

# Proposition 64 and the Medicinal Adult-Use Cannabis Regulation and Safety Act

# BACKGROUND

- **1996 – Proposition 215 – Compassionate Use Act**
  - Allowed the possession and cultivation for medical use by qualified persons
- **2003 – SB 420 – Medical Marijuana Program Act**
  - Permitted qualified patients and the primary caregivers to associate collectively or cooperatively to cultivate marijuana for medical purposes without being subject to state prosecution

# BACKGROUND

- 2011 – Glendale Municipal Code: Ordinance 5745
  - Adopted banning the establishment of medical marijuana dispensaries and other similar uses in all zones
- 2016 – Medical Cannabis Regulation and Safety Act (MCRSA)
  - Created regulatory framework for licensing and enforcement of medical marijuana

# BACKGROUND

- Jan. 2016 – Glendale Municipal Code: Ordinance 5868
  - Adopted to prohibit marijuana cultivation, marijuana processing, and delivery or distribution of marijuana or medical cannabis products in the city
- Nov. 2016 – Proposition 64: Adult Use of Marijuana Act (AUMA)
  - Legalized recreation use of marijuana and established regulatory and taxing schemes for commercial nonmedical marijuana

# BACKGROUND

- June 2017 – SB 94 Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)
  - Merged MCRSA and AUMA to establish a single system to control and regulate medical and nonmedical commercial cannabis
- Sept. 2017 – AB 133
  - Technical amendments to regulatory scheme
- Federal Law
  - Marijuana remains illegal

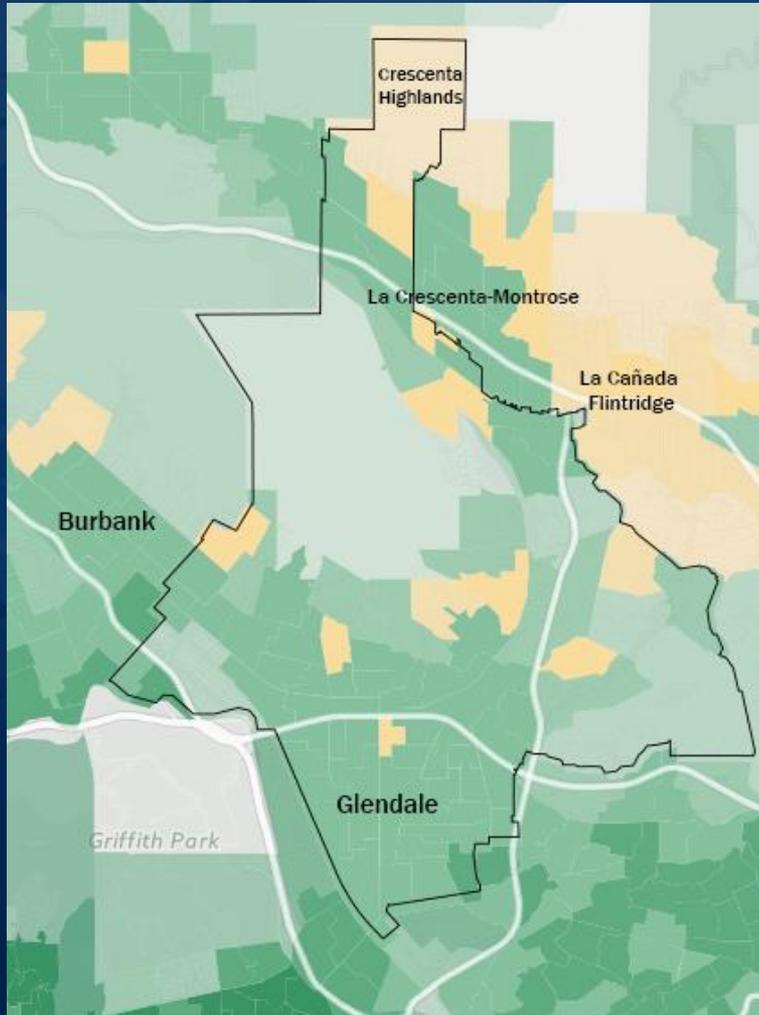
# GLENDALE MUNICIPAL CODE

- Glendale Municipal Code section 9.10.020 prohibits:
  - A medical marijuana dispensary or marijuana dispensary
  - Marijuana cultivation (indoor and outdoor)
    - *Note: Under Prop. 64, indoor cultivation of up to 6 plants per residence is now permitted*
  - Marijuana processing
  - Delivery or distribution of marijuana or medical marijuana products
- Glendale Municipal Code section 30.10.070 N prohibits the above uses, as defined in Section 9.10.020, in all zoning districts within the City

