

## INFORMATION AND PROCEDURE BULLETIN

LIC-4002-IPB

## PRE-APPLICATION REVIEW

This bulletin<sup>1</sup>, in conjunction with the <u>Pre-Application Review Workflow (LIC-4002-WF)</u>, provides information regarding the procedure and requirements of Pre-Application Review.

Los Angeles Municipal Code (LAMC) Section 104.03(a) requires that an Applicant undergo a Pre-Application Review process prior to filing a Temporary Approval Application to engage in Commercial Cannabis Activity so that the Department of Cannabis Regulation (DCR) can determine **location compliance and eligibility**. During the Pre-Application Review process, DCR determines whether the proposed Business Premises location is eligible under LAMC Section 104.03(a)(3) and compliant under LAMC 105 *et seq.* 

DCR's determination of whether or not the proposed Business Premises location is compliant and eligible is based on four major land use considerations for commercial cannabis activity: (1) eligibility requirements under LAMC Section 104.03(a)(3); (2) distancing from Sensitive Uses under LAMC Section 105 *et seq.*; (3) distancing from other commercial cannabis businesses with onsite retail sales LAMC Section 105 *et seq.*; and (4) zoning restrictions under LAMC Section 105 *et seq.*; Each is described in detail below.

- 1. <u>Location Eligibility Requirements</u>. In addition to the distancing and zoning restrictions below, a proposed Business Premises must comply with the eligibility requirements in LAMC Section 104.03(a)(3). Under LAMC Section 104.03(a)(3), a Business Premises is ineligible if:
  - The Business Premises is owned or managed by a Person who holds office in any agency of the State of California and any of its political subdivisions, including the City and any of its agencies, departments, commissions or boards of the State of California or its political subdivisions when the individual's duties include the enforcement or regulation of Commercial Cannabis Activity or any other penal provisions of law of the State of California prohibiting or regulating Commercial Cannabis Activity.
  - The Business Premises was the site of illegal volatile Cannabis manufacturing under Health and Safety Code Section 11379.6 as evidenced by a conviction, for a period of five years from the date of conviction.
  - The Business Premises was the site of distribution of Cannabis to minors as evidenced by a conviction, for a period of five years from the date of conviction.
  - The Business Premises was the site of any illegal Commercial Cannabis Activity after April 1, 2018, as evidenced by a conviction, for a period of five years from the date of conviction.
  - The Business Premises was the site of a disconnection of utilities under Section 104.15(e) for a period of five years from the date of the disconnection.
  - The Business Premises was the site of padlocking under Section 104.15.1 for a period of five years from the date of the padlocking.

<sup>1</sup> This document is intended to serve as an informational guide only. It does not replace or supersede the Los Angeles Municipal Code and does not constitute legal advice. This document is subject to change and may not constitute the most up-to-date or complete information. Applicants are encouraged to conduct their own due diligence and research to ensure that they are in compliance with all legal requirements.

- 2. **Distancing from Sensitive Uses.** The City of Los Angeles uses publicly available data, which is maintained by both state and local agencies, to determine the existence of "Sensitive Uses," as defined in LAMC 105 et seg. This includes databases maintained by specified third party government agencies such as the following:
  - California Department of Health Care Services' website for Alcoholism or Drug Abuse Recovery or Treatment Facilities;
  - California Department of Social Services' website for Day Care Centers;
  - City of Los Angeles Public Library website for **Public Libraries**;
  - City of Los Angeles Department of Recreation and Parks' website for <u>Public Parks</u>, <u>Aquatic</u> Centers, and Recreation Centers:
  - California Department of Education's website for Schools; and,
  - City of Los Angeles's Open Data Portal list titled "HCIDLA Affordable Housing Projects List (2003 to Present)," or as may be amended, provides a list of potential Permanent Supportive Housing locations and the Affordable and Accessible Housing Registry identifies the on-site services associated with each location.

Effective July 1, 2021, DCR is required to retrieve data from these publicly available sources quarterly on February 1, May 1, August 1, and November 1. The data retrieved in the quarter immediately preceding the date of the Applicant's payment of either the Pre-Application Review Fee(s) or Modification Request Form Review Fee(s), whichever is applicable, shall be the data used by DCR to make its determination of location compliance.

