

14-0366  
Revised CF 13-1300-55

MOTION

PLANNING & LAND USE MANAGEMENT

The goal and intent of Proposition D was to allow licensed medical marijuana dispensaries to fully operate in the city, inasmuch as these entities pay business taxes, and help those suffering from life threatening conditions such as Cancer, AIDS, and glaucoma— health conditions that have been known to benefit from the use of medical marijuana. Illegal marijuana storefronts are of great concern because they do not serve the needs of the citizens of the city who voted for Proposition D.

Recently, however, individuals have taken advantage of the intent and goals of Proposition D, by operating illegal marijuana storefronts, placing an unfair burden on communities throughout the City that have to deal with the ill effects of these illegal operations. There is also concern that in some cases these illegal marijuana storefronts are selling narcotics beyond marijuana.

These illegal drug enterprises are clearly not operating under the intent of Proposition D and counter to the intent of medical marijuana collectives to assist those with very serious medical conditions.

Many of these illegal dispensary operators are creating confusion by presenting property owners with City of Los Angeles Business Tax Registration Certificates (BTRCs) for medical marijuana collectives. BTRCs are simply a way for the city to collect taxes and are not a permit to operate.

The City Attorney and LAPD have expended and continue to expend considerable resources in enforcement against illegal medical marijuana dispensaries. Meanwhile, hundreds of illegal, non-Proposition D eligible dispensaries continue to open up throughout the City, negating the effect and goals of Measure D and overtaxing City departments and resources.

Residents of the city need to know exactly what is occurring in their neighborhoods, where exactly these illegal storefronts are geographically located and what is being done to shut them down.

**I THEREFORE MOVE** that the Council request the City Attorney to provide a status update as to their work in the closure of illegal marijuana dispensaries, and the number of staff members who are assigned to oversee their closure.

**I FURTHER MOVE** that the Council instruct the Police Department, with the assistance of the Department of Building and Safety and Planning Department, to report and map the geographical location distributed by Council District, on the number of legal and illegal marijuana dispensaries in the city.

**I FURTHER MOVE** that the Council instruct the Office of Finance to report on the number of Business Tax Registration Certificates (BTRCs) that they have issued to medical marijuana dispensaries, the amount of funds collected, and whether they make a distinction between 'legal' and 'illegal' medical marijuana collectives and dispensaries when they issue permits, and whether the Office of Finance coordinates with the Department of Building and Safety and/or City Planning prior to the issuance of any permits.

**I FURTHER MOVE** that the Council instruct the appropriate City departments to issue a report on the feasibility of earmarking a percentage of medical marijuana taxes collected by the City toward enforcement efforts against illegal, non-Proposition D eligible dispensaries.

PRESENTED BY:

  
NURY MARTINEZ  
Councilmember, 6th District

  
JOSE HUIZAR  
Councilmember, 14th District

SECONDED BY:

  
MITCH O'FARRELL  
Councilmember, 13th District

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