

# CITY OF AGOURA HILLS

OFFICE OF THE CITY ATTORNEY

30001 Ladyface Court, Agoura Hills, California 91301  
Telephone 818.597.7300 Facsimile 818.597.7352

## MEMORANDUM

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Craig A. Steele, City Attorney  
**DATE:** September 13, 2006  
**SUBJECT:** Introduction and Adoption of Temporary Moratorium on the Establishment of Marijuana Dispensaries in the City

---

**TITLE:** An interim Ordinance of the City of Agoura Hills enacted pursuant to California Government Code Section 65858 prohibiting the establishment of marijuana dispensaries in any zoning district in the City (urgency and non-urgency options).

**OBJECTIVE:** Adopt an interim moratorium for at least 45 days prohibiting the establishment of marijuana dispensaries throughout the City while the City undertakes a study and planning process to determine whether such uses should be permitted and, if so, under what conditions and standards.

**BACKGROUND:** The City has received inquiries regarding the establishment of so-called medicinal marijuana dispensaries or co-ops in the City. One such establishment recently attempted to do business in the City without a business license and under signage that may have been designed to conceal the true nature of the establishment. Although State law, in conflict with federal law, makes limited allowance for the personal possession and use of marijuana for medicinal purposes when prescribed by a doctor, it is not clear that the distribution of marijuana products to numerous individuals from an establishment such as this would be lawful. At present, medical marijuana dispensaries are not permitted uses under the Municipal Code, although not specifically prohibited either, and might be argued to follow under some catch-all classification. While staff studies the nature and character of the use, whether such a use should be permitted in the City, and if so, under what conditions and regulations, a moratorium on the establishment of such uses is urgently needed.

**ANALYSIS:** Proposed Moratorium.

At least one inquiry regarding possible locations for medical marijuana dispensaries have been received by city staff in the recent past. Earlier this summer, staff became aware that a dispensary had opened in the City without a business license, without signage that disclosed the nature of the business and, we are informed, under false pretenses made to the landlord. The illegal establishment of the use is being addressed by Code Enforcement. The recent inquiry and the illegal opening of a dispensary have prompted staff to request an interim moratorium on the establishment of medial marijuana dispensaries.

The proposed moratorium ordinance is a way to preserve the *status quo* for a brief period while the City studies ways to protect public health and safety. State law specifically allows cities to

CITY OF AGOURA HILLS  
MEMORANDUM

---

Honorable Mayor and Members  
of the City Council  
September 13, 2006  
Page 2

adopt interim moratoria in situations exactly like this one. The purpose of a moratorium is to ensure that development projects that would be inconsistent with the actions and programs the City is considering do not occur before the City is able to complete its planning process. As prospective owners of these businesses become aware that the City is contemplating different ways of regulating or prohibiting marijuana dispensaries, they may decide to establish such businesses in the interim to avoid being subject to the new rules. A moratorium will prevent that potential conflict.

This moratorium would prevent the establishment of marijuana dispensaries in any district for a period of 45 days. During that 45-day period, the City Council will hold a public hearing to determine whether to extend the moratorium or allow it to expire. Ultimately, the moratorium has a maximum life of 2 years after adoption. The proposed moratorium is presented both as an urgency ordinance, to take effect immediately upon adoption, and a traditional ordinance, to take effect after first and second reading.

After discussion, at the Council's pleasure, your options are to either adopt the ordinance by 4/5 vote or take no action. The ordinance will take effect immediately, if adopted, for a period of 45 days. A public hearing and further consideration of this matter will occur before the expiration of 45 days.

**RECOMMENDATION:** Staff recommends that the City Council adopt the urgency interim moratorium ordinance, and introduce, read by title only and waive further reading of the non-urgency ordinance.

**COUNCIL ACTION REQUIRED:**

- 1. URGENCY:** Motion to read by title only and adopt urgency ordinance No. 06-338U and 06-338.
- 2. NON-URGENCY:** Motion to Introduce Ordinance No. 06-338, read by title only and waive further reading.

cc: Greg Ramirez, City Manager