



Las Vegas

Agenda Item No.: 55.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: MARCH 19, 2014

DEPARTMENT: PLANNING
DIRECTOR: FLINN PAGE

☐ Consent ☒ Discussion

SUBJECT:

Discussion for possible action to: 1) determine the desire of the City Council whether or not to authorize medical marijuana establishments within the City, 2) determine the extent to which they will be authorized, if they are to be authorized, and 3) provide direction to staff accordingly
- All Wards

Fiscal Impact

☐ No Impact ☐ Augmentation Required
☐ Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

SB 374 governing medical marijuana was signed into law by Governor Sandoval on June 12, 2013. This bill provides for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufactured edible marijuana products or marijuana-infused products for sale to persons authorized to engage in the medical use of marijuana. The Department of Health and Human Services of the State of Nevada was charged with developing regulations and accepting applications for certification of facilities. The Council will receive a report on the status of state regulations, the medical marijuana program and direct staff on the development of local regulations on the establishment of such facilities within the city.

RECOMMENDATION:

Council should discuss this item and direct staff accordingly.

BACKUP DOCUMENTATION:

Submitted at Meeting PowerPoint Presentation by Staff

Motion made by BOB COFFIN to Approve that staff immediately begin the process of drafting the final regulations to enable the growth, cultivation, processing of edible production materials, testing and sale of cannabis only for medicinal purposes

Passed For: 5; Against: 2; Abstain: 0; Did Not Vote: 0; Excused: 0

BOB COFFIN, RICKI Y. BARLOW, CAROLYN G. GOODMAN, STEVEN D. ROSS, BOB BEERS; (Against-LOIS TARKANIAN, STAVROS S. ANTHONY); (Abstain-None); (Did Not Vote-None); (Excused-None)

NOTE: A previous motion for reconsideration by Coffin that carried with Tarkanian voting No rescinded Coffin's initial motion, which carried with Goodman, Anthony and Tarkanian voting

CITY COUNCIL MEETING OF: MARCH 19, 2014

No, to Approve that staff immediately begin the process of drafting the final regulations to enable the growth, cultivation, processing of edible production materials, testing and sale of cannabis only for medicinal purposes.

Minutes:

FLINN FAGG, Planning Director, and KAREN DUDDLESTEN, Business Licensing Manager, were present. MR. FAGG stated that at the 2/5/2014 Council meeting, staff was directed to come forward with a presentation on a medical marijuana program.

MS. DUDDLESTEN explained that passage of Senate Bill 374 is driving this effort, and she detailed PowerPoint slides regarding Types of Facilities, the State Process, the Status of the City of Las Vegas on this matter and on Decision Points 1-5.

MR. FAGG pointed out that the Planning Commission's recommendations on the Text Amendment for this matter will be brought forward. MS. DUDDLESTEN added that the licensing regulations have been forwarded to the City Attorney's Office for review and will be presented later in the month. Licensing regulation workshops will be held before ordinances are introduced, hopefully, in May.

MS. DUDDLESTEN requested a resolution from the Council on medical marijuana facilities, and then, if approved, the Council can then allow the types of facilities that will be allowed in the City of Las Vegas.

MAYOR GOODMAN commented that she wanted more information on how licensing medical marijuana is impacting the country and the world. She asked if the City could back off later, once approved. She discussed with MR. FAGG that a yes decision is not final until land use and licensing regulations are adopted by the Council. This is still the discussion phase. Public input will be allowed at the workshops of 3/26/2014 and 4/1/2014 at the Development Services Center in the Fifth Floor Conference Room.

ATTORNEY MARK TERBEEK, who indicated he previously spoke on this issue, advised that it would be in the best interest of the Council to approve medical marijuana facilities and take control in order to avoid potential litigation, when it has been constitutionally approved. As someone who has worked in assisting entities to establish regulations for medical marijuana, he emphasized that transparency and consistency in approval of applications is important so that the public can have confidence in the system.

ATTORNEY DEREK J. CONNOR, representing numerous clients, commented that approving medical marijuana provides the opportunity to create a new industry and jobs. BARRY STIEB agreed that the marijuana industry will create job opportunities and revenues for the City. He urged the Council's approval.

ADAM STERNBERG noted that people in Utah fought to get what is commonly known as Charles Law approved, but the little girl passed away in the interim. He urged the Council to take action quickly in consideration of patients who are terminally ill.

