

**REVISED LEGISLATIVE DIGEST**  
(Amended in Committee, 2/4/2019)

[Planning Code - Conversion of Medical Cannabis Dispensary Uses to Cannabis Retail Uses]

**Ordinance amending Section 191 of the Planning Code to deem a Grandfathered Medical Cannabis Dispensary (MCD) that receives a permit to operate as an MCD from the Department of Public Health before December 31, 2019 a Temporary Cannabis Sales Use and extending the expiration date of Section 191 to January 1, 2021; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.**

Existing Law

On January 29, 2019, the Board approved the ordinance in Board File No. 181061, which amended Section 190 to allow an establishment to convert from a prior authorized use on the property to a Cannabis Retail Use as a Grandfathered MCD if it satisfies one of three criteria: (1) it holds a valid permit from DPH to operate an MCD; (2) it holds an approval for an MCD use from the Planning Department as of January 5, 2018; or (3) it submitted an application for an MCD permit to DPH by July 20, 2017, and receives such a permit.

The amendments also provide that a Grandfathered MCD is not subject to a conditional use authorization requirement.

The amendments also allow a Pending MCD Applicant to establish a Retail Cannabis use at a property where an MCD use has been proposed but not approved, by obtaining a building permit for the change of use. The amendment defines a Pending MCD Applicant as an applicant that submitted a complete application to the Department of Public Health to operate a Medical Cannabis Dispensary by July 20, 2017, but that did not receive a permit or authorization from the Planning Department to operate such Use as of January 5, 2018, and that qualifies as either an Equity Applicant or an Equity Incubator pursuant to Section 1604 of the Police Code. Except as noted below, such a Retail Cannabis use is subject to all Planning Code requirements, including but not limited to the neighborhood notification requirement set forth in Section 312 and a Conditional Use Authorization if required for a Cannabis Retail use by the zoning district in which the property is located. Such a Retail Cannabis use is not subject to the minimum radius requirement between Cannabis Retailers or between a Cannabis Retailer and a Medicinal Cannabis Retailer, as set forth in Planning Code Section 202.2(a), but is subject to all other locational requirements for Cannabis Retail set forth in Section 202.2(a).

FILE NO. 190108

The amendments eliminate the requirement that in order for a Grandfathered MCD to convert to a Cannabis Retail Use pursuant to Section 190, a completed application for the change of use must be submitted to the Department of Building Inspection no later than March 31, 2018, and a first approval by the Planning Department or Planning Commission must be received on or before December 31, 2019.

The ordinance in Board File No. 181061 did not amend Planning Code Section 191. Section 191 states that a Grandfathered MCD, as defined in Section 190, that receives a permit to operate as a Medical Cannabis Dispensary from the Department of Public Health before January 1, 2019 shall be deemed a Temporary Cannabis Sales Use.

The ordinance in Board File No. 181061 was duplicated to Board File No. 190108.

#### Amendments to Current Law

The ordinance in Board File No. 181061 amends Section 191 of the Planning Code to deem a Grandfathered Medical Cannabis Dispensary (MCD) that receives a permit to operate as an MCD from the Department of Public Health before December 31, 2019 a Temporary Cannabis Sales Use, and extends the expiration date of Section 191 to January 1, 2020.

#### Background Information

This ordinance shows the amendments approved by the Board in Board File No. 181061 as existing Code.

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