



MINUTES OF WORK SESSION OF THE COMMON COUNCIL OF YOUNGTOWN, AZ

THURSDAY, November 18, 2010, TOWN CLUBHOUSE, 12033 CLUBHOUSE SQUARE

1. Call to Order: Mayor Michael LeVault called the meeting to order at 8:15 p.m.
2. Roll Call Council present: Mayor Michael LeVault, Vice Mayor Jacob Duran, Councilmembers Margaret Chittenden, Dorena Mello, Shirley Oglesby, Susan MacKay, and Judy Johnson.
Staff present: Town Manager Lloyce Robinson, Town Attorney Michelle Swann, Police Chief Terry McDonald, Town Engineer Grant Anderson, and Deputy Town Clerk Diane Cordova.

3. Business:

- A. Discussion Re: Potential enactment of zoning regulations regarding the location of medical marijuana dispensaries and medical marijuana growing facilities and possible regulations regarding hours, security measures and other regulations associated with such uses.

Swann, Town Attorney

- Proposition 203 has passed. The State of Arizona has 120 days to enact rules to carry out proposition 203. If the Towns zoning is not in place by the time those rules go into effect, dispensaries can locate in Youngtown wherever they want without any restrictions.

Mayor LeVault

- Even in residential areas?

Swann, Town Attorney

- Correct

Councilmember Chittenden

- I thought the state was going to regulate where dispensaries could be located?

Swann, Town Attorney

- No, the state is going to require an applicant to submit an affidavit that states that the applicant is in compliance with a municipality. If the town does not have any regulations, an applicant can state that they are in compliance. The state has emphasized to our law firm, and to all cities and towns through Arizona League of Cities and Towns, very important to get restrictions in place.

Mayor LeVault

- Will all these dispensaries be for non-profit?

Swann, Town Attorney

- They have to be for non-profit. They will not be charging taxes. Town can get business license fee, but no sales tax.

Councilmember Johnson

- Can the business license be like a liquor license where it can be very expensive? I read an article in Time Magazine that Colorado has high fees.

Swann, Town Attorney

- It will be up to the Town Council. Regulations have to be reasonable. If Council goes totally off the reservation, a court of law can strike it down. We do need to look at the business license fees.

Mayor LeVault

- When does Proposition 203 go into effect?

Swann, Town Attorney

- The canvass of the vote comes into effect on Monday, but there is a 120 day moratorium. The state has 120 days to have their rules in place.

Mayor LeVault

- Do we have that time as well to get our zoning in place?

Swann, Town Attorney

- The town needs to get their zoning regulations done before that. We need to have ours done by February 28, 2011. Letty Goldberg and I worked up a calendar, the first legal notice needs to be published Dec 8, 10, 11, 2010 and then we would have citizen review Dec. 28, 2010, zoning hearing Jan. 4, 2011, and come to Council Jan. 20, 2011 take effect Feb. 20, 2011. It's a pretty tight schedule.

Mayor LeVault

- We will have to get the ball rolling as time is short and give you direction. We will have to place it on the agenda for the council meeting December 2, 2010.

Swann, Town Attorney

- Council is going to give me directions tonight. I'll put the ordinance together, take it through the citizen review and the P&Z hearing and then come before Council for final action on Jan 20, 2011. The good news is that the Arizona League of Cities and Towns has put out a model of an ordinance. Our firm has prepared an ordinance for Gilbert. The firm has worked out lots of the issues and loopholes on this already. In one of the ordinances, we wrote a requirement that a dispensary be in a permanent building. We will propose a no use on premises to prohibit someone from lighting up. Another issue was under state statute, dispensaries have to be 500 feet from a school. Also, like the sex offenders, we as a town can decide to have a separation requirement from daycares, bus stops and parks.
- There are two types of services: dispensaries and cultivation sites. In a cultivation site, one can grow without being a dispensary. The total of dispensaries allowed in the State is actually tied to the number of pharmacies. Ten percent of the total of number of pharmacies state wide is the number of dispensaries that will be allowed state wide. That number is 120-121 right now. What the state is going to go by is by population. Maricopa County is probably going to end up with about 55 dispensaries. We foresee five to six dispensaries in Gilbert due to population. Possibility of one in Litchfield Park, perhaps just one in Youngtown and Wickenburg may see one. Cultivation sites are yet to be worked out. However, they will be very much limited. The chance of having a cultivation site is pretty low. The state is working on requiring cultivation sites to have security measures in place.

Councilmember Mello

- How will a non- profit 501(c) 3 be regulated? Reading on Facebook, many are stating that they are starting a new business, not realizing that it has to be non-profit. The general population doesn't understand that.

Swann, Town Attorney

- Reading the proposition, it states non-profit, every other word. People are saying they will get sales tax.

Councilmember Johnson

- There are some states looking at taxing it eventually.

Councilmember Chittenden

- Can we look at this like the payday loans establishments?

Swann, Town Attorney

- No, the town will have to allow dispensaries. It's a matter of putting up reasonable restrictions. Councilmember Mello, the Mayor and I were talking about allowing use in C-2, commercial use which restricts from residential. C-1 is much closer to residential areas. Hours of operation are what I am looking for from the Council. Does the town want dispensary located in a permanent building? Does the town want to allow use at the dispensary? I will get a draft ordinance ready for Council so that we can see how this will be progressing.

Mayor LeVault

- Restriction to C-2 makes sense because it moves it far away from residential.

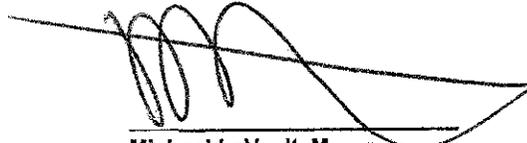
Announcement of next Work Session and Regular Meeting: Thursday, December 2nd, 2010, at 7:00 p.m.

Adjournment.

Motion to adjourn – Councilmember Mello

Second – Councilmember Oglesby

Meeting adjourned at 8:50 p.m.



Michael LeVault, Mayor

Attest:



Diane Cordova, Deputy Town Clerk

Minutes approved at the December 2, 2010 Regular Meeting.