Agenda Item No: 16.B



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** February 20, 2020

Staff Contact: Lee Plemel, AICP, Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed Resolution to

initiate the process for declaring a moratorium on the acceptance and processing of planning applications or other applications for hemp cultivation or hemp product

manufacturing. (Lee Plemel, lplemel@carson.org)

Staff Summary: Federal and Nevada laws allow the cultivation of hemp and manufacturing of certain products from hemp. Though similar in appearance, hemp has different characteristics than cannabis (marijuana) and is regulated separately from cannabis. However, the cultivation of hemp has some of the same potential negative impacts as the cultivation of marijuana, such as objectionable odors that may create a public nuisance to adjacent properties. The initiation of a moratorium on hemp cultivation and product manufacturing will allow the City time to develop appropriate regulations for such

operations. Should the Board of Supervisors initiate the moratorium, an ordinance to declare a moratorium would go to the Planning Commission for a recommendation then

back to the Board of Supervisors for final action.

Agenda Action: Resolution Time Requested: 15 Minutes

| Proposed Motion | |
|-----------------------------|--|
| I may a to adopt Decalution | |

I move to adopt Resolution No. _____.

Board's Strategic Goal

Quality of Life

Previous Action

N/A

Background/Issues & Analysis

The implementation of a moratorium on hemp cultivation and manufacturing of products from hemp plants will give the City time to develop appropriate zoning regulations for such operations, such as location and operational standards. Should the Board of Supervisors take action to initiate the moratorium, the issue would go to the Planning Commission for a recommendation on March 25, 2020, and to the Board of Supervisors in April.

Since the cultivation of hemp and manufacturing of products from hemp are currently legal, the implementation of a moratorium on hemp operations could have an impact on hemp businesses planning to operate in Carson City. However, as of the writing of this staff report, there are no current building permits or business license applications for such operations.

Staff anticipates having hemp regulations in place by June 2020. It is possible that regulations can be adopted by the time a moratorium is in place, in which case the moratorium would not be implemented. Staff recommends initiating the moratorium process in case it takes longer to implement comprehensive regulations.

If you have questions regarding this item, contact Lee Plemel, Community Development Director, at 283-7075 or lplemel@carson.org.

| Applicable Statute, Code, Policy, Rule or Regulation | |
|----------------------------------------------------------------------|----------|
| CCMC 18.02.120 | |
| Figure del lufe musticu | |
| <u>Financial Information</u> | |
| Is there a fiscal impact? No | |
| If yes, account name/number: | |
| | |
| Is it currently budgeted? No | |
| Explanation of Fiscal Impact: | |
| | |
| Alternatives | |
| Do not initiate a moratorium on hemp cultivation and product manufac | cturing. |
| · | · · |
| Attachments: | |
| Hemp Moratorium Resolution_1 29 2020.docx | |
| | |
| Board Action Taken: | |
| Motion: 1) 2) | Aye/Nay |
| 2) | |
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| | - |
| | |
| (Vote Recorded By) | |
| | |

RESOLUTION NO. 2020-R-

A RESOLUTION TO INITIATE THE PROCESS FOR DECLARING A MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF PLANNING APPLICATIONS OR OTHER APPLICATIONS FOR HEMP CULTIVATION OR HEMP PRODUCT MANUFACTURING.

WHEREAS, Carson City Municipal Code Section 18.02.120 (Moratorium) allows the Board of Supervisors by resolution to initiate the process for declaring a moratorium on the acceptance and processing of planning and zoning applications and permits for specific types of applications; and

WHEREAS, the 2014 U.S. Farm Bill, P.L. 113-79, section 7606, 7 U.S.C. section 5940, authorized institutions of higher education or state departments of agriculture in states that have legalized hemp cultivation to conduct research and pilot programs; and

WHEREAS, the Farm Bill defined hemp as the plant Cannabis sativa L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis; and

WHEREAS, the 2015 Nevada legislature adopted Senate Bill 305 which legalized the cultivation of hemp for research and pilot projects and implemented the regulations from the 2014 Farm Bill; and

WHEREAS, on December 20, 2018, the Agriculture Improvement Act of 2018 ("the 2018 Farm Bill") was signed into law allowing hemp cultivation far more broadly than the previously allowed pilot programs under the 2014 Farm Bill. The 2018 Farm Bill also removed hemp from the federal list of controlled substances and directed the U.S. Department of Agriculture to develop standards for commercial hemp production; and

WHEREAS, the 2019 Nevada legislature adopted Senate Bill 209 which expanded the legalized cultivation of hemp beyond research and directed the state Department of Health and Human Services to adopt regulations for the testing and labeling of hemp products; and

WHEREAS, hemp and cannabis are derivatives of the same plant, Cannabis Sativa L., and the appearance of hemp and cannabis are virtually indistinguishable. Absent a laboratory performed chemical analysis for THC content, the two plants often cannot be distinguished. This would make it difficult for law enforcement to independently distinguish between a hemp plant and a cannabis plant without collecting samples for testing, thereby hampering civil and criminal enforcement of current cannabis cultivation regulations; and

WHEREAS, hemp cultivation creates a pungent seasonal odor that is similar in type and intensity to the pungent seasonal odor created by cannabis cultivation. Failure to prohibit hemp

or to regulate the location and size of industrial hemp cultivation sites is likely to result in nuisance odors impacting neighbors and neighborhoods; and

WHEREAS, allowing the cultivation of hemp, particularly prior to the adoption of reasonable regulations, if any, may interfere with the City's ability to effectively regulate land use, and may be harmful to the welfare of the City and its residents, create a public nuisance, and threaten existing agricultural and other land uses and nearby property owners.

NOW, THEREFORE, BE IT RESOLVED that the Carson City Board of Supervisors hereby initiates the process for declaring a moratorium on the acceptance and processing of planning applications, including land use applications, business license applications, building permit applications or any other application or request for the cultivation of hemp or production manufacturing from hemp in Carson City.

| Supervisor | | , the foregoing Resolution was, 2020 by the following vote: | |
|-------------------------------------------|--------------------|-------------------------------------------------------------|---|
| | AYES: | | |
| | NAYS: ABSENT: _ | | |
| ATTEST: | | Robert L. Crowell, Mayor Carson City, Nevada | - |
| Aubrey Rowlatt, Clerk Carson City, Nevada | | | |