# PROPOSITION 64

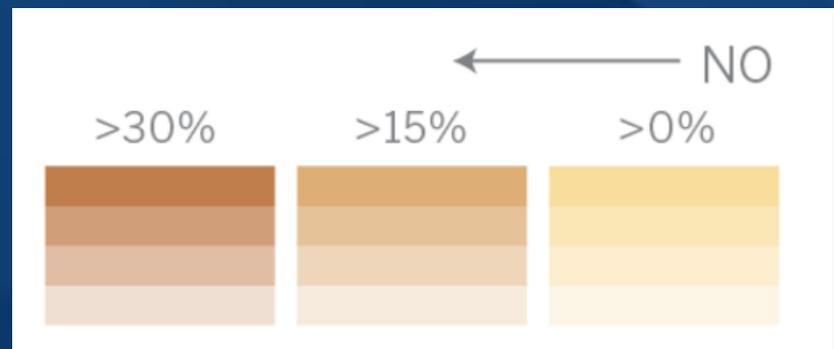
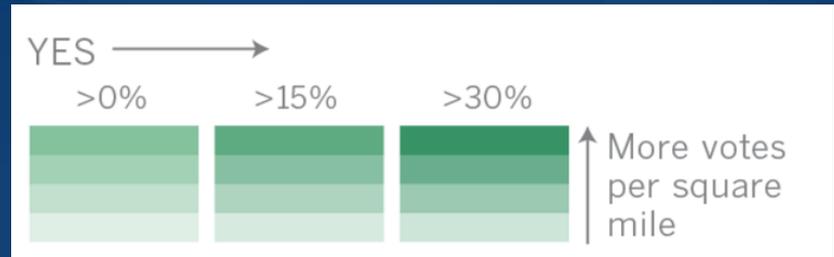
- Proposition 64 legalizes recreational marijuana under state law and establishes certain sales and cultivation taxes
- Approved by California Voters and was effective as of November 9, 2016
- State Election Results
  - Yes – 57% (7,979,041)
  - No – 43% (5,987,020)
- Glendale Election Results
  - Yes – 55% (33,845)
  - No – 45% (27,942)

# PROP. 64: GLENDALE VOTING OVERVIEW



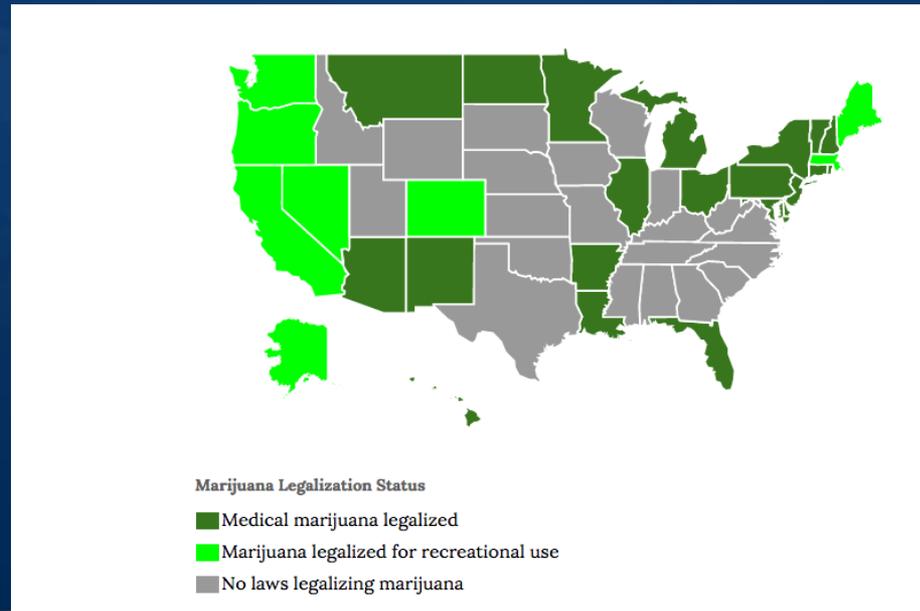
## ■ Glendale Election Results

- Yes – 55% (33,845)
- No – 45% (27,942)



