



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** August 18, 2022

**Staff Contact:** Heather Ferris, Planning Manager

**Agenda Title:** For Possible Action: Discussion and possible action to introduce, on first reading, a proposed ordinance relating to marijuana; establishing various provisions governing curbside pickup service for medical marijuana dispensaries and retail marijuana stores; and providing other matters properly related thereto. (Heather Ferris, hferris@carson.org)

Staff Summary: The Board of Supervisors ("Board") previously directed staff to submit at a later date an ordinance establishing provisions to regulate curbside pickup service for medical marijuana dispensaries and retail marijuana stores. If adopted, this ordinance would establish development standard provisions specifying the requirement of a Special Use Permit for such services and the related conditions limiting the manner in which the services may be provided. Pursuant to Nevada Revised Statutes ("NRS") Chapter 237, a business impact statement is not required to be prepared with this ordinance.

**Agenda Action:** Ordinance - First Reading                      **Time Requested:** 20 minutes

### **Proposed Motion**

I move to introduce, on first reading, Bill No. \_\_\_\_

### **Board's Strategic Goal**

Quality of Life

### **Previous Action**

June 29, 2022: The Planning Commission recommended approval by a vote of 7 – 0.

### **Background/Issues & Analysis**

On August 5, 2021, the Board considered an ordinance to prohibit curbside pick-up service for medical marijuana dispensaries and retail marijuana stores. The Board rejected the proposed ordinance and instead directed staff to submit, at a later date, a revised ordinance to establish various curbside pick-up service provisions. The proposed ordinance was initially delayed and the provisions were to be added in conjunction with the comprehensive revisions to CCMC Title 18, which are currently in progress. However, because another application requesting an amendment to the same section of CCMC has been received (ZA-2022-0263) and will be considered by the Board, this proposed ordinance addressing curbside pickup service is being submitted at the same time.

The Planning Commission considered this request at its meeting on June 29, 2022. During discussion, the Commissioners noted that they had no issues with the request if it does not conflict with the State regulations related to curbside pickup services. Please reference the attached June 29, 2022 staff report to the Planning Commission for additional information and analysis.

Except as specifically exempted, NRS 237.080 requires a business impact statement to be prepared whenever an ordinance by the adoption of which the governing body of a local government exercises legislative powers. Under these exemptions, a business impact statement is not required to be prepared with this ordinance because the ordinance is proposed pursuant to a provision of NRS Chapter 278.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS Chapters 237 and 244; Article 2 of the Carson City Charter; CCMC 18.02.075

**Financial Information**

**Is there a fiscal impact?** No

**If yes, account name/number:**

**Is it currently budgeted?**

**Explanation of Fiscal Impact:**

**Alternatives**

Do not introduce the ordinance, modify the ordinance and/or provide alternative direction to staff.

**Attachments:**

[ZA-2022-0292\\_curbside\\_cannabis\\_Ord-\\_1st\\_reading\\_revised.docx](#)

[6-29-22 PC minutes \(excerpt\).pdf](#)

[ZA-2022-0263 & ZA-2022-0292 \(drive-thru, curbside, and increase number of dispensaries\).docx](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____

\_\_\_\_\_  
(Vote Recorded By)

Summary: An ordinance establishing various provisions governing curbside pickup service for medical marijuana dispensaries and retail marijuana stores.

BILL NO. \_\_\_\_\_

ORDINANCE NO. 2022 - \_\_\_\_\_

AN ORDINANCE RELATING TO MARIJUANA; ESTABLISHING VARIOUS PROVISIONS GOVERNING CURBSIDE PICKUP SERVICE FOR MEDICAL MARIJUANA DISPENSARIES AND RETAIL MARIJUANA STORES; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

The Board of Supervisors of Carson City do ordain:

SECTION I:

That Title 18 Appendix (CARSON CITY DEVELOPMENT STANDARDS), Division 1 (LAND USE AND SITE DESIGN), Section 1.20 (Medical Marijuana Establishments and Marijuana Establishments), is hereby amended (**bold, underlined** text is added, ~~stricken~~ text is deleted) as follows:

**1.20 – Medical Marijuana Establishments and Marijuana Establishments. (NRS Title 56)**

The following standards are intended to establish minimum standards and Special Use Permit review criteria for Medical Marijuana Establishments and Marijuana Establishments, in addition to other standards for commercial and industrial development.

