

REPORT TO THE CITY COUNCIL



DATE: November 21, 2017

TITLE: An Ordinance and URGENCY Ordinance Amending Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit" of Title 5 "Business Licenses and Regulations" of the Desert Hot Springs Municipal Code

Reviewed by: Daniel Porras, Community Development Director
Jennifer Mizrahi, City Attorney

RECOMMENDATION

- 1) Introduce for First Reading and read by title only, "An Ordinance of the City Council of the City of Desert Hot Springs, California, Amending Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit" of Title 5 "Business Licenses and Regulations" of the Desert Hot Springs Municipal Code;" AND
- 2) Adopt and read by title only, "An URGENCY Ordinance of the City Council of the City of Desert Hot Springs, California, Amending Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit" of Title 5 "Business Licenses And Regulations" of the Desert Hot Springs Municipal Code."

PROCEDURE

This agenda item has two similar ordinances: 1) an Urgency Ordinance Amending Chapter 5.50 of the Desert Hot Springs Municipal Code ("DHSMC"), **and** 2) a NON-Urgency Ordinance Amending Chapter 5.50 of the DHSMC. The Urgency Ordinance needs a 4/5 vote of the Council, needs to be supported by findings (which are including in the Urgency Ordinance) and it takes effect immediately. That said, the Non-Urgency Ordinance (which is also include in this agenda item) is an identical ordinance without the "urgency findings." The Non-Urgency Ordinance is like any other ordinance- requires a majority vote and takes effect 30 days after its second reading. This is two-pronged approach is common practice as a belts and suspenders approach.

BACKGROUND:

Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit," of the Desert Hot Springs Municipal Code ("DHSMC") establishes standards for granting permits to Marijuana Facilities within the City. Senate Bill 94, the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), repealed the Medical Marijuana Regulation and Safety Act (California Business and Professions Code sections 19300-19360), and incorporated certain provisions of that act into the Adult Use of Marijuana Act (California Business and Professions Act sections 26000-26211). As a result of the passage of the MAUCRSA, the State of California effectively combined regulations for the use of medical and adult use marijuana into one regulatory scheme located under California Business and Professions Code sections 26000 to 26211.

Recently, the City adopted Ordinance 635, codified in Chapter 17.180 of the DHSMC to allow for manufacturing, testing, and distribution of both medical **and** recreational marijuana, in addition to cultivation and dispensing. DHSMC Chapter 5.50, as currently worded, does not take into account the recent changes to Chapter 17.180 of the DHSMC; and Marijuana Facilities.

This Ordinance (both Urgency and Non-Urgency) would harmonize chapter 5.50 with Chapter 17.180 of the DHSMC to allow, subject to all laws and regulations, Marijuana Facilities that provide marijuana products for medicinal and/or adult (recreational) use purposes and to update DHSMC Chapter 5.50 to set standards for issuing regulatory permits to such Marijuana Facilities. The City intends to update DHSMC Chapter 5.50 to set standards for issuing regulatory permits to Marijuana Facilities that is consistent with the MAUCRSA and all other pertinent laws and regulations, such as amending the background checks portion of the DHSMC to mirror state law.

FISCAL IMPACT:

None.

EXHIBITS:

- 1) Draft Non-Urgency Ordinance
- 2) Draft URGENCY Ordinance