# AT A GLANCE: LEGALIZATION ACROSS THE U.S.

- States where marijuana has been legalized for commercial and medicinal use:
  - California, Oregon, Washington, Colorado, Alaska, Maine, Nevada, and Massachusetts
- States where marijuana has been legalized for medicinal use:
  - Arizona, New Mexico, Montana, North Dakota, Minnesota, Michigan, Illinois, Ohio, New York, Pennsylvania, Vermont, New Hampshire, Delaware, Arkansas, Louisiana, Florida, Maryland, New Jersey, Connecticut, and Rhode Island.



# PROP. 64: WHAT IS LEGAL?

- Indoor cultivation of up to 6 plants and keeping the harvest
- Public possession of up to 28.5 grams of cannabis or 8 grams of concentrated cannabis
- Buying licensed, commercial cannabis\*
- Licensed retailers selling recreational cannabis\*

*\*As of 2018*

# PROP. 64: WHAT IS ILLEGAL?

- The possession or use of cannabis by anyone under the age of 21
- Consuming cannabis or cannabis products in any public place
- Consuming cannabis in a vehicle or driving under the influence of cannabis
- Buying or selling unlicensed cannabis

# CURRENT ENFORCEMENT PERTAINING TO USE, POSSESSION & GROWTH OF CANNABIS

Age	Classification	Quantity	Code Section
<b>Possession of Cannabis</b>			
Any Age	Infraction	In any Public Place	11362.3(a)(1) H&S
Any Age	Infraction	In a place where smoking a tobacco product is prohibited	11362.3(a)(2) H&S
Any Age	Infraction	Within 1000 ft. of a School, day care or youth center	11362.3(a)(3) H&S
Any Age	Infraction	Open container or package (driver/passenger) in a vehicle	11362.3(a)(4) H&S
Any Age	Infraction or Misdemeanor ***	Possess, smoke, ingest upon school, day care, youth center	11362.3(a)(5) H&S

\*\*\* Violation of 11362.3(a)(5) H&S is punishable in the same manner as a violation 11357(c) H&S or 11357(d) H&S

# CURRENT ENFORCEMENT PERTAINING TO USE, POSSESSION & GROWTH OF CANNABIS

Age	Classification	Quantity	Code Section
<b>Smoking in Public (Cannabis and Related Products)</b>			
Under 18 Years of Age	Infraction	Not more than one ounce (28.5 grams) and /or 4 grams of concentrated cannabis	11357(a)(1) H&S
From 18-20 Years of Age	Infraction	Not more than one ounce (28.5 grams) and /or 4 grams of concentrated cannabis	11357(a)(2) H&S
Under 18 Years of Age	Infraction	More than one ounce (28.5 grams) and /or 4 grams of concentrated cannabis	11357(b)(1) H&S
18 Years of age or older	Misdemeanor	More than one ounce (28.5 grams) and /or 4 grams of concentrated cannabis	11357(b)(2) H&S
18 Years of age or older on School Grounds	Misdemeanor	Not more than one ounce (28.5 grams) and /or 4 grams of concentrated cannabis	11357(c) H&S
Under 18 Years of Age on School Grounds	Infraction	Not more than one ounce (28.5 grams) and /or 4 grams of concentrated cannabis	11357(d) H&S

With the exception of 11357(c) H&S and 11357(d) H&S (school grounds) a person who is at least 21 years of age or older may legally possess Marijuana or Concentrated Cannabis for personal use as long as they stay within the statutory weight limits. The statutory weight limits are not more than one ounce (28.5 grams) of Cannabis (dried material) or 4 grams of Concentrated Cannabis.

