

Nevada City Regulations of Medical Marijuana Dispensaries

Federal & State Law Framework

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Summary of Proposed Medical Marijuana Dispensary Ordinance

Laws Governing City's Power to Regulate Marijuana Dispensaries

- Federal Law – US Department of Justice has declined to prosecute when activity is authorized by state law
- State Law
 - Local governments have authority to regulate **medical** marijuana dispensaries under the Medical Cannabis Regulation and Safety Act
 - City can ban completely or allow without limits, or can allow limit number with health & safety regulations
 - Local governments have authority to regulate **non-medical** marijuana dispensaries under the Control, Regulate and Tax Adult Use of Marijuana Act
 - City can ban completely or allow without limits, or can allow limit number with health & safety regulations

Options for Regulating Marijuana Dispensaries

- Land Use/Zoning designation & distance requirements from sensitive uses
 - State law prohibits medical marijuana dispensaries from operating within 600 feet of schools.
 - State law prohibits non-medical marijuana dispensaries from operating within 600 feet of schools, daycare centers, or youth centers.
- Require a License- charge a license fee, subject to inspections, verification of criminal history, business stability, etc.
- Limit number of dispensaries
- Adopt health and safety regulations governing operations

Summary of Proposed Ordinance

I. Zoning / Land Use

- Amends Zoning Code to Allow Medical Marijuana Dispensaries in Light Industrial Zones (see Zoning Map)
- Distance requirement: Must be at least 600 feet from schools & public parks managed by the City

II. Permittee Selection Process

- Only 1 Medical Marijuana Dispensary will be permitted
- City will issue a permit valid for 1 year with payment of fee to cover administrative costs
- Owner and operator must submit to criminal background check
- Permittee agrees to City inspections during business hours, without notice to ensure compliance with the ordinance's requirements
- Interested applicants must submit applications and will be reviewed by City Manager, who will choose top 3 candidates for City Council review.
- Top 3 applicants will be forwarded to City Council for ranking and selection based on criteria adopted by Resolution of the City Council; selection will be done at public meeting with notice given to landowners within 300 feet of proposed dispensary locations

II. Permittee Selection Process- continued

Suggested criteria for applicant selection:

- Qualification of owner/operators
- Location of business
- Business plan
- Neighborhood compatibility plan
- Safety & Security Plan
- Community Benefit
- Enhanced product safety features
- Demonstrated community ties to Nevada City and/or Nevada County
- Environmental impacts
- Labor & Employment Opportunities
- Local enterprise growth

III. Safety & Security Measures

- Access limited only to authorized medical marijuana personnel and qualified patients and primary caregivers
- Products must be secured
- 24-hour surveillance camera monitoring system required, Nevada City PD will have access
- Professionally installed and monitored alarm system required
- Must employ licensed security personnel
- Must install & maintain a buzz-in system ensuring authorized entry only
- No alcohol sales allowed on site

IV. Operational Requirements

- Record keeping and retention
 - List of customers
 - List of suppliers
 - Ownership information
- Operating Hours limited to 8 a.m. to 8 p.m.
- No on-site consumption of marijuana
- No physician can operate on-site
- Dispensary must verify patient or primary caregiver status
- Limitations on advertising, aimed at preventing targeting minors
- Odor control devices & techniques should be employed to prevent nuisance odors escaping

Questions?