

JOURNAL OF COMMISSION WORK SESSION
August 2, 2022

City Commission Work Session
Civic Center, Gibson Room 212

Mayor Kelly presiding

CALL TO ORDER: 5:30 PM

CITY COMMISSION MEMBERS PRESENT: Bob Kelly, Susan Wolff, Joe McKenney, Eric Hinebauch and Rick Tryon.

STAFF PRESENT: City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Attorney Jeff Hindoien and Deputy City Attorney David Dennis; Finance Director Melissa Kinzler; Planning and Community Development Director Craig Raymond; Park and Recreation Director Steve Herring; Municipal Court Judge Steve Bolstad and Court Supervisor Morgan Medvec; Fire Marshall Mike McIntosh; Police Chief Jeff Newton; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

None.

1. MONTANA VETERANS MEMORIAL UPDATE

Mr. Winters introduced Montana Veterans Memorial President Star Darko.

Mike Winters reported that the Montana Veterans Memorial is located along the Missouri River, overlooking the Black Eagle Dam and honors the contribution of all veterans. The memorial has cauldrons with solar lights, a wall five feet high and 50 feet in diameter, encircling a cast bronze Warrior Angel statue that stands over 12 feet high. Having raised and invested over \$2 million into the Veterans Memorial Park makes it an important part of the community history. Mr. Winters provided historical material about the Montana Veterans Memorial that will be maintained in the City Clerk's office.


Montana Veterans Memorial President Darko reported that she was elected president of the Montana Veterans Memorial in January 2022 through the Montana Veterans Memorial Association. The Montana Veterans Memorial was granted official memorial status when the state legislature passed HB 460 in 2015. The official designation ensured that the site appears marked on official state maps. Ms. Darko's vision is to preserve the dignity of the veterans whose names are on the tiles of the granite benches and tree plaques. Currently, there are 7,854 tiles and donations for the tiles are greater now than last year. The ceremony for tile placement is done around Memorial Day and Veterans Day. She expressed appreciation to Mr. Winters and the Montana Veterans Memorial Association Members for their efforts, the community and surrounding areas for its generous support with regard to the tile ceremonies, and local businesses for the construction of new cement, solar lights and replacing three flagpoles.

2. MARIJUANA BUSINESS REGULATIONS

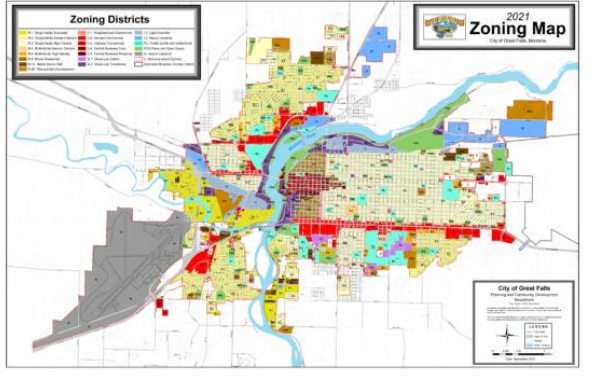

City Attorney Jeff Hindoien reviewed and discussed the following PowerPoint:

JOURNAL OF COMMISSION WORK SESSION

August 2, 2022

 <p style="text-align: center;">MARIJUANA REGULATORY FRAMEWORK – STATUS UPDATE</p> <p style="text-align: center;">CITY COMMISSION WORK SESSION AUGUST 2, 2022</p> <p style="text-align: center;">JEFF HINDOEN, CITY ATTORNEY CRAIG RAYMOND, DIRECTOR, PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT</p>	<h3 style="color: #0056b3;">PURPOSE</h3> <ul style="list-style-type: none"> ➤ Update to Commission re: Status of Marijuana Regulatory Process <ul style="list-style-type: none"> ➤ Referendum – Proposed Ordinance to be Voted on by Citizens ➤ Alternative Regulatory Framework – to be effective upon either (1) citizen vote rejecting Referendum ordinance OR (2) Court order directing City to allow activities
<h3 style="color: #0056b3;">ACTION TO BE TAKEN AT AUGUST 2, 2022 REGULAR MEETING</h3> <ul style="list-style-type: none"> ➤ Commission will be considering and taking action on a RESOLUTION to refer an ordinance amendment to a vote of the electors <ul style="list-style-type: none"> ➤ The referred ordinance language – if approved by the voters – would create a voter-enacted specific prohibition of any land use in the City for marijuana business activities (dispensaries, cultivation, manufacturing, testing or transporting) ➤ If adopted by Commission this evening, the RESOLUTION will be certified and transmitted to Cascade County Election Administrator for inclusion of the referred ordinance amendment on the ballot in November 	<h3 style="color: #0056b3;">ALTERNATIVE REGULATORY FRAMEWORK</h3> <ul style="list-style-type: none"> ➤ INDEPENDENT OF THE REFERENDUM PROCESS that has been developed at the direction given by the Commission at its April 19, 2022 Special Meeting, City staff has also been working to develop an alternative regulatory framework for consideration by the City Commission that WOULD ALLOW the various commercial marijuana business categories to operate within the City of Great Falls <ul style="list-style-type: none"> ➤ Dispensary (Adult-Use/Medical) ➤ Cultivation ➤ Manufacturing ➤ Testing ➤ Transporter
<h3 style="color: #0056b3;">ALTERNATIVE REGULATORY FRAMEWORK</h3> <ul style="list-style-type: none"> ➤ As initially envisioned, this alternative regulatory framework was intended to become effective in the event that the specific ban ordinance amendment is REJECTED by the electors in November <p style="text-align: center;">HOWEVER,</p> <ul style="list-style-type: none"> ➤ The City’s current prohibition against marijuana businesses operating in the City has been challenged in District Court, so the alternative regulatory framework is also being structured to also become effective in the event that the City is ORDERED by a Court to allow commercial marijuana business activities within the City of Great Falls 	<h3 style="color: #0056b3;">ALTERNATIVE REGULATORY FRAMEWORK</h3> <ul style="list-style-type: none"> ➤ Consistent with advisement to Commission at July 5, 2022 Work Session, City staff has developed a proposed alternative regulatory framework that will be presented to Planning Advisory Board / Zoning Commission at its August 9, 2022 meeting ➤ Following the Planning Advisory Board / Zoning Commission’s consideration of the proposed alternative regulatory framework on August 9th, it will then be brought before the City Commission for 2nd Reading / Public Hearing at its September 6, 2022 Regular Meeting
<h3 style="color: #0056b3;">ALTERNATIVE REGULATORY FRAMEWORK</h3> <ul style="list-style-type: none"> ➤ BASICS OF PROPOSED ALTERNATIVE REGULATORY FRAMEWORK: <ul style="list-style-type: none"> ➤ Current City Code provisions prohibiting commercial marijuana activities would be specifically amended to allow for them: <p style="font-size: small;">17.20.3.070 Prohibited land uses. No use of land shall be permitted by right or conditionally permitted within the City of Great Falls that is in violation of federal, state or local law, except for land uses relating to activities licensed by the Montana Department of Revenue under the Montana Marijuana Regulation and Taxation Act and identified as allowed in 17.20.3.010 and its accompanying exhibits.</p>	<h3 style="color: #0056b3;">ALTERNATIVE REGULATORY FRAMEWORK</h3> <ul style="list-style-type: none"> ➤ BASICS OF PROPOSED ALTERNATIVE REGULATORY FRAMEWORK: <ul style="list-style-type: none"> ➤ City Code would be amended to include state law definitions of authorized commercial marijuana activities (e.g., dispensary, cultivation, etc.) ➤ All commercial activities will be subject to State law licensure requirements (16-2-207, MCA): <ul style="list-style-type: none"> ➤ Premises must be approved by local building, health and/or fire officials ➤ Premises cannot be within “500 feet of and on the same street as a building used exclusively as a church, synagogue, or other place of worship or as a school or postsecondary school other than a commercially operated school, unless the locality requires a greater distance. This distance must be measured in a straight line from the center of the nearest entrance of the place of worship or school to the nearest entrance of the licensee’s premises.”