CITY COUNCIL MEETING OF: MARCH 19, 2014

PERRY HITECHEW, representing the Board of Directors of the Wellness Education Cannabis Advocates of Southern Nevada, expressed support and deferred to MICHAEL McAULIFF, who said that after a contentious hearing, Nye County decided to allow medical marijuana facilities in Pahrump, adding a 10 percent tax, which he considers to be an economic disadvantage for Pahrump. Although the City Council may be concerned with the legal liability, he has found in his research that there has not been a single incidence of federal indictment coming down. He urged staff to hold the workshop meetings in a room capacious enough to accommodate large crowds so that everyone is afforded the opportunity to provide input. He believes Nevada has carefully crafted regulations regarding medical cannabis use and all the legal representatives feel the more medical marijuana is regulated, the less concerns there will be. He indicated he read where the United States government will allow marijuana for private research, and it would be wise to deal with medical marijuana as a healthcare issue with medical value and supply it wisely with adequate regulations. MAYOR GOODMAN stressed that the effort should be directed toward removing medical marijuana from Schedule I. The U.S. Conference of Mayors voted unanimously to give each state the right to control it, but it should be removed from the Control Substance Act - Schedule 1 so that the federal government does not regard it as a felony.

MR. McAULIFF indicated to COUNCILWOMAN TARA ADAM that he fights for medical marijuana use, but allowing the general use of marijuana would be a sensible solution to hinder drug cartels.

Speaking on behalf of cancer patients and as a cancer patient, DIANA LEE regarded medical marijuana the same as a drug sold by pharmacies in neighborhoods, such as CVS and Walgreens, and should, therefore, be distributed in similar facilities in neighborhoods so that people that need it do not have to travel far to obtain it. She would prefer medical marijuana to prescription drugs, which are more dangerous.

TIMOTHY ADDO said he is excited about patients being able to obtain medical marijuana. He would like to have specific regulations and an affordable program for patients.

ATTORNEY and ASSEMBLYMAN WILLIAM HORNE, representing clients seeking to establish medical marijuana facilities, indicated that if the City of Las Vegas does not issue licenses, the state may and shall issue licenses to those who have the state qualifications and local zoning regulations. It is important to distinguish that the state can still license applicants. Nye County approved medical marijuana because it would like to have a say in the process.

MAYOR GOODMAN asked for CITY ATTORNEY JERBICS input on ATTORNEY HORNE'S allegation. CITY ATTORNEY JERBIC opined that there are three criteria for a licensed medical marijuana facility: a state certificate, a city business license and proper zoning. Those jurisdictions that have opted against allowing marijuana establishments can simply decide not to create a zoning category for it, and the state cannot force a dispensary in these jurisdictions. However, he offered to seek information from the Nye County District Attorney on this issue. ATTORNEY HORNE urged the Council to act quickly or it could miss out on this opportunity.

CITY COUNCIL MEETING OF: MARCH 19, 2014

RAYMOND FLETCHER commented that the state approved medical marijuana dispensaries nine months ago and the City should end its moratorium and move forward, else close the pharmacies that dispense drugs. He expressed concern with the distance requirements for medical marijuana dispensaries. To COUNCILWOMAN TARKANIAN, he indicated that she should not feel uncomfortable in approving it because she was elected to represent the voters, who voted in medical marijuana. The Councilwoman replied that she does not feel comfortable because of concerns her constituents have expressed to her and because she feels this is a step toward recreational marijuana. She is concerned about the youth having access to it. MR. FLETCHER pointed out that minors obtain alcohol legally.

ANTHONY HODGES stated it is just a matter of time before marijuana becomes legal, and the City should benefit from the revenue.

ANGELA HARRIS, a cancer survivor, said she was against marijuana, but is now grateful it was approved because it has helped her friend cope with her illness. She urged the Council to move forward and help patients that are awaiting help.

COUNCILMAN ANTHONY referenced a statement he read supporting his opposition to allowing medical marijuana dispensaries and indicated that he augmented that document, which he read, based on further research. The same document was submitted and is attached as backup.

COUNCILMAN ROSS noted his impatience with this matter and commended the people that came forward regarding the need to make it available for medical purposes to people with illnesses. He urged the Council to move forward with this challenge.