1. The following standards apply to all Medical Marijuana Establishments and Marijuana Establishments:

(a) Medical Marijuana Establishments and Marijuana Establishments require the issuance of a Special Use Permit. Special Use Permits for Medical Marijuana Establishments and Marijuana Establishments are only valid at the specific location for which a person has obtained the required approval through the applicable state agency to operate as a Medical Marijuana Establishment or Marijuana Establishment. A Special Use Permit that is issued in accordance with this Division automatically expires and shall be deemed void if the Medical Marijuana Establishment or Marijuana Establishment loses or otherwise forfeits the required state approval to operate. A Special Use Permit issued in accordance with this Division is not transferable between operators and locations within Carson City. Except as otherwise provided in this Division and notwithstanding any other provision of CCMC, a separate Special Use Permit is not required for a Medical Marijuana Establishment or Marijuana Establishment that will be established in an existing location at which a Medical Marijuana Establishment or Marijuana Establishment in good standing already operates. The expansion of any location of a Medical Marijuana Establishment or Marijuana Establishment that will result in an increase of more than 10 percent of the space in which the Medical Marijuana Establishment or Marijuana

Establishment has been approved to operate requires the issuance of an amended Special Use Permit.

(b) The consumption of marijuana products is prohibited on the premises of any Medical Marijuana Establishment and Marijuana Establishment.

(c) All business activities related to Medical Marijuana Establishments and any marijuana cultivation facility, marijuana testing facility, marijuana product manufacturing facility or retail marijuana store must be conducted indoors and within a permanent building. The use of an office trailer or other temporary structure is prohibited. All Medical Marijuana Establishments and Marijuana Establishments must at all times maintain an interior and exterior appearance that is professional, orderly, dignified and consistent with the traditional style of pharmacies and medical offices.

(d) The outdoor display or sale of any Medical Marijuana Establishment and Marijuana Establishment merchandise or product is prohibited.

(e) Accessory outside storage for Medical Marijuana Establishments and Marijuana Establishments must comply with the provisions of Title 18 Appendix (Carson City Development Standards), Division 1.12 (Outside Storage).

(f) Access to Medical Marijuana Establishment or Marijuana Establishment must comply with all applicable state and federal laws and regulations.

(g) Medical Marijuana Establishment and Marijuana Establishment merchandise and products must not be visible when viewed from outside the building in which the Marijuana Establishment or Marijuana Establishment is located.

(h) All signage for Medical Marijuana Establishments and Marijuana establishments must be discreet, professional and consistent with the traditional style of signage for pharmacies and medical offices. All Medical Marijuana establishments and Marijuana Establishments are limited to following signage:

(1) A maximum of 30 square feet of wall sign area.

(2) A maximum of 32 square feet of freestanding sign area.

(3) The maximum freestanding sign height for Marijuana Dispensaries and Marijuana Retail Stores shall be determined by the applicable commercial or shopping center regulations of Division 4 (Signs).

(4) The maximum freestanding sign height for all Medical Marijuana Establishments and Marijuana Establishments other than Marijuana Dispensaries and Marijuana Retail Stores shall be 10 feet.

(5) Where a Medical Marijuana Establishment and Marijuana Establishment are jointly located on a single property, the maximum permitted sign area applies to the property and not each type of Establishment.

(i) Off-street parking must be provided for Medical Marijuana Establishments and Marijuana Establishments in accordance with the following:

(1) For Medical Marijuana Dispensaries and Marijuana Retail Stores, a minimum of one space for every 300 square feet of gross floor area.

(2) For Medical Marijuana Cultivation Facilities and Marijuana Cultivation Facilities, a minimum of one space for every 1,000 square feet of gross floor area.

(3) For Medical Marijuana Product Manufacturing Facilities and Marijuana Product Manufacturing Facilities, a minimum of one space for every 500 square feet of gross floor area.