# CURRENT ENFORCEMENT PERTAINING TO USE, POSSESSION & GROWTH OF CANNABIS

Age	Classification	Quantity	Code Section
<b>Possession of Marijuana /Concentrated Cannabis for Sale</b>			
Under 18 years of age	Infraction	Possession for sale	11359(a) H&S
18 years of age and older	Misdemeanor	Possession for sale	11359(b) H&S
18 years and older with specific felony conviction(s) ***	Wobbler	Possession for sale	11359(c)(3) H&S
18 years and older	Wobbler	Using a person under 21 years of age to sell (sales)	11359(d) H&S
*** Suspect must have one or more prior convictions for an offense listed in Penal Code Section 667(e)(2)(C). These violations are sometimes referred to as "Super Strikes."			
<b>Cultivation of Marijuana</b>			
Under 18 years of age	Infraction	Cultivates any amount	11358(a) H&S
Between 18 & 20 years of age	Infraction	Not more than six plants	11358(b) H&S
18 years and older	Infraction	Cultivates more than six plants	11358(c) H&S
18 years and older with specific felony conviction(s) ***	W obbler	Cultivates more than six plants	11358(d) H&S
*** Suspect must have one or more prior convictions for an offense listed in <i>Penal Code Section 667(e)(2)(C)</i> . These violations are sometimes referred to as "Super Strikes."			

# CURRENT ENFORCEMENT PERTAINING TO USE, POSSESSION & GROWTH OF CANNABIS

Age	Classification	Quantity	Code Section
<b>Transporting/Selling/Furnishing Marijuana or Concentrated Cannabis</b>			
Under 18 years of age	Infraction	Transports, sells, imports, or gives away Marijuana	11360(a)(1) H&S
18 years of age and older	Misdemeanor	Transports, sells, imports, or gives away Marijuana	11360(a)(2) H&S
18 years and older with specific felony conviction(s) ***	Wobbler	Transports, sells, imports, or gives away Marijuana	11360(a)(3) H&S
Any Age	Infraction	Gives away or transports less than one ounce (28.5 grams)	11360(b) H&S
<p>*** Suspect must have one or more prior convictions for an offense listed in Penal Code Section 667(e)(2)(C). These violations are sometimes referred to as "Super Strikes."</p>			

# WHERE DO WE GO FROM HERE?

- In January 2018, the state will begin accepting applications for licenses for commercial cannabis activities
- Staff recommends Council provide direction on:
  - Regulation of personal indoor cultivation, which is permitted under state law
  - Outdoor cultivation, which is currently prohibited under city ordinance
  - Prohibition or regulation of commercial cannabis activities and uses

# WHERE DO WE GO FROM HERE?

- If Council desires to maintain the ban on commercial cannabis activities, staff recommends code clean up to clarify and update the definitions and code references to be consistent with state law
- If the Council decides to permit and regulate any of the uses or activities currently prohibited in the Zoning Code, Council would need to direct staff initiate code amendments
- In either case, staff would initiate code amendments that would be reviewed by the Planning Commission and ultimately need approval by four-fifths vote of the City Council

# PERSONAL OUTDOOR CULTIVATION

- Cities may regulate or prohibit outdoor cultivation at a residence
- Currently, the GMC expressly prohibits marijuana cultivation of any kind
- If Council wishes to consider personal outdoor cultivation, staff recommends regulating such activity by standards for location, setback, visibility, odor, maximum height, and security

# PERSONAL INDOOR CULTIVATION RECOMMENDATIONS

- Should be permitted only within fully enclosed and secure structures inaccessible to minors, and should not be visible from a public right-of-way
- Must comply with Building Code; lighting / wattage not to exceed ordinance; use of gas products prohibited; must have proper ventilation; proper plumbing; and should not create a humidity or mold problem
- Cultivation should not be conducted in a manner that constitutes a public nuisance (e.g., light, glare, heat, noise, odor, or vibration that interferes with the reasonable enjoyment of life or property)
- Should not displace required off street parking
- Accessory structures must comply with setback requirements

# COMMERCIAL CANNABIS ACTIVITIES

- Local agencies may permit, conditionally permit, or prohibit medical and recreational cannabis uses and activities.
- State will begin issuing licenses in January 2018.
  - Bureau of Cannabis Control
  - Department of Food and Agriculture
  - Department of Public Health

