



# LOS ANGELES FIRE DEPARTMENT

RALPH M. TERRAZAS  
FIRE CHIEF

August 27, 2018

BOARD OF FIRE COMMISSIONERS FILE NO. 18-094
--

TO: Board of Fire Commissioners

FROM:  Ralph M. Terrazas, Fire Chief

SUBJECT: CANNABIS UNIT STATUS REPORT

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

## SUMMARY

On January 1, 2018, the City of Los Angeles adopted Ordinance #185343. This ordinance applies to all entities and persons engaged in legal medical and/or nonmedical related cannabis activities. The Los Angeles Fire Department (LAFD), Department of Cannabis Regulation (DCR), Los Angeles Police Department (LAPD), City Attorney's Office, Office of Finance and all other related City agencies have collectively prepared a process to meet the permit, enforcement and regulatory needs of the cannabis industry. The intent is to provide the mandated oversight and coordinate the City planning effort to properly license cannabis related enterprises.

## RECOMMENDATION

Receive and file.

## FISCAL IMPACT

The Cannabis Unit is full cost recovery with a yearly inspection fee of \$918.00 applied toward a four-hour inspection and system development fees are included. As needed, the LAFD may apply additional charges on an hourly basis at pre-established hourly rates. The inspection fee is included in the annual licensing fee and is managed by the Office of Finance.

There is no fiscal impact to the general fund.

## DISCUSSION

The Fire Prevention and Public Safety Bureau (FPB) has provided an extensive industry-specific enforcement, inspection and permit process to meet the fire/life safety concerns related to the sale, dispensing, cultivation, extraction and ancillary handling of cannabis.



These procedures are in accordance with the following:

- Los Angeles Municipal Code - Section 2, Article 4, Chapter X
- California Fire Code 2018 Supplemental

Section	104	General Authority and Responsibilities
Section	105	Authority to Issue, Suspend and Revoke Permits
Section	106	Authority to Inspect
Section	109	Violations
Section	110	Unsafe Buildings
Section	112	Service Utilities
Section	325	General Provisions for Correction of Hazards

The Industrial and Commercial Section Commander will oversee and handle the aforementioned regulatory and enforcement needs for the commercial cannabis industry. To date, the Section has accomplished the following:

- Established funding to staff a Cannabis Unit consisting of the following:

1	Unit Commander	Captain I – sworn ( <i>to be filled effective October 1, 2018</i> )
4	Inspector I's	Sworn – ( <i>two currently filled and two to be filled effective January 1, 2019</i> )
1	Management Analyst	Civilian - ( <i>to be filled effective October 1, 2018</i> )

- Established a comprehensive inspection guide for all Inspectors within the Department
- Created a detailed, industry specific fire inspection pre-checklist
- Developed a GIS mapping system to track and monitor facilities granted temporary approval
- Published a dedicated public facing web page which provides the industry with educational communications and outreach related to cannabis
- Provided training and on-site visits to all Fire Inspectors within the Industrial and Commercial Section. Training has increased familiarity and knowledge of inspection specific guidelines and policies

Legal businesses within the City's new regulatory program must have either temporary approval or a license to engage in commercial cannabis activity. A comprehensive list and map of all businesses with temporary approval or a license to sell medicinal or adult-use cannabis and cannabis products may be found on the Department of Cannabis Regulation webpage ([cannabis.lacity.org/legal-business](http://cannabis.lacity.org/legal-business)).



The information is continually updated. Currently, 162 businesses have been granted temporary approval or licenses. Applicants fall into one of three phases. To date:

<b>PHASE 1 - CLOSED</b>	<b>CLOSED</b>	DCR began accepting applications for “Proposition M Priority Processing” as described in <a href="#">Section 104.07 of the Los Angeles Municipal Code</a> on January 3, 2018. The application filing period closed after 60-days.
<b>PHASE 2 - OPEN</b>	<b>OPENED</b>	DCR is now accepting applications for “Non-Retailer Commercial Cannabis Activity Prior to January 1, 2016 Processing” as described in <a href="#">Section 104.08 of the Los Angeles Municipal Code</a> on August 1, 2018. The application filing period will close at 4 p.m. on Thursday, September 13, 2018.
<b>PHASE 3 - TO BE DETERMINED</b>		DCR will accept and process applications for commercial cannabis activity for the general public.

The Section and Unit Commanders have regularly attended Department of Cannabis Regulation’s plans meetings. The FPB has provided subject-matter expertise during these planning meetings. To date, the FPB has provided enforcement, regulatory and fire/life safety guidance and input to both the business community and the overall development of the City’s process.

The lafd.org website is continually updated to provide education, direction and pre-inspection guidance to all business owners within the cannabis industry.

The FPB has also participated in two DCR Phase 2 workshops. This vital outreach has provided public support and education to over 1000 entrepreneurs within the cannabis industry. These workshops focus primarily on Section 104.20 of the Los Angeles Municipal Code, which addresses the social equity programs providing outreach efforts for the following:

- Low Income applicants
- “California Cannabis Conviction” applicants
- “Disproportionately Impacted Area” resident applicants



## **CONCLUSION**

The FPB has provided a firm foundation to meet the procedural requirements for the short term projected needs within the cannabis industry. The projected business growth will require additional ongoing analysis of the staffing needs and logistical support required to ensure exceptional service is continually provided to the business community. The FPB will assess and evaluate the needs related to the Cannabis Unit and will make specific budget and staffing recommendations to meet the upcoming increase in workload.

Board Report prepared by Battalion Chief James Patrick Hayden, Industrial and Commercial Section Commander.