



Las Vegas

Agenda Item No.: 40.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF OCTOBER 15, 2014

DEPARTMENT: PLANNING
DIRECTOR: TOM PERRIGO, ACTING

Consent Discussion

SUBJECT:
ADMINISTRATIVE:

Report by staff regarding the process for Variate Medical Marijuana Compliance Permits and Special Use Permits in All Wards.

Fiscal Impact

- No Impact Augmentation Required
 Budget Funds Available

Amount:
Funding Source:
Dept./Division:

PURPOSE/BACKGROUND:

At the City Council meeting on October 1, 2014 staff presented a proposed schedule and additional information on the state evaluation process for review for the establishment of medical marijuana dispensary, cultivation and production permits. Staff has been directed to provide a further update on the medical marijuana compliance permit process.

RECOMMENDATION:

Report only; no action required

BACKUP DOCUMENTATION:

Submitted at Meeting - PowerPoint Presentation by Staff

Minutes:

Through a PowerPoint presentation, TOM PERRIGO, Acting Planning Director, provided a report on the process to evaluate Medical Marijuana Compliance Permits and Special Use Permits and meeting dates when these applications will be reviewed by the City Council.

KAREN DUDDLESTEN, Business Licensing Manager, reported on the Business License process, which consist of the issuance of the initial City license compliance permit and State approval in the first part of November. Those applicants that receive both a Compliance Permit from the City Council and the State Provisional Certificate will be forwarded to the City's privileged license process for suitability before the City Council prior to them opening their business. MS. DUDDLESTEN indicated that the Director's reports have been compiled and finalized for the City Council review and she outlined the City Council meeting format where the applications will be reviewed.

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MR. PERRIGO added that 21 to 25 applications will be reviewed at each meeting and each applicant will have 20 minutes to make their presentation; guessestimating a 10-hour meeting, depending on the number of public comments. MR. PERRIGO discussed with MAYOR GOODMAN that there is no way an applicant can be given a specific time his or her items will be heard given the unknown amount of speakers during the public hearing portion of the meeting. MS. DUDDLESTEN added that the applicant will be informed to be prepared with their presentation and those applicants that have two applications will be scheduled one after the other and provide only one presentation.

CITY CLERK BEVERLY K. BRIDGES explained that the agenda is numbered directly from 1 to 55 because the Compliance Permits follow the land use applications. She assumes that if someone is 23rd on the agenda, they do not have to appear at 9:00 a.m. Those applicants scheduled at the beginning of the agenda should be present at 9:00 a.m. because it is uncertain how many people will come for public comment and how long the Council deliberation will be. CITY CLERK BRIDGES verified for MAYOR GOODMAN that both agendas for October 28 and 29 meetings will be posted and available on-line. The public hearing postcards all reflect a meeting time of 9:00 a.m., but, again, an applicant can look at the agenda to get an idea whether they have to appear early or late in the day. Additionally, the meeting will be televised live and the applicants can gauge how far the items are moving forward.

COUNCILMAN BARLOW asked MS. DUDDLESTEN to clarify staff's recommendations. MS. DUDDLESTEN replied that for the Compliance Permits staff's recommendation is for approval, no recommendation and recommendation for denial. There are several items where the Compliance Permit is acceptable and will put them in one category, however, they currently have a recommendation for denial of the land use. If the denials of the land use changes, their recommendations would go into one of these categories because the Compliance Permit brings land use licensing together. If the land use is denied, then the Compliance Permit cannot be considered, as that is one of the elements of the application. The applicants have been made aware of staff's recommendations and the reasons for those recommendations.

COUNCILMAN BARLOW remarked that some applicants have contacted several Councilmembers requesting meetings to express area of concerns. He asked if the applicants will have an opportunity to explain for the City Council those issues that have placed them in the recommendation for denial category. MS. DUDDLESTEN responded that the applicants will have an opportunity to explain their applications. The recommendation for denial could ultimately change, contingent upon the applicant's explanation. Applications were evaluated and concerns were noted for the City Council, as well as how those applications comply with City code. COUNCILMAN BARLOW complimented MS. DUDDLESTEN, her staff and all departments involved in dealing with such a controversial issue. This will be a new market of business passed by the State to local entities.

COUNCILMAN COFFIN opined that the five-minute presentation given to applicants is not sufficient, especially for those whose recommendation is for denial. He suggested that staff provide their report first in case the City Council has questions before the applicants make their

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presentation. He is worried about hearing the applications and deliberating on the same day. What is being overlooked is the fact that the State's opinion will be made five days later.

