competitively and fairly in the City, as unlicensed cannabis businesses do not incur costs related to obtaining operating licenses. Additionally, the City will not realize the full potential of tax revenue generated from the regulated market if a significant number of illegal cannabis businesses continue to operate.

The City has adopted several enforcement actions in an effort to curb the operation of unlicensed cannabis businesses. In 2018, Councilmembers Harris-Dawson and Rodriguez introduced a Motion (C.F. 14-0366-S31) that lead to the adoption of an ordinance authorizing the Department of Building and Safety (DBS) to padlock, barricade, and fence property where unlicensed commercial cannabis activity occurs. The ordinance requires the issuance of a notice, and allows property owners or occupants to request an administrative hearing to have these protective devices removed from the property.

On October 5, 2021, the Council adopted Motion (Harris-Dawson – Rodriguez – Krekorian; C.F. 21-1007), which appropriated \$874,000 to the Department of Building and Safety (DBS) for the implementation of the padlock ordinance on approximately 120 properties where unlicensed cannabis activities are occurring. As of March 2022, approximately 15 padlock actions have been completed on unlicensed cannabis businesses. The DBS has indicated that there have been mixed results as it relates to getting the unlicensed businesses to remain closed. The unlicensed businesses have repeatedly broken the protective devices on their shops in order to resume business, leading the DBS and Police Department to revisit these businesses and lock them up again. Recently, at an illegal cannabis shop on West Florence Avenue that had been subject to repeated padlock actions, an incident occurred where an employee of the shop was robbed and shot outside the store. While we commend efforts by the LAPD, DBS, and other City departments, there needs to be increased efforts to secure these illegal shops. As the end of the current fiscal year approaches, the City needs to evaluate the progress of the padlock enforcement actions to date and determine the additional resources that will be needed for further actions.

I THEREFORE MOVE that the City Council instruct the Department of Building and Safety and Los Angeles Police Department to report on the status of the City's padlock enforcement actions, including pending enforcement actions remaining in the fiscal year, resources that may be needed to complete the goal of securing all the illegal cannabis shops currently operating in the city, which LAPD estimates at 100, and any proposed adjustments to the padlock enforcement program in the upcoming fiscal year.


I FURTHER MOVE that the City Council request the City Attorney to issue cease and desist letters to unlicensed cannabis businesses that have been subject to padlock enforcement actions, along with any other civil actions towards permanently closing these businesses before they pose a greater public safety risk to the City's residents.

I FURTHER MOVE that the City Council instruct the Department of Cannabis Regulation, with the assistance of the Chief Legislative Analyst, to report on best practices as it relates to cannabis enforcement measures against unlicensed cannabis businesses that other cities have in place.

PRESENTED BY:


MARQUEECE HARRIS-DAWSON
Councilmember, 8th District

SECONDED BY:


Monica Rodriguez

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