

ORDINANCE NO. 187724

An ordinance amending Sections 104.03 and 104.20 of the Los Angeles Municipal Code regarding commercial cannabis relocations and the aggregation of social equity ownership interests.

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

Section 1. Subsection (h) of Section 104.03 of Article 4, Chapter X of the Los Angeles Municipal Code is amended to read as follows:

(h) Abandonment.

1. An Application or modification request may be deemed abandoned if DCR determines, at any time and in its sole discretion, that:

- (i) the Application or modification request is incomplete;
- (ii) fee payments required under Section 104.19 are not timely paid;
- (iii) the Application is not associated with a Business Premises location that complies with Section 105.02(c) and/or the Applicant surrenders the Business Premises listed on the Application; or
- (iv) information, forms, or documents have not been provided within the time allotted by DCR.

2. Unless another period of time is specified, all required information, forms and/or documents shall be submitted through the DCR Licensing Portal within 30 days, and all fees shall be paid within 30 days of the date of the invoice issuance. DCR shall not refund fees for an abandoned Application or modification request.

Sec. 2. Subdivision 2 of Subsection (i) of Section 104.03 of Article 4, Chapter X of the Los Angeles Municipal Code is amended to read as follows:

2. The refiled Temporary Approval Application may not seek authorization to conduct any Commercial Cannabis Activities not listed in the original Temporary Approval Application. A refiled Temporary Approval Application is not subject to a finding of Undue Concentration provided it is refiled in the same Community Plan Area as the original Temporary Approval Application or a Community Plan Area that has not reached Undue Concentration. Applications originally subject to a finding of public convenience or necessity under Section 104.04(a)(4) shall be refiled at the same proposed

Business Premises, otherwise the procedures for refiled Applications are unavailable.

Sec. 3. Subdivision 2 of Subsection (j) of Section 104.03 of Article 4, Chapter X of the Los Angeles Municipal Code is amended to read as follows:

2. The refiled Temporary Approval Application may not seek authorization to conduct any Commercial Cannabis Activities not listed in the original Application. A refiled Temporary Approval Application is not subject to a finding of Undue Concentration provided it is refiled in the same Community Plan Area as the original Temporary Approval Application or a Community Plan Area that has not reached Undue Concentration. Applications originally subject to a finding of public convenience or necessity under Section 104.04(a)(4) shall be refiled at the same proposed Business Premises, otherwise the procedures for refiled Applications are unavailable.

Sec. 4. Paragraph (i) of Subdivision 2 of Subsection (b) of Section 104.20 of Article 4, Chapter X of the Los Angeles Municipal Code is amended to read as follows:


(i) **Ownership Percentage.** One or more Social Equity Individual Applicants shall own no less than an aggregate 51% Equity Share in the Person to whom the License is issued. A sufficient number of Social Equity Individual Applicants, individually and/or through an entity, shall be disclosed to evidence that the owner(s) of the Applicant or Licensee meets the aggregate 51% Equity Share requirement. Social Equity Individual Applicants with less than a 20% aggregate ownership stake or equity interest in the Applicant or Licensee may be included in the aggregate total. Aggregate means the total ownership interest held individually or through an entity. For example, an individual owning 50% of an entity that owns 50% of a Licensee has a 25% aggregate ownership interest in the Licensee.

Sec. 5. **SEVERABILITY.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance, which can be implemented without the invalid provisions and, to this end, the provisions of this ordinance are declared to be severable. The City Council hereby declares that it would have adopted each and every provision and portion thereof not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Sec. 6. 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.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
TAYLOR C. WAGNIERE
Deputy City Attorney

Date 12/7/22


File No. 21-1083-S1

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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR





Ordinance Passed December 13, 2022

Approved 12/22/2022

Published Date: 12/30/2022
Ordinance Effective Date: 01/30/2023