Please note that DCR is required to utilize data retrieved on July 1, 2021, for the purpose of determining the compliance of a Business Premises location associated with pending applications that both paid Temporary Approval Application Fees prior to July 1, 2021, and had not received Temporary Approval.2

A proposed Business Premises must meet the following distancing restrictions:

- A retail storefront must be outside of a 700-foot radius of a School, Public Park, Public Library, Alcoholism or Drug Abuse Recovery or Treatment Facility, Day Care Center, and Permanent Supportive Housing, and any other licensed storefront retailer with on-site retail sales.
- A non-storefront retailer (delivery), distributor, cultivator, non-volatile manufacturer or testing lab must be outside of a 600-foot radius of a School.
- A volatile manufacturer must be outside of a 600-foot radius of a School and a 200-foot radius of any Residentially Zoned Property.

The distance between any Commercial Cannabis Activity business, and any Sensitive Use with exclusive use of the parcel upon which it is located, shall be the horizontal distance measured in a straight line, without regard to intervening structures, from the closest exterior wall of the Commercial Cannabis Activity business to the closest parcel boundary of the Sensitive Use. The distance between any Commercial Cannabis Activity business and any Sensitive Use without exclusive control of the parcel upon which it located, shall be the horizontal distance measured in a straight line, without regard to intervening structures, from the closest exterior wall of the Commercial Cannabis Activity business to the closest exterior wall or fence under the control of the Sensitive Use, excluding parking lots.

<sup>&</sup>lt;sup>2</sup> Prior to the July 1, 2021, effective date of Ordinance No. 187095, although DCR reviewed land use compliance throughout the licensing process, local law prevented DCR from making a final land-use compliance determination until a local license and a State license were issued for each Commercial Cannabis Activity.

- 3. Distancing from other commercial cannabis businesses with onsite retail sales. This requirement applies only to commercial cannabis businesses with onsite retail sales. Under LAMC Section 105.02, retail commercial cannabis businesses must locate outside of a 700-foot radius of any other Retailer or Microbusiness Commercial Cannabis Activity, having on-site retail sales, which is licensed by the City to engage in the Commercial Cannabis Activity or for which Temporary Approval Application or Business Premises Relocation fees, whichever is applicable, are paid pursuant to Los Angeles Municipal Code Section 104.19. The distance specified in this section between Commercial Cannabis Activity businesses shall be the horizontal distance measured in a straight line, without regard to intervening structures, from the closest exterior wall of each business.
- 4. **General Zoning Restrictions.** Commercial cannabis activity can occur only in certain zones of the City. The table below provides a summary of the general zoning restrictions for individual commercial cannabis activities. For information related to the zoning restrictions for Specific Plan Areas please refer to LAMC Section 105.02 *et seq*

Activity Type	Eligible Zones Under Chapter 1 of the LAMC
Retailer Commercial Cannabis Activity (LAMC sec. 105.02(a)(1))	<ul> <li>C1 Limited Commercial Zone</li> <li>C1.5 Limited Commercial Zone</li> <li>C2 Commercial Zone</li> <li>C4 Commercial Zone</li> <li>C5 Commercial Zone</li> <li>CM Commercial Manufacturing Zone</li> <li>M1 Limited Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> </ul>
Microbusiness Commercial Cannabis Activity* (LAMC sec. 105.02(a)(2))	<ul> <li>M1 Limited Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> <li>*Type 12 - Microbusiness Commercial Cannabis Activity that does not engage in retail activity with on-site sales may further locate in:         <ul> <li>MR1 Restricted Industrial Zone</li> <li>MR2 Restricted Light Industrial Zone</li> </ul> </li> </ul>
Indoor Commercial Cannabis Cultivation Activity (LAMC sec. 105.02(a)(3))	<ul> <li>MR1 Restricted Industrial Zone</li> <li>M1 Limited Industrial Zone</li> <li>MR2 Restricted Light Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> </ul>
Level 1 Manufacturing Commercial Cannabis Activity (LAMC sec. 105.02(a)(4))	<ul> <li>MR1 Restricted Industrial Zone</li> <li>M1 Limited Industrial Zone</li> <li>MR2 Restricted Light Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> </ul>
Level 2 Manufacturing Commercial Cannabis Activity (LAMC sec. 105.02(a)(5))	<ul> <li>MR2 Restricted Light Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> </ul>

