**OFFICE OF THE CITY MANAGER**
**LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION**
**AUGUST 15, 2017 AGENDA**

<table>
<thead>
<tr>
<th>Subject:</th>
<th>Action Required:</th>
<th>Approved By:</th>
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</thead>
<tbody>
<tr>
<td>An ordinance to amend Chapter 36 of the Code of Ordinances to provide for the definition of Medical Marijuana Dispensary and Medical Marijuana Cultivation Facility and the placement of those uses in the Various Zoning Districts in compliance with Amendment 98 to the Arkansas State Constitution.</td>
<td>√ Ordinance Resolution Approval Information Report</td>
<td>Bruce T. Moore City Manager</td>
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</tbody>
</table>

**Submitted By:**
Planning & Development Department

**SYNOPSIS**
Staff, through the Little Rock Planning Commission, is proposing amendments to Chapter 36, the Zoning Ordinance, to provide for the definition of Medical Marijuana Dispensary and Medical Marijuana Cultivation Facility and to place those uses in the Various Zoning Districts in compliance with Amendment 98 to the Arkansas State Constitution.

**FISCAL IMPACT**
None.

**RECOMMENDATION**
Staff recommends approval of the proposed amendments. On June 22, 2017, the Planning Commission voted to approve the amendments by a vote of 10 ayes, 1 nay and 0 absent.
The Medical Marijuana Amendment of 2016, Amendment 98, authorizes the cultivation and distribution of medical marijuana. Three (3) State Agencies are involved in implementing the provisions of the amendment.

The Medical Marijuana Commission and the Alcoholic Beverage Control Division administer and enforce the provisions of the amendment concerning the location of the dispensaries and cultivation facilities and the application process for operators of those entities. The Arkansas Department of Health will issue registry cards for patients.

Under Amendment 98, dispensaries are limited to between twenty (20) and forty (40) in the State, with no more than four (4) dispensaries in any one (1) County. The Amendment permits at least four (4), but no more than eight (8) cultivation facilities in the State. The Medical Marijuana Commission has authorized thirty-two (32) dispensaries and five (5) cultivation facilities. One (1) cultivation facility is to be located in the central region of the State and the other four (4) are to be located in each corner quadrant.

The rules adopted by the Medical Marijuana Commission include a requirement that any cultivation facility be at least 3,000 feet from a public or private school, church or daycare existing before the date of the cultivation facility application. The separation requirement from those protected uses is 1,500 feet for a dispensary. The distance is to be measured from the front door of the establishment to the property line of the school, church or daycare.

The Amendment permits cities, incorporated towns or counties to enact reasonable zoning regulations applicable to medical marijuana dispensaries and cultivation facilities, provided that those zoning regulations are the same as those for a retail pharmacy.

Staff believes it is appropriate to incorporate the state-defined terms “medical marijuana dispensary” and “medical marijuana cultivation facility” into the City’s zoning ordinance and to place those two uses in the various zoning districts where “drugstore or pharmacy” are permitted either by-right, as an accessory use or as a conditional use.
Under the City’s zoning regulations, a drugstore or pharmacy is permitted in the O-2, Office and Institutional, and O-3, General Office, Zoning Districts as an accessory use not to occupy more than 10% of the total floor area on the site. The use is permitted by-right in the C-1, Neighborhood Commercial District, C-2, Shopping Center District, and C-3, General Commercial District, and as a Conditional Use in the C-4, Open Display Commercial District, and I-1, Industrial Park District, I-2, Light Industrial District, and I-3, Heavy Industrial District.

Staff believes it is appropriate to make the following amendments to Chapter 36:

1. Amend Chapter 36., Section 36-3 to add a new defined term “Medical Marijuana Cultivation Facility” to read as follows:

   *Medical Marijuana Cultivation Facility* means an entity which has been licensed by the Medical Marijuana Commission and operated in compliance with all applicable state rules that cultivates, prepares, manufactures, processes, packages, sells and delivers usable marijuana to a dispensary.

2. Amend Chapter 36., Section 36-3 to add a new defined term “Medical Marijuana Dispensary” to read as follows:

   *Medical Marijuana Dispensary* means an entity that has been licensed by the Medical Marijuana Commission and operated in compliance with all applicable state rules that sells medical marijuana. This term also includes cultivating dispensaries.

3. Amend Chapter 36., Sections 36-280.(c) (2) and 36-281. (b)(2) [O-2 and O-3 Accessory Uses] to add and separately list “Medical Marijuana Cultivation Facility” and “Medical Marijuana Dispensary” to the listing of accessory uses.
4. Amend Chapter 36., Sections 36-299.(c) (1), 36-300.(c) (1) and 36-301.(c) (1) [C-2, C-3 and C-4 permitted uses] to add and separately list “Medical Marijuana Cultivation Facility” and “Medical Marijuana Dispensary” to the listing of permitted uses.

5. Amend Chapter 36., Sections 36-302.(c) (2) and 36-319.(c) (2) [C-4 and I-1 conditional uses] to add and separately list “Medical Marijuana Cultivation Facility” and “Medical Marijuana Dispensary” to the listing of conditional uses.

6. Amend Chapter 36., Section 36-320.(c) (1) [I-2 permitted uses] to add and separately list “Drugstore or Pharmacy”, “Medical Marijuana Cultivation Facility” and “Medical Marijuana Dispensary” to the listing of permitted uses.

The Planning Commission reviewed the proposed amendments at its June 22, 2017, meeting and there was one (1) registered objector present. Notice of the proposed Ordinance Amendments was sent to the contact list of forty-four (44) neighborhood coalitions and other interested parties.