

Midway City Council
19 January 2021
Regular Meeting

Ordinance 2021-02 /
Cannabis Production
Establishments



CITY COUNCIL MEETING STAFF REPORT

DATE OF MEETING: January 19, 2021

NAME OF APPLICANT: Midway City

AGENDA ITEM: Code Text Addition of Sections 16.2: Definitions and 16.30 Cannabis Production Establishments

ITEM: 13

Midway City is proposing to adopt new code text to the Midway City Municipal Code. Section 16.2: Definitions and Section 16.30: Cannabis Production Establishments and possibly other sections of code would add regulations regarding cannabis.

BACKGROUND:

The purpose of this item is to adopt zoning regulations regarding “cannabis production establishments”. Recently adopted Utah State law now allows cities to adopt zoning locations for facilities or default provisions will allow the facilities to operate over blanket areas of the City.

Utah Code, Hemp and Cannabinoid Act, governs the cultivation, production, and purchase of such products in the State. This code section states that of a municipality or county has not adopted a zoning ordinance designating an industrial zone and an agricultural zone that allow for cannabis production then cannabis production can take place in any industrial zone or agricultural zone.

Furthermore, the Medical Cannabis Act governs the production and purchase of medical cannabis within the state. This code section states that Medical Cannabis Pharmacies, are to be allowed in any zone aside from primary residential zones. The Act further states that municipalities can enact ordinances that govern the time, place, or manner of Medical Cannabis Pharmacy operations; however, they cannot infringe on the time of operations being allowed from 7 a.m. to 10 p.m.

The City has until January 1, 2021 or within 45 days after the day on which the municipality receives a petition, for action to act and adopt an ordinance. If the City does not adopt an ordinance based on these criteria, then any agricultural or industrial zone will be permitted zones for production.

ANALYSIS:

The City must decide what zones to allow production facilities or allow them in all zones and locations allowed by State Law.

Regarding cannabis production facilities, Midway does not have an industrial zone, except for the Business and Manufacturing Park, but this zone is currently not in the City limits. Currently the only possibility for this zone is in Midway's growth boundary area in Wasatch County's jurisdiction. This would most likely be the best zone for this use but since it is not in the City limits it is currently not an option. The RA-1-43 zone is Midway's only agricultural zone and is the only option when designating an agricultural zone for this use. Another option is the C-2 zone which is a quasi-manufacturing zone. If a structure is built in this zone, there are architectural guidelines that would be required, and the building would need to be approved under those guidelines. Therefore, the City is recommending the following language to govern this use:

Section 16.2, regarding "Definitions" shall be amended to include the following:

Cannabis Production Establishments. A cannabis cultivation facility, a cannabis processing facility, or an independent cannabis testing laboratory. Cannabis Production Establishment shall not include the production of "Industrial Hemp" as this term is defined in Utah Code Ann. § 4-41-102(2), as the production of Industrial Hemp is regulated by Utah Code Ann. § 4-41-100 et. seq.

Title 16 of the Midway City Code is hereby expanded, and shall hereafter read as follows:

16.30—Cannabis Production Establishments: Cannabis Production Establishments shall only be allowed as a permitted use in areas zoned RA-1-43 (if grown in a structure, subject to commercial greenhouse

requirements), B&MP (Business and Manufacturing Park) and C-2 (Commercial), and if grown in a building, subject to commercial architectural guidelines as established in this code. Cannabis Production shall meet all statutory and regulatory requirements, including those contained in §4-41 of the Utah Code.

As for Medical Cannabis Pharmacies, the State allows them in any zone aside from primary residential zones. Retail and clinics are permitted uses in the commercial zones and Medical Cannabis Pharmacies would fall under these categories. As mentioned earlier, the City could regulate the time or manner of Medical Cannabis Pharmacy operations; however, we could not infringe on the time of operations being allowed from 7 a.m. to 10 p.m.

