

Los Angeles Prepares for Clash Over Marijuana



Harborside Health Center, a nonprofit medical marijuana dispensary in Oakland, Calif., is looked upon as a model of how others could operate.

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LOS ANGELES — There are more [marijuana](#) stores here than public schools. Signs emblazoned with cannabis plants or green crosses sit next to dry cleaners, gas stations and restaurants.

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Jim Wilson/The New York Times

A grower in a house in Berkeley, Calif., who said he could grow three crops a year, each worth about \$40,000.

The dispensaries range from Hollywood-day-spa fabulous to shoddy-looking storefronts with hand-painted billboards. Absolute Herbal Pain Solutions, Grateful Meds, Farmacopeia Organica.

Cannabis advocates claim that more than 800 dispensaries have sprouted here since 2002; some law enforcement officials say it is closer to 1,000. Whatever the real number, everyone agrees it is too high.

And so this, too, is taken for granted: Crackdowns on cannabis clubs will soon come in this city, which has more dispensaries than any other.

For the first time, law enforcement officials in Los Angeles have vowed to prosecute medical marijuana dispensaries that turn a profit, with police officials saying they expect to conduct raids. Their efforts are widely seen as a campaign to sway the City Council into adopting strict regulations after two years of debate.

It appears to be working. Carmen A. Trutanich, the newly elected city attorney, recently persuaded the Council to put aside a proposed ordinance negotiated with medical marijuana supporters for one drafted by his office. The new proposal calls for dispensaries to have renewable permits, submit to criminal record checks, register the names of members with the police and operate on a nonprofit basis. If enacted, it is likely to result in the closing of hundreds of marijuana dispensaries.

Mr. Trutanich argued that state law permits the exchange of marijuana between growers and patients on a nonprofit and noncash basis only. Marijuana advocates say that interpretation would regulate dispensaries out of existence and thwart the will of voters who approved medical cannabis in 1996.

Whatever happens here will be closely watched by law enforcement officials and marijuana advocates across the country who are threading their way through federal laws that still treat marijuana as an illegal drug and state laws that are increasingly allowing medicinal use. Thirteen states have laws supporting medical marijuana, and others are considering new legislation.

No state has gone further than California, often described by drug enforcement agents as a “source nation” because of the vast quantities of marijuana grown here. And no city in the state has gone further than Los Angeles. This has alarmed local officials, who say that dispensary owners here took unfair advantage of vague state laws intended to create exceptions to marijuana prohibitions for a limited number of ill people.

“About 100 percent of dispensaries in Los Angeles County and the city are operating illegally,” said Steve Cooley, the Los Angeles County district attorney, who is up for re-election next year. “The time is right to deal with this problem.”

Mr. Cooley, speaking last week at a training luncheon for regional narcotics officers titled “The Eradication of Medical Marijuana Dispensaries in the City of Los Angeles and Los Angeles County,” said that state law did not allow dispensaries to be for-profit enterprises.

Mr. Trutanich, the city attorney, went further, saying dispensaries were prohibited from accepting cash even to reimburse growers for labor and supplies. He said that a recent California Supreme Court decision, *People v. Mentch*, banned all over-the-counter sales of marijuana; other officials and marijuana advocates disagree.

So far, prosecutions of marijuana dispensaries in Los Angeles have been limited to about a dozen in the last year, said Sandi Gibbons, a spokeswoman for Mr. Cooley. But Police Department officials said they were expecting to be called on soon to raid collectives.

“I don’t think this is a law that we’ll have to enforce 800 times,” said one police official, who declined to speak on the record before the marijuana ordinance was completed. “This is just like anything else. You don’t have to arrest everyone who is speeding to make people slow down.”

Don Duncan, a spokesman for [Americans for Safe Access](#), a leader in the medical marijuana movement, said that over-the-counter cash purchases should be permitted but that dispensaries should be nonprofit organizations. He also said marijuana collectives needed more regulation and a “thinning of the herd.”