COUNCILWOMAN TARKANIAN verified that Clark County gave their applicants three minutes and she asked if they could be given six minutes at the City. MS. DUDDLESTEN explained that Clark County only made decisions on land use and they had a preliminary application. They did not review the applicants' business, operation and security plans. Clark County is considering their regulations for these businesses. The City of Las Vegas put regulations in place before applications were filed. COUNCILWOMAN TARKANIAN stated that extra time will help the applicants and she prefers making a decision on the same day. Applicants being represented by a lobbyist are at an advantage from someone who does not.

MAYOR GOODMAN discussed with MS. DUDDLESTEN and CITY MANAGER ELIZABETH FRETWEEL that all applicants were notified that they would be heard either on the October 28th or the 29th. These dates were chosen based on the City Council's schedule and availability. In the event a decision is not made on the 28th and 29th, they could be deferred to November 5. Staff is trying to create flexibility for the City Council, but the City Council has the discretion to give the applicants additional time to make their presentation.

COUNCILMAN ROSS praised MS. DUDDLESTEN and MR. PERRIGO for doing a great job in getting the City Council to this point. He feels comfortable moving forward as recommended by staff; it's time to hear these applications.

COUNCILMAN COFFIN reiterated that deliberation should not be held on the same day because the City can authorize only 12 applications. Once choices are made, a tally sheet of some kind might be kept and how to avoid this type of behavior of scorekeeping as applications are reviewed.

CITY MANAGER FRETWEEL verified that the schedule was not changed. The City Council can take action along the way as they feel comfortable based on the applicants presentations. Once the City Council approves or denies the applications, they will all be sent to the State.

COUNCILMAN BARLOW verified with MAYOR GOODMAN that she will not be participating in the process. The Mayor explained that she will be present each day to open the meetings, but since her son is involved with one of the applications, she felt it was a conflict of interest for her to sit in judgment on any of part of this process. CITY ATTORNEY BRAD JERBIC advised her to abstain from participating in the discussion.

Since there will only be six voting members, COUNCILMAN BARLOW asked CITY ATTORNEY JERBIC what happens in the event of a tie vote. CITY ATTORNEY JERBIC explained that it takes four votes of this board to pass anything according to State law, and if there is a tie vote the application fails. The City Council will be looking at the land use and that will need four votes to advance. The City Council will be looking at whether or not the application is complete and if the application is complete it will get the applicant to a point of

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obtaining a privileged license. MS. DUDDLESTEN explained that in order to get a Medical Marijuana Compliance permit, the application must comply with Title 19. If the land use item is specifically denied, then the Compliance Permit could not be approved. The State is doing an independent process and will issue their Compliance Permit. What is required under the City of Las Vegas marijuana ordinance is, if the Council denies an application or an applicant is given a Compliance Permit that their application is in compliance with City code, she is to forward those actions to the State. What the State has put in writing to the City is that if any local government denies an application, they will deny a Compliance Permit. CITY MANAGER FRETWELL stated that, typically, a tie is tantamount to a denial.

MAYOR GOODMAN indicated that CITY ATTORNEY JERBE took under advisement her question about at what point can she participate in the process if the presentation of her son's group has been made.

MS. DUDDLESTEN reiterated that for those applications having the "No Recommendation" by staff, she suggested that the action by the Council be to let the applicant go forward with No Recommendation to the State system. If the applicant gets a State Compliance Permit they would be allowed to resubmit the plans that made them out of compliance and be reheard by the City Council at a later date. COUNCILMAN BAKLOW remarked that at that point the City Council would have already selected applications. MS. DUDDLESTEN replied that only dispensaries are limited and the State will only issue 12 State Registration Certificates to dispensaries for the City of Las Vegas. She asked how many compliance permits the City Council will issue; there has been no direction if that is a limited number or not. There are a total of 43 dispensaries, three production facilities and nine cultivation facilities. In Ward 1 there are 15 dispensaries, five cultivation and two production facilities. Ward 2 has two dispensaries, Ward 3, 19 dispensaries, three cultivation, and one production facility. Ward 5, seven dispensaries and one cultivation facility. There are no applicants for medical marijuana facilities in Wards 4 and 6.

MONA LISA SAMUELSON, Las Vegas resident, appeared stating she is a medical marijuana patient and stated they are not the criminal element. In a few years the City Council will be looking at the enthusiasm from people in the City who will be healthier. They want to be productive members of the community and it has been hard to attend Town Hall meetings lasting long. This is not only new to the City Council, but also for them and it is something patients need desperately. She appreciates the City Council giving them a voice.

VICKI HIGGINS asked that some fine tuning should be made to the process because the process seems to be redundant. Once the State provides its opinions, they will have a better idea of what direction to take. She thanked the City Council for working under this timeframe because the patients desperately need these facilities.

ANTHONY HODGES, Las Vegas resident, stated that many years ago there was prohibition on cigarettes and alcohol but eventually these were legalized. The day will come when marijuana too will be legalized throughout the country.