JOURNAL OF COMMISSION WORK SESSION
August 2, 2022

<p style="text-align: center;">ALTERNATIVE REGULATORY FRAMEWORK</p> <p>➤ BASICS OF PROPOSED ALTERNATIVE REGULATORY FRAMEWORK:</p> <ul style="list-style-type: none">➤ Current City Code land use table would make State-licensed activities either a PERMITTED USE or a CONDITIONAL USE in the I-1 Light Industrial Base Zoning District or I-2 Heavy Industrial Base Zoning District➤ Dispensary, Testing Laboratory or Transportation allowed as a PERMITTED USE in I-1 or I-2➤ Cultivation allowed as a CONDITIONAL USE in I-1 and PERMITTED USE in I-2➤ Manufacturing allowed as PERMITTED USE <u>only</u> in I-2	 <p>The map displays the 2021 Zoning Map for the City of Great Falls, Montana. It includes a legend for Zoning Districts such as I-1, I-2, and others. The map shows the city's layout with various colored zones and a river. A scale bar and north arrow are also present.</p>
 <p style="text-align: center;">QUESTIONS?</p>	

Commissioner McKenney received clarification that if there is a Referendum, individual City Commissioners could vote as long as they do not utilize public resources. He further received clarification that all commercial marijuana businesses would be subject to State law licensure requirements. Commissioner McKenney reported that he visited marijuana businesses in the county to get an idea of how they operate. He explained that patrons did not use the product on-site, the businesses were set up like any other retail store and the customer base was similar to other retail establishments. He recommended treating legal marijuana sales like any other retail business and allowing marijuana businesses to operate wherever off-premise alcohol is zoned.

Commissioner Tryon received clarification that the lawsuit against the City for prohibiting a marijuana business to operate within City limits does not challenge the Referendum. He further received clarification that State law licensure requirements prohibits on-site advertising and minors to be on the premises of a marijuana business.

Commissioner Hinebauch expressed support of treating legal marijuana sales like any other retail business and allowing marijuana businesses to operate in any commercial area within the City.

After further discussion, it was the consensus of the Commission that City Manager Doyon consider scheduling a special work session to further discuss marijuana business activities and alternative regulatory framework structure.

City Manager Doyon suggested that the Commission consider the following:

- Crime Task Force reports from Drug Enforcement Agency (DEA) Resident in Charge Stacy Zinn-

JOURNAL OF COMMISSION WORK SESSION

August 2, 2022

Brittain and Rocky Mountain High Intensity Drug Trafficking (HIDTA) about the impacts marijuana has on jurisdictions.

- Municipal Court Judge Steve Bolstad's report about the increase in minors in possession of marijuana and the impact to the community if marijuana is easier purchase.
- Marijuana businesses are not similar to other retail establishments and expanding access to marijuana should not be made easy to anyone.
- The City would not generate revenue from marijuana sales to offset the negative impacts of allowing access to marijuana.

City Manager Doyon recommended that the Department Heads advise him about the impacts that marijuana business activities could have on their department, prior to making any decisions about the alternative regulatory framework.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

City Manager Greg Doyon reported that the August 16, 2022 work session would consist of an Insurance Services Office (ISO) Audit and Rating update. Marijuana Business Activities/Alternative Regulatory Framework Structure could be a topic for a special work session or the August 16, 2022 work session.

Mayor Kelly recommended that the Commission contact City Attorney Hindoien, City Manager Doyon or Police Chief Newton with any questions or concerns about the alternative regulatory framework or marijuana business regulations. He added that the Commission's responsibility is not to advocate for something, it is to give the public an opportunity to choose.

ADJOURN

There being no further discussion, Mayor Kelly adjourned the informal work session of August 2, 2022 at 6:39 p.m.