# STATE LICENSING

- All nonmedical cannabis businesses must have a state license
- State license cannot be issued to an applicant whose operations would violate provisions of any local ordinance or regulation
- State licenses are valid for one year
- Separate license required for each business location

# STATE LICENSING

- Licenses – 20 different license types
  - Cultivation (14 types)
  - Manufacturer (2 types)
  - Distributor (1 type)
  - Testing laboratory (1 type)
  - Retailer (1 type) [includes delivery services]
  - Microbusiness (1 type)
- Except for laboratory testing, each license issued by the state will have an “M” or “A” to indicate whether it is a medical or adult use license

# RETAIL PREMISES

- Cannabis retailers may not sell alcoholic beverages or tobacco products on or at any premises licensed for commercial cannabis activity
- Any license issued shall not be located within a 600 foot radius of a school, day care center, or youth center
  - *See Exhibit 2 of report for map*
- Council has discretion to specify a different radius

# DELIVERIES

- Delivery services may be regulated or banned within a city's limits
- A city cannot prohibit transportation on public roads through its jurisdiction
- Delivery services are only authorized for licensed retailers, microbusinesses, and licensed nonprofits
- Delivery businesses can operate from a physical location closed to the public

# ADVERTISING

- Advertising in broadcast, cable, radio, print and digital communications is allowed under state law
- Advertising may not be targeted to those under the age of 21
- Licensees shall not advertise within 1,000 feet of a day care center, school, or youth center

# STATE TAX

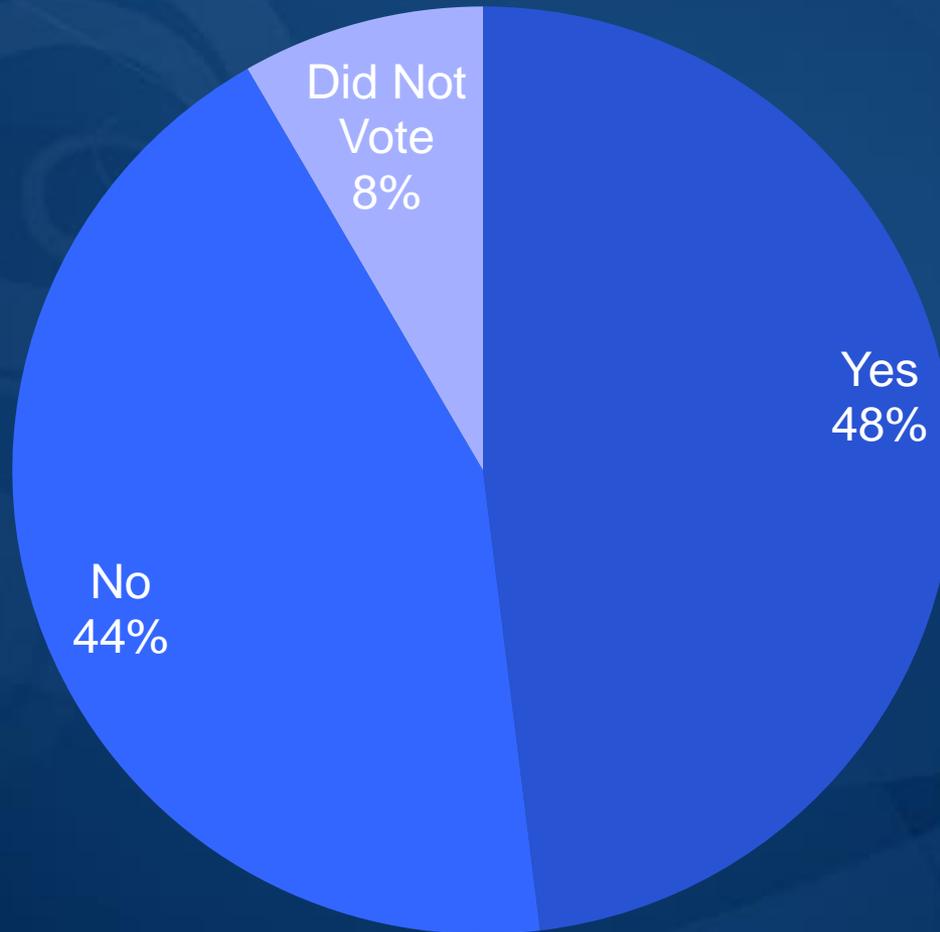
- Excise tax is 15 percent of the average market price of any retail sale by a cannabis retailer
- The excise tax is in addition to the sales and use tax imposed by state and local governments
- The law also imposes a cultivation tax of \$9.25/dry-weight ounce (flowers) and \$2.75/dry-weight ounce (leaves) on the privilege of cultivating cannabis
- Local agencies that ban cultivation or retail sales of cannabis are not eligible for grants from taxes generated

