




R-20

Date: August 4, 2009

To: Honorable Mayor and Members of the City Council

From: Council Member Tonia Reyes Uranga, Seventh District 

Subject: **Local Authority and Regulation of Medical Marijuana Dispensaries**

Title 5 of the City of Long Beach Municipal Code requires all businesses operating in the City of Long Beach to pay a business license tax and to comply with the City Zoning Ordinance which includes regulations concerning where and under what conditions a business may operate in the City. The purpose of Title 5 (Sec 5.02.010) is to identify those businesses, trades and professions conducted and carried on in the city of Long Beach that require local regulation in order to promote and protect the public health, safety and welfare of Long Beach and its citizens.

Since the passage of Proposition 215, known as the Compassionate Use Act of 1996, the City of Long Beach has experienced the unregulated proliferation of medical marijuana dispensaries throughout the city. The voter approved initiative contained language to encourage the federal and state governments to implement a plan to provide for the safe and affordable distribution of marijuana to all patients in medical need of marijuana. In 2003, Senate Bill (SB) 420, which was passed as an extension and clarification of Proposition 215, established the Medical Marijuana Program (MMP) under the California Department of Public Health. The MMP, administered through a patient's county of residence, provides a voluntary medical marijuana identification card issuance and registry program for qualified patients.

While regulations exist at the State and County levels to administer the provisions of Prop 215, local authorities have not enacted oversight of the medical marijuana dispensaries conducting business within their jurisdiction. While these businesses do not pay any local fees for permits or licenses, there may be costs to the city for services associated with their operations. I am seeking the City Council's support to direct City Staff to propose specific standards and criteria under which medical marijuana dispensaries and related businesses, trades and professions shall be conducted and regulated within the city and to direct City Staff to conduct a cost-benefit analysis to determine the fiscal impact for city services.

Recommended Action: **Direct the City Manager and request the City Attorney and City Prosecutor to develop specific standards and criteria relating to the licensing of medical marijuana dispensaries under the provisions of Title 5 of the Long Beach Municipal Code pertaining to the regulation of Businesses, Trades and Professions.**