“I am under no illusions that everyone out there is following the rules,” said Mr. Duncan, who runs his own dispensary in West Hollywood. “But just because you accept money to reimburse collectives does not mean you’re making profits.”

For marijuana advocates, Los Angeles represents a critical juncture — a symbol of the movement’s greatest success, but also its vulnerability.

More than 300,000 doctors’ referrals for medical cannabis are on file, the bulk of them from Los Angeles, according to Americans for Safe Access. The movement has had a string of successes in the Legislature and at the ballot box. In the city of Garden Grove, marijuana advocates forced the Highway Patrol to return six grams of marijuana it had confiscated from an eligible user. About 40 cities and counties have medical marijuana ordinances.

But there have also been setbacks. In June, a federal judge sentenced Charles C. Lynch, a dispensary owner north of Santa Barbara, to one year in prison for selling marijuana to a 17-year-old boy whose father had testified that they sought out medical marijuana for his son’s chronic pain. The mayor and the chief of police testified on behalf of Mr. Lynch, who was released on bail pending appeal.

And last month, San Diego police officers and sheriff’s deputies, along with agents from the [Drug Enforcement Administration](#), raided 14 marijuana dispensaries and arrested 31

people. In an interview, Bonnie Dumanis, the district attorney for San Diego County, said that state laws governing medical marijuana were unclear and that the city had not yet instituted new regulations.

Ms. Dumanis said that she approved of medical marijuana clubs where patients grow and use their own marijuana, but that none of the 60 or so dispensaries in the county operated that way.

“These guys are drug dealers,” she said of the 14 that were raided. “I said publicly, if anyone thinks we’re casting too big a net and we get a legitimate patient or a lawful collective, then show us your taxes, your business license, your incorporation papers, your filings with the Department of Corporations.”

“If they had these things, we wouldn’t prosecute,” she said.

Marijuana supporters worry that San Diego may provide a glimpse of the near future for Los Angeles if raids here become a reality. But many look to Harborside Health Center in Oakland as a model for how dispensaries could work.

“Our No. 1 task is to show that we are worthy of the public’s trust in asking to distribute medical cannabis in a safe and secure manner,” said Steve DeAngelo, the pig-tailed proprietor of Harborside, which has been in business for three years.

Harborside is one of four licensed dispensaries in Oakland run as nonprofit organizations. It is the largest, with 74 employees and revenues of about \$20 million. Last summer, the Oakland City Council passed an ordinance to collect taxes from the sale of marijuana, a measure that Mr. DeAngelo supported.

Mr. DeAngelo designed Harborside to exude legitimacy, security and comfort. Visitors to the low-slung building are greeted by security guards who check the required physicians’ recommendations. Inside, the dispensary looks like a bank, except that the floor is covered with hemp carpeting and the eight tellers stand behind identical displays of marijuana and hashish.

There is a laboratory where technicians determine the potency of the marijuana and label it accordingly. (Harborside says it rejects 80 percent of the marijuana that arrives at its door for insufficient quality.) There is even a bank vault where the day’s cash is stored along with reserves of premium cannabis. An armored truck picks up deposits every evening.

City officials routinely audit the dispensary’s books. Surplus cash is rolled back into the center to pay for free counseling sessions and [yoga](#) for patients. “Oakland issued licenses and regulations, and Los Angeles did nothing and they are still unregulated,” Mr. DeAngelo said. “Cannabis is being distributed by inappropriate people.”

But even Oakland's regulations fall short of Mr. Trutanich's proposal that Los Angeles ban all cash sales.

"I don't know of any collective that operates in the way that is envisioned by this ordinance," said Mr. Duncan, of Americans for Safe Access.

Christine Gasparac, a spokeswoman for State Attorney General [Jerry Brown](#), said that after Mr. Trutanich's comments in Los Angeles, law enforcement officials and advocates from around the state had called seeking clarity on medical marijuana laws.

Mr. Brown has issued legal guidelines that allow for nonprofit sales of medical marijuana, she said. But, she added, with laws being interpreted differently, "the final answer will eventually come from the courts."