# PROP. 64 SURVEY OVERVIEW

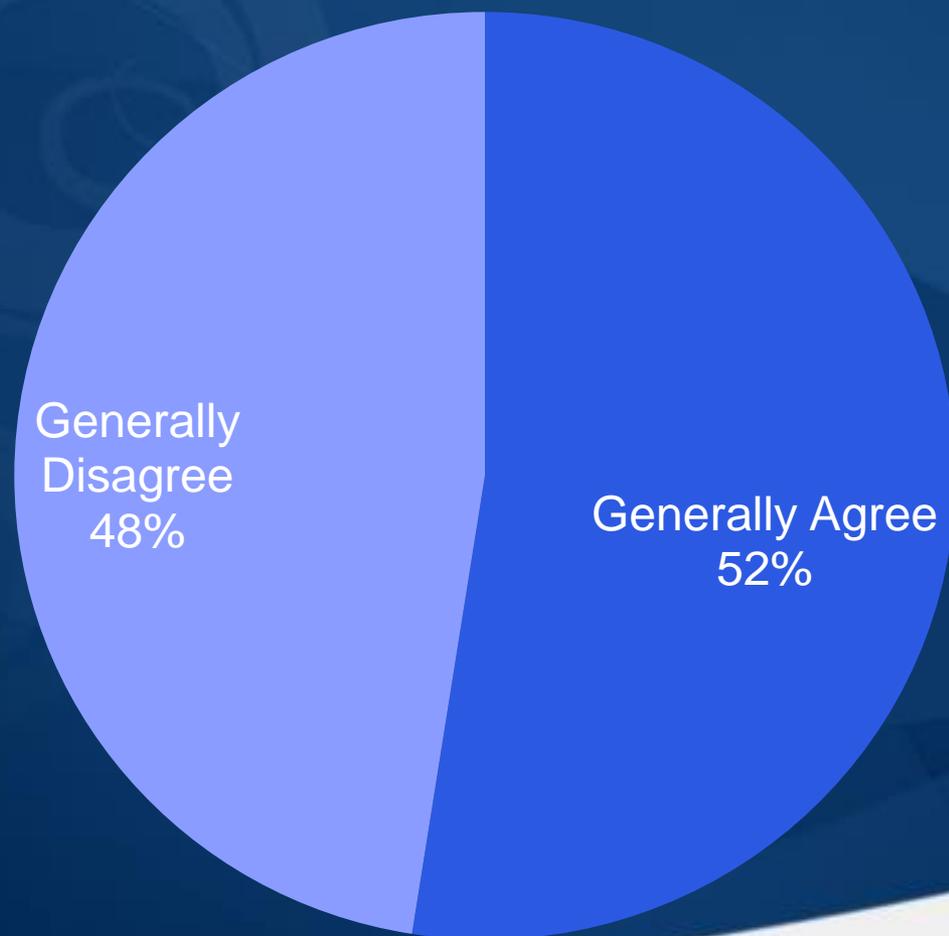
- Launched on Jan. 3, 2017
- Total Submissions Received: 1,919
- Removed duplicates and outside submissions
- Adjusted Total Submissions Received: 1,583

