



Memo

Date: September 10, 2021
To: Honorable Mayor Armitage; City Council
From: Erin LaPere, City Manager
Re: Discussion on an ordinance amendment to allow commercial marihuana grow operations

The City has begun drafting language for ordinance amendments to permit commercial marihuana grow operations as permitted under state law. Council, with input from the Planning Commission, will have to determine whether such allowance should be granted to both medical and recreational grow operations, or both; the appropriate number of such licenses to be permitted; locations for such licensed operations; and criteria to be used for selection of applicants. We should also consider if transfers will be allowable, criteria for renewal applications, and process for revocation, should that be necessary.

Administration is recommending the following:

- Both medical and recreational grow operations be permitted
- Total grow operations be limited to a maximum of 6 licenses, medical and recreational combined
- Licenses be permitted as a special land use within the Industrial (I-1 and I-2) Zone Districts.
- The city utilize a ranked scoring if it receives more complete applications than licenses available
 - o Within the designated submittal time for Council approval, the complete applications received will be ranked with points for the following:
 - Business plan includes schedule for communication/feedback from entities within 500 feet at least once/year.
 - Proposal designates an employee liaison for the neighborhood
 - Documented employee safety training program
 - Business practices related to energy efficiency, water conservation, and materials waste/storage
 - Combined prior experience of 5+ years successful business management
 - At least 1 owner or minimum 25% ownership stake of full-time resident of Charlotte
 - Business plan promotes local hiring or incentives for City of Charlotte or Eaton County residents

- Business provides health benefits for all employees
 - Business employs more than 5 full time employees, not including owners
- Transfers may not be permitted and proposed transfers will be reviewed in accordance with the ordinances as an original application.
- Renewals be considered in the same manner as original applications, with any proposed site plan changes submitted and reviewed concurrently. Renewals will also be considered in light of any violations on the part of the applicant in the prior permit period.
- Revocation should be outlined for misrepresentation of materials in application, a pattern of violations of the ordinance, violation of state law or rules, or revocation of a state license.

In addition, we will want to consider any additional conditional land use approval requirements that we may seek to impose to limit the impacts to the surrounding neighborhood by the allowance of this use. Currently, the Zoning Ordinance requires the following for all special or conditional land uses:

(E) *Hearings; matters to be considered.* In making any recommendations or approvals on special land uses, conditional uses, planned residential districts, site plans or other matters authorized by law, the Planning Commission and the City Council, where its approval is also required, shall consider and apply the following standards.

- (1) Whether or not the use involved is consistent with and promotes the intent and purpose of this chapter.
- (2) Whether or not the use involved is compatible with adjacent uses of land, the natural environment, and the capacities of public services and facilities affected by the land use.
- (3) Whether or not the use involved is consistent with the public health, safety and welfare of the city.

(F) *Conditions for approval.*

(1) Reasonable conditions may be required in conjunction with the approval of a special land use, conditional use, planned residential district or other land uses or activities permitted by discretionary decision. The conditions may include conditions necessary to insure that public services and facilities affected by a proposed land use or activity will be capable of accommodating increased service and facility loads caused by the land use or activity, to protect the natural environment and conserve natural resources and energy, to insure compatibility with adjacent uses of land, and to promote the use of land in a socially and economically desirable manner. Conditions imposed shall do all of the following:

- (a) Be designed to protect natural resources, and the health, safety and welfare, as well as the social and economic well-being of those who will use the land use or activity under consideration, residents and landowners immediately adjacent to the proposed land use or activity, and the community as a whole;
- (b) Be related to the valid exercise of the policy, power and purposes which are affected by the proposed use or activity;
- (c) Be necessary to meet the intent and purpose of the zoning regulations; be related to the standards established in this chapter for the land use or activity under consideration; and be necessary to insure compliance with those standards.

(2) The conditions imposed with respect to the approval of a land use or activity shall be recorded in the record of the approval action and shall remain unchanged except upon the mutual consent of the approving authority and the landowner. The approving authority shall maintain a record of changes granted in conditions.

Administration is preparing draft ordinance language detailing those provisions as outlined for Council to review and discuss further on Tuesday night.

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