Activity Type	Eligible Zones Under Chapter 1 of the LAMC
Testing Commercial Cannabis Activity (LAMC sec. 105.02(a)(6))	<ul> <li>CM Commercial Manufacturing Zone</li> <li>MR1 Restricted Industrial Zone</li> <li>M1 Limited Industrial Zone</li> <li>MR2 Restricted Light Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> </ul>
Distributor Commercial Cannabis Activity (LAMC sec. 105.02(a)(7))	<ul> <li>MR1 Restricted Industrial Zone</li> <li>M1 Limited Industrial Zone</li> <li>MR2 Restricted Light Industrial Zone</li> <li>M2 Light Industrial Zone</li> <li>M3 Heavy Industrial Zone</li> </ul>

This information is intended to be a summary of relevant land use considerations. Please review LAMC Section 104.03(a)(3) and LAMC Section 105 *et seq.* for a complete listing of definitions, requirements, and restrictions.

## **Required Pre-Application Review Information**

Applicants must submit certain information to allow DCR to make a determination about whether or not a proposed Business Premises location (1) is eligible based on location restrictions in LAMC 104.03(a)(3) for Commercial Cannabis Activity, and (2) complies with the zoning and distancing requirements pursuant to LAMC 105 et seq.

Applicants must submit the following required Pre-Application Review Information:

- Identify one or more proposed Commercial Cannabis License types;
- Proposed Business Premises address; and,
- Landowner Attestation: Location Eligibility form (LIC-4016-FORM).

## **Pre-Application Review Procedure**

The Pre-Application must be submitted online via the <u>DCR Licensing Portal</u>. Before submitting a Pre-Application Review record, individuals must have or create a user account within the DCR Licensing Portal.

- 1. **Applicant Submits Information Required for Pre-Application Review via DCR Licensing Portal.** Within the DCR Licensing Portal, submit all Pre-Application Review information including the proposed Commercial Cannabis Activity type(s), proposed Business Premises address, and completed Landowner Attestation: Location Eligibility form (LIC-4016-FORM). The submission of Pre-Application Review information creates a Pre-Application Review record in the DCR Licensing Portal. An incomplete or improperly filed Pre-Application Review record shall be deemed abandoned.
- 2. **DCR Issues Invoice for Pre-Application Review**. Once a record is created, the DCR Licensing Portal will create a DCR record number and generate an invoice for any related fee(s).
- 3. **Applicant Pays Fee(s) within 30 Days.** The Pre-Application Review Fee is \$597. This fee must be paid within 30 days of the date the invoice was issued. Failure to timely submit payment shall result in the abandonment of the Pre-Application Review record under LAMC Section 104.03(h).

The invoice will be located in the "Documents" section of the record within the DCR Licensing Portal. Payments must be submitted to the Office of Finance. Applicants must download and print the invoice to submit to the Office of Finance with the payment. Please visit the Office of Finance website for information related to business hours, locations, and payment methods.

In addition, if the Applicant does not have an existing Business Tax Registration Certificate (BTRC), then a completed **Business Tax Application** must be submitted with payment. Click **here** for more information regarding registering for a BTRC.

4. **DCR Reviews the Proposed Business Premises Location for Compliance and Eligibility.** DCR will review the proposed Business Premises location to determine if the location is eligible under LAMC Section 104.03(a)(3) and compliant under LAMC 105 *et seq.* If the proposed Business Premises location is not compliant and/or eligible, DCR will notify the Applicant via email.

If any of the proposed Commercial Cannabis Activities or license types at the proposed Business Premises do not comply with zoning or distancing restrictions, the entire Pre-Application Review record will be deemed ineligible. An Applicant may submit a new Pre-Application Review for another location or at the same location without the non-compliant/ineligible activities via the DCR Licensing Portal, subject to payment of new Pre-Application Review Fee(s).

5. Applicant Receives Notification that Pre-Application Review record is Eligible for Further Processing. If the proposed Business Premises location is both compliant and eligible based on the requirements and restrictions in LAMC Section 104.03(a)(3) and LAMC Section 105 et seq., the Pre-Application Review record status will be updated in the DCR Licensing Portal to "Eligible for Processing" and the Applicant will receive a notification of this status update via email. Once a Pre-Application Review record's status is "Eligible for Processing," the Applicant has completed the Pre-Application Review process and may submit a Temporary Approval Application.

For detailed information regarding the Temporary Approval Application Process, please refer to the Temporary Approval Information and Procedures Bulletin (LIC-4003-IPB).