



Las Vegas

Agenda Item No.: 27.

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING ON: OCTOBER 1, 2014**

**DEPARTMENT:** PLANNING  
**DIRECTOR:** TOM PERRIGO, ACTING

☐ Consent ☒ Discussion

**SUBJECT:**  
**ADMINISTRATIVE:**

Report for possible action by staff regarding the process to evaluate Medical Marijuana Compliance Permit and Special Use permits

**Fiscal Impact**

☐  
☐

No Impact

Budget Funds Available

☐ Augmentation Required

**Amount:**

**Funding Source:**

**Dept./Division:**

**PURPOSE/BACKGROUND:**

Staff reviewed a proposed schedule for the completion of evaluation and meetings of the City Council on the applications received for the establishment of medical marijuana dispensary, cultivation and production permits. At the Joint Planning Commission and City Council Workshop of August 25, 2014, staff was directed to bring a proposed schedule and additional information on the state evaluation process to the City Council for review and possible action.

**RECOMMENDATION:**

Report only; no action required

**BACKUP DOCUMENTATION:**

Submitted at Meeting Medical Marijuana Presentation by Karen Duddleston

Motion made by STEVEN D. ROSS to Accept the Report

Passed For: 6; Against: 0; Abstain: 1; Did Not Vote: 0; Excused: 0

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

NOTE: MAYOR GOODMAN abstained from voting due to a conflicting matter with her son.

Minutes:

TOM PERRIGO, Acting Planning Director, provided an update on the medical marijuana establishment application process as requested at the Special Workshop of the City Council and Planning Commission on 8/25/2014. He reported that review by the Downtown Design Review Committee related to signage had been completed. Planning Department staff members

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reviewed all land use applications, completed their analysis and prepared Staff Reports. The Special Use Permit (SUP) applications went before the Planning Commission at two special meetings that were held on 9/23/2014 and 9/30/2014, completing all work related to land use.

KAREN DUDDLESTEN, Business Licensing Manager, presented the different departments that reviewed the medical marijuana establishment applications. Business Licensing staff members performed their due diligence on the applicants operations, visited every proposed site and conducted interviews with most applicants to address outstanding questions on their application.

She proposed the Council proceed with the Special City Council meetings scheduled for 10/28/2014, 10/29/2014 and possibly 11/10/2014, if needed, to consider the SUP's and Compliance Permits. A Director's Report would be issued containing information regarding compliance with both the land use and medical marijuana codes.

MS. DUDDLESTEN informed COUNCILMAN BEERS that discussions as to how many applications would be forwarded to the State had not yet taken place. It was up to the Council, but she thought that the applicants deserved an opportunity to be heard prior to the Council making that decision. She explained that any applicant that received an approval or denial from the Council would be forwarded to the State, which would provide its rankings in November. Applicants that made the States ranking list that had land use approval and a Compliance Permit would proceed with the privilege license process and come back before the Council for consideration of a business license.

COUNCILWOMAN TARKANIAN raised concern with the City being sued by an applicant that made the State ranking, but was denied by the City Council. MS. DUDDLESTEN noted that the State made it clear in several public meetings that if an applicant received a denial from a local government, they would deny or revoke any Compliance Permit that was given to that business. She pointed out that the State was looking at different criteria for approval than the City Council. CITY ATTORNEY BRAD JERBIC stated the Council had been granted broad police powers in the City's Charter, which was equal to State law. Part of those powers included regulating businesses such as this. While an applicant may sue the City, it would be unlikely that they would win. He agreed with MS. DUDDLESTEN that the City Council should review the applications prior to the State.

COUNCILMAN COFFIN had questions regarding procedure and requested an item be placed on the upcoming agendas for open discussion. CITY MANAGER ELIZABETH FRETWELL stated an update could be provided at the 10/15/2014, City Council meeting, which would be prior to the two proposed Special City Council meetings at the end of the month.

COUNCILMAN BARLOW expressed concern with sending all of the applications to the State, because he wanted to maintain control over the selection process to ensure the applications approved were in the locations best for the City of Las Vegas. MS. DUDDLESTEN stated the decision of how many to forward to the State rested with the Council. She reiterated that the State made it clear they wanted to see any applications that were denied at the local level. It was

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suggested the Council deny any applications that they would not license or did not feel were the right fit for the community so that those denials could be sent to the State. Business Licensing looked at the past business practices of the applicants by calling other states where the applicant had existing dispensaries to inquiry about any compliance problems; the State would not have this information. She pointed out that an applicant could drop out at any given stage, as the Las Vegas Metropolitan Police Department background investigation may reveal an issue not previously known.

MS DUDDLESTEN stated she would provide the Council with the directors reports to prepare for the 10/28/2014 and 10/29/2014 Special City Council meetings.

CITY ATTORNEY JERBIC advised MAYOR GOODMAN her disqualification from voting did not prevent her from seeing the directors reports.