The screenshot displays the Glendale City website interface. At the top, the Glendale logo is visible on the left, and a search bar is on the right. Below the logo, a navigation menu includes 'GOVERNMENT', 'RESIDENTS', 'VISITORS', 'BUSINESSES', 'ONLINE SERVICES', and 'HOW DO I?'. A left sidebar contains a list of links such as 'About Us', 'Boards & Commissions', 'Agendas & Minutes', 'City Council', 'Election Results', 'Transparency', 'This is My Glendale', 'Prop. 64', 'What is Legal?', 'What is Illegal?', 'Municipal Code & Prop. 64', 'Resources', 'Prop. 64 Survey', 'Prop. 64 FAQ', 'City Hall', 'Departments', 'GTV6', 'Public Information Office', and 'Meeting Calendar'. The main content area shows the 'Prop. 64 Survey' page with the following text: 'Recreational marijuana is now legal in California. Locally, 54% of Glendale residents voted in favor of Prop. 64. We want YOUR feedback on recreational marijuana. Your answers will help provide the City of Glendale insight and guidance. We thank you in advance for your feedback!'. Below this text are three numbered questions: 1. 'Please Provide Your Zip Code' with a text input field; 2. 'Did You Vote In Favor of Prop. 64?' with radio buttons for 'Yes', 'No', and 'Did Not Vote'; 3. 'City Ordinances Currently Do Not Allow for Commercial Marijuana. Do You Support The Opening Of A Retail Marijuana Store or Dispensary?' with radio buttons for 'Yes' and 'No'. At the bottom right of the page, the Glendale California logo is displayed.

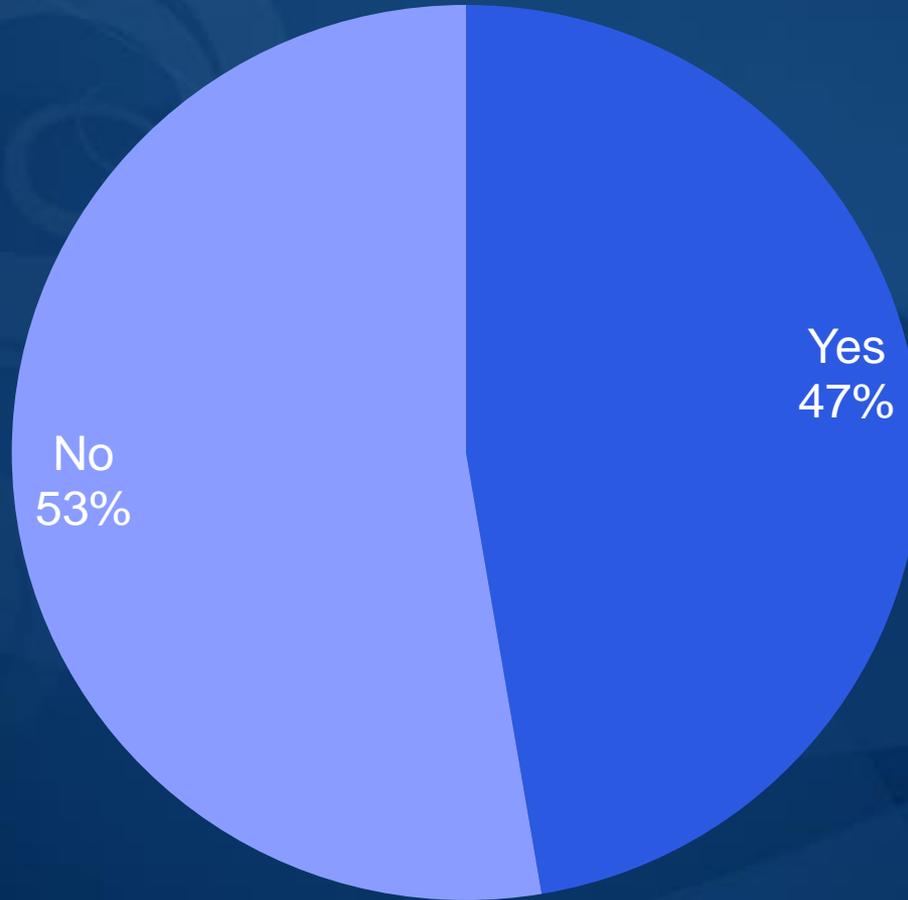
# Did you vote in favor of Prop. 64?



