



Meeting Date: 9/6/2017

Mission Statement

To provide our growing dynamic community excellent municipal services to make Fernley a great place to live, work, and play.

Together, we enhance the desirability, safety, friendliness, aesthetics and quality of life in our city.

FERNLEY CITY COUNCIL MEETING - STAFF REPORT

REPORT TO: Mayor & City Council

REPORT THRU: Daphne Hooper, City Manager

REPORT FROM: **Kim Swanson, City Clerk**

REVIEWED BY: Denise Lewis, Finance Director

AGENDA ITEM: Discussion and Possible Action to introduce Bill #260 an ordinance amending Fernley Municipal Code Title 10 Business License Regulations, by adding Chapter 5 Licensing of Marijuana Establishments and to allow medical marijuana dispensaries to sell or dispense marijuana and marijuana-infused products at retail; license marijuana cultivation and production facilities to cultivate and produce marijuana and marijuana-infused products; license independent testing laboratories to test marijuana and marijuana-infused products; license distributors to transport marijuana and marijuana-infused products.

ACTION REQUESTED: __Consent X Ordinance __ Resolution X Motion __Receive/File

RECOMMENDED ACTION BY CITY COUNCIL

"I move to introduce Bill #260 an ordinance amending Fernley Municipal Code Title 10 Business License Regulations, by adding Chapter 5 Licensing of Marijuana Establishments and to allow medical marijuana dispensaries to sell or dispense marijuana and marijuana-infused products at retail; license marijuana cultivation and production facilities to cultivate and produce marijuana and marijuana-infused products; license independent testing laboratories to test marijuana and marijuana-infused products; license distributors to transport marijuana and marijuana-infused products."

Key Points:

1. Adding Chapter 5, Licensing of Marijuana Establishments to the Fernley Municipal Code is necessary to establish requirements for the City to issue and regulate these businesses.
2. The Nevada Department of Taxation has until December 31, 2017 to adopt all regulations necessary to carry out the provisions of NRS 453D – Regulation and Taxation of Marijuana.
3. Fees associated with this business activity are addressed in Resolution #17-017.

POLICY REFERENCE

Nevada Statutes: NRS 453A
Fernley Municipal Code: N/A
Policies & Procedure Manual: N/A
Community Assessment: N/A

SUMMARY

On October 15, 2014, the Fernley City Council adopted Ordinance 2014-013 prohibiting medical marijuana establishments as a matter of land use in Fernley.

On November 8, 2016, the voters approved Ballot Question 2, an Initiative to Regulate and Tax Marijuana.

March 1, 2017, Fernley City Council adopted Ordinance 2017-001 redacting the Prohibition of Medical Marijuana Establishments.

On June 12, 2017 Governor Sandoval signed into law Senate Bill 487 which allows the City of Fernley one Dispensary Certificate.

The Nevada Department of Taxation has until December 31, 2017 to adopt all regulations necessary to carry out the provisions of NRS 453D to provide for the taxation and regulation of marijuana establishments.

Since this is a state issued license the background investigation is conducted at the state level therefore the City will not require a background investigation from the applicant.

Marijuana is a new industry to the City of Fernley. At this time, the revenue associated with this industry is undetermined.

FINANCIAL INFORMATION

FISCAL IMPACT:

- 1. Is There A Fiscal Impact? Yes
- 2. Is it Currently Budgeted? Yes
- 3. If Budgeted, Which Line Item/Account? N/A

FISCAL SYNOPSIS:

The cost of advertising the Ordinance.

PRIOR COUNCIL ACTION/REVIEW

October 15, 2014, Ordinance 2014-013, prohibiting Medical Marijuana Establishments as a matter of land use in Fernley.

March 1, 2017, Ordinance 2017-001 redacting the Prohibition of Medical Marijuana Establishments.

ATTACHED INFORMATION

Bill 260 Licensing of Marijuana Establishments