POSSIBLE FINDINGS:

- State Code allows cities to decide which zones to allow for cannabis production
- If the City does not designate a zone, then any agricultural or industrial zone will be permitted zones for production

ALTERNATIVE ACTIONS:

1. Approval. This action can be taken if the City Council finds that the proposed language is an acceptable amendment to the City’s Municipal Code.
 - a. Accept staff report
 - b. List accepted findings
2. Continuance. This action can be taken if the City Council would like to continue exploring potential options for the amendment.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for continuance
 - i. Unresolved issues that must be addressed
 - d. Date when the item will be heard again
3. Denial. This action can be taken if the City Council finds that the proposed amendment is not an acceptable revision to the City’s Municipal Code.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for denial



ORDINANCE 2020-____

AN ORDINANCE AMENDING PORTIONS OF SECTION 16 OF THE MIDWAY CITY CODE TO ESTABLISH REQUIREMENTS FOR THE CULTIVATION, PROCESSING, PRODUCING AND DISPENSING OF CANNABIS WITHIN THE MIDWAY CITY LIMITS, AND RELATED MATTERS.

WHEREAS, cannabis is legally allowed to be produced and distributed in the State of Utah under certain conditions; and

WHEREAS, the Utah Code provides limited opportunities for municipalities to regulate the location and operation of certain types of businesses that deal in the cultivation, production and distribution of cannabis; and

WHEREAS, the City of Midway desires to comply with Utah State Law by providing at least one manufacturing zone in which cannabis production establishments may operate within the City limits; and

WHEREAS, the City of Midway further desires to apply time, place and manner restrictions on the operation of any cannabis production establishments within the City limits; and

WHEREAS, the adoption of this ordinance will be in the best interests of the citizens of Midway City;

NOW THEREFORE, for the reasons stated above, the City Council of the City of Midway, Wasatch County, Utah, hereby adopts, passes and publishes the following:

BE IT ORDAINED, by the City Council of Midway City, Wasatch County, State of Utah:

Section 16.2, regarding "Definitions" shall be amended to include the following:

Cannabis. Cannabis means marijuana. Utah Code Ann. § 26-61a-102.

Industrial Hemp. Any part of a cannabis plant, whether growing or not, with a concentration of less than 0.3% tetrahydrocannabinol by dry weight. Utah Code Ann. § 4-41-102(2).

Cannabis Production Establishment. Shall mean a cannabis cultivation facility, a cannabis processing facility, or an independent cannabis testing laboratory, as those terms are defined in §4-41a of the Utah Code. (as amended.) Cannabis Production Establishment shall not include the production of “Industrial Hemp” as this term is defined in Utah Code Ann. § 4-41-102(2), as the production of Industrial Hemp is regulated by Utah Code Ann. § 4-41-100 et. seq.

Title 16 of the Midway City Code is hereby expanded, and shall hereafter read as follows:

16.29—Cannabis Production Establishments: Cannabis Production Establishments shall only be allowed as a permitted use in areas zoned B&MP (Business and Manufacturing Park) and C-2 (Commercial), and if grown in a building subject to commercial architectural guidelines as established in this code. Cannabis Production shall meet all statutory and regulatory requirements, including those contained in § 4-41 of the Utah Code.

This ordinance shall be effective immediately upon passage. A copy of this ordinance shall be posted at each of three (3) public places within the corporate limits of Midway City and a summary published in a paper of local circulation.

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PASSED AND ADOPTED by the City Council of Midway City, Wasatch County, Utah
this _____ day of _____ 2020.

	AYE	NAY
Council Member Lisa Christen	_____	_____
Council Member Jeff Drury	_____	_____
Council Member Jared Simonsen	_____	_____
Council Member Steve Dougherty	_____	_____
Council Member Kevin Payne	_____	_____

APPROVED:

(SEAL)

Celeste Johnson, Mayor

ATTEST:

APPROVED AS TO FORM:

Brad Wilson, City Recorder

Corbin Gordon, City Attorney