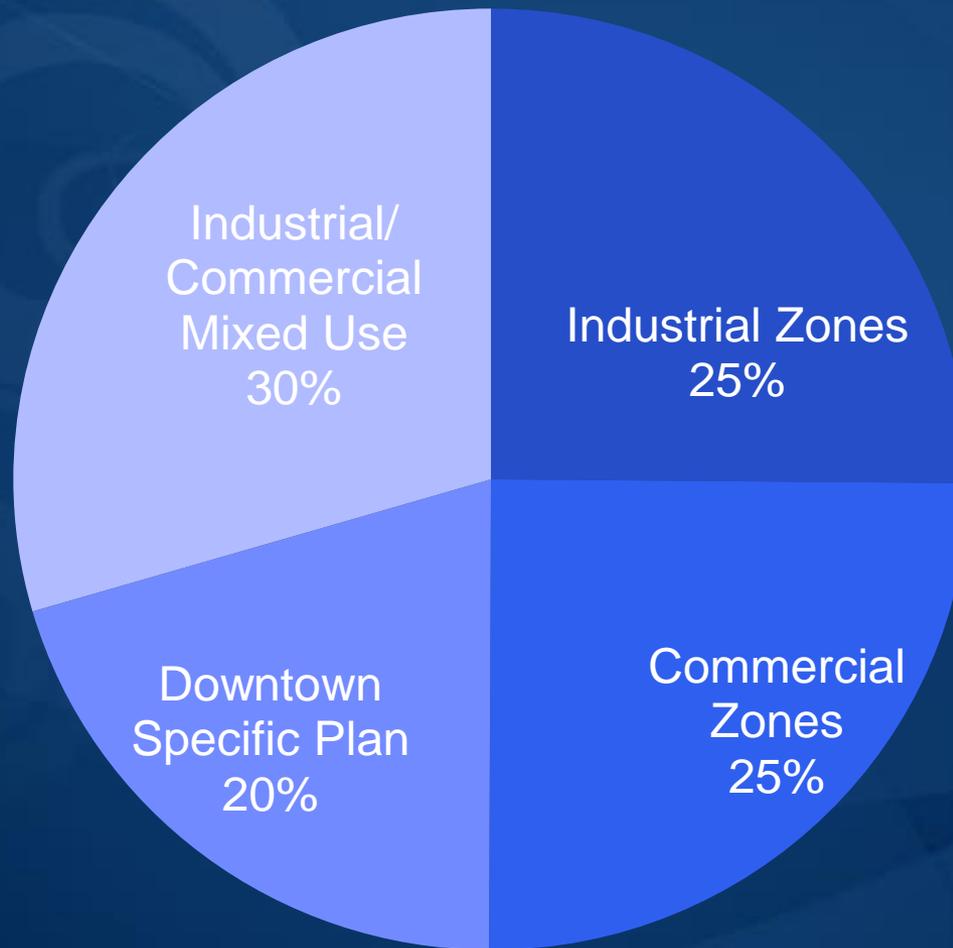
**We should maintain a local ban that prohibits dispensaries, outdoor cultivation, marijuana processing and distribution.**



# Do you support the opening of a retail marijuana store or dispensary?



# If you support the retail sale of marijuana, where would you prefer to see the storefront located?



# SUMMARY OF COMMENTS

- Support of continuing the ban
- Support of allowing and regulating commercial cannabis

# OTHER CITIES

## ▪ Los Angeles

- Allows for a variety of medical cannabis activities
- Currently drafting an ordinance that would allow for retail recreational cannabis

## ▪ Long Beach

- Has allowed for a variety of medical cannabis activities
- Have a tax in place should they allow for recreational cannabis businesses

## ▪ Beverly Hills

- Banned all elements of cannabis activities, but allows for delivery of medical cannabis

## ▪ Lancaster

- Permitted a maximum of 5 indoor commercial cultivation businesses for medical cannabis only
- Banned recreational commercial cultivation and retail sale

# OTHER CITIES

## Burbank

- On Nov. 7, introduced an ordinance to ban commercial cannabis activities for the current fiscal year
- Staff is directed to return next year after analyzing the pros and cons to assist in making a more informed decision.

## Pasadena

- On Nov. 6, reinforced their ban on marijuana dispensaries
- Like Burbank, they directed staff to return next year after evaluating how other cities fared

**Both cities have allowed  
medical marijuana deliveries**

**END**