COUNCILMAN BARLOW commented that after researching this issue throughout California, Arizona and Colorado and visiting several dispensaries, he has new-found respect for how medical marijuana has helped many people and for the types of people that frequent the establishments. Many of the people were seniors and people suffering with chronic diseases that cause them severe pain. These people believe they would not be alive were it not for the use of marijuana to help them cope with their pain. After witnessing this, he felt it is important to provide the opportunity to obtain medical marijuana to Southern Nevadans suffering from pain.

MAYOR GOODMAN stressed that she is elected by the entire City and does not take this board's decisions lightly, and it behooves the Councilmembers to acquire as much information as possible, which is why she asked staff to find out what is going on with medical marijuana in cities throughout the country and throughout the world. This Council has a responsibility to not go along with what others are doing. Although she believes the federal government should take a stance on this matter and is aware of the benefits, she respects federal law, and it currently prohibits medical marijuana. She felt strongly that the right thing to do is to keep the option open and tread carefully in order to vet the subject long enough to feel comfortable and consider all the issues before moving forward. She supports medical marijuana for the purpose of helping those that need it, but is concerned about those that are interested in its approval for gain and

CITY COUNCIL MEETING OF: MARCH 19, 2014

about the criminals. Given the ongoing issues in Mexico regarding drug cartels, the City needs to examine this closely; else tourism will suffer, like in Mexico. If allowed, she wants quality marijuana grown, inspected, controlled and made available at a fair price.

COUNCILWOMAN TARKANIAN stated that decisions on controversial matters are difficult and sometimes painful to make. The only way she could support medical marijuana is if it were prescribed by doctors. Her biggest concern is adolescents obtaining it because of the harm it might cause their brains, according to some experts, and she is also concerned about how innocent people might be impacted with users under the influence of marijuana as it occurs with drivers under the influence of alcohol. Even Colorado's governor is urging states considering allowing medical marijuana to tread cautiously and not be bewildered by the revenue opportunities. She feels for those in pain, but is convinced there are other ways for them to obtain it.

COUNCILMAN COFFIN made a broad motion that MAYOR GOODMAN disagreed with, indicating that each point should be voted on separately, even though she is in favor of establishments.

After the vote, COUNCILMAN BARLOW indicated he would be hosting a town hall meeting to get the community's input on this matter and asked his fellow Councilmembers to participate.

COUNCILWOMAN TARKANIAN discussed with COUNCILMAN BARLOW that he will host a town hall meeting to allow people to speak on this issue, which is a very important matter that will affect all wards. The Councilwoman indicated she might want to attend. MAYOR GOODMAN pointed out that staff is already hosting workshops on 3/26 and 4/1/2014.

CITY ATTORNEY JERBIC advised the Councilmembers that if they were all going to attend the workshops or the town hall meeting, then an agenda would have to be posted in compliance with the Open Meeting Law. CITY MANAGER FRETWELL remarked that workshops are typically open to anybody who wants to participate and was hesitant about posting them as public meetings of the Council, because the public might expect action to be taken. She preferred to take input and then report back to the Council. COUNCILMAN BARLOW asked that a flyer be created to promote the meetings. CITY MANAGER FRETWELL indicated that the workshops will be advertised through traditional public information means and social media.

MS. DUDDLESTEN proposed just holding the workshops for input on licensing regulations, and perhaps scheduling at a location that can accommodate large groups of people.

COUNCILMAN BARLOW stated that he has received comments from constituents indicating a desire for the meetings to be held during non-work hours to allow people to attend and voice their concerns and have them addressed.

COUNCILWOMAN TARKANIAN did not see the need for public input when the motion was just made to allow its use. MR. FAGG indicated that the workshops are to discuss licensing

CITY COUNCIL MEETING OF: MARCH 19, 2014

regulations, and indicated that staff could also schedule a town hall meeting in the evening for residents to attend. CITY MANAGER FRETWELL assured the Councilmembers that she will handle the details.

COUNCILMAN BARLOW discussed with ATTORNEY HORNE that the Health Commission adopted the regulations and have been forwarded to the Legislative Commission for consideration and action, and he does not anticipate the Legislative Commission making any changes.

After the vote on 64, MAYOR GOODMAN requested this matter be reconsidered so that she could vote affirmatively because she was initially opposed to the broad motion made by COUNCILMAN COFFIN.

See Item 7 for related discussion.