(4) For Medical Marijuana Testing and Marijuana Testing Facilities, a minimum of one space for every 400 square feet of gross floor area.

(j) Notwithstanding any other provision of CCMC, not more than 2 Medical Marijuana Dispensaries are allowed to operate at the same time in Carson City.

(k) A Marijuana Retail Store may only be jointly located within the same premises of an existing Medical Marijuana Dispensary that is operating in good standing.

(l) A Medical Marijuana Establishment or Marijuana Establishment is prohibited within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12, or within 300 feet of a facility that provides day care to children, a public park, a playground, a public swimming pool, and any other center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents, which already exists on the date the application for the proposed Medical Marijuana Establishment or Marijuana Establishment is submitted to the applicable state agency for approval to operate, as measured on a straight line from the property line of the nearest school or facility to the front door or primary entrance of the Medical Marijuana Establishment or Marijuana Establishment.

2. The following standards apply to all Medical Marijuana Dispensaries and Retail Marijuana Stores:

(a) A single point of secure public entry must be provided and identified.

(b) Hours of operation are limited to between 8:00 a.m. and 10:00 p.m., daily.

(c) Drive-through service is prohibited.

(d) A Medical Marijuana Dispensary or Retail Marijuana Store is prohibited on any property, or within a shopping center with frontage, that is located on the same street on which a residentially zoned property is also located unless the dispensary or store is located more than 300 feet from the residential property, as measured on a straight line from the nearest residential property line abutting the street right-of-way to the front door of the dispensary or store.

**(e) Curbside pickup service may be authorized pursuant to a Special Use Permit. A Special Use Permit that is issued for curbside pickup service must expressly state that such service:**

**(1) Must be provided only through a customer appointment basis.**

**(2) Must be conducted in a manner which does not increase ordinary onsite or offsite vehicle traffic congestion, including, without limitation, an increase in parked or unparked vehicles awaiting curbside pickup service in any area outside the immediate premises of the property on which the Medical Marijuana Dispensary or Retail Marijuana Store is located.**

**(3) Must be provided in an area immediately adjacent to the Medical Marijuana Dispensary or Retail Marijuana Store.**

**(4) Must be provided in an area that is visible on an operable security surveillance system.**

**(5) Must not be provided on any property other than the private property on which the Medical Marijuana Dispensary or Retail Marijuana Store is located.**

**(6) Must not be provided in front of or adjacent to any other business in a manner that is disruptive to the other business.**

**(7) Must not be provided in any designated fire lane.**

**(8) Must not be facilitated through the use of any directional sign or shade structure that contains commercial advertisement for the Medical Marijuana Dispensary or Retail Marijuana Store.**

3. In addition to the required findings for a Special Use Permit, the following standards must also be considered in the review of a request for a Special Use Permit for a Medical Marijuana Dispensary or Marijuana Retail Store to be located within the General Industrial zoning district:

- (a) That the proposed Medical Marijuana Dispensary or Marijuana Retail Store is located where sufficient, convenient and safe access is provided to the public.
- (b) That the proposed location has adequate lighting and street improvements for a use providing public access.

**SECTION II:**

That no other provisions of the Carson City Municipal Code are affected by this ordinance.

PROPOSED on \_\_\_\_\_, 2022.

PROPOSED by \_\_\_\_\_.

PASSED \_\_\_\_\_, 2022.

VOTE:

AYES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_  
\_\_\_\_\_

ABSENT: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
LORI BAGWELL, Mayor

ATTEST:

\_\_\_\_\_  
AUBREY ROWLATT, Clerk-Recorder

This ordinance shall be in force and effect from and after the 1st day of the month of September of the year 2022.

(7:23:48) – Commissioner Borders moved to approve Special Use Permit LU-2022-0261, based on the ability to make the required findings and subject to the Conditions of Approval contained in the Staff Report. The motion was seconded by Vice Chair Preston.

<b>RESULT:</b>	<b>APPROVED (7-0-0)</b>
<b>MOVER:</b>	Borders
<b>SECONDER:</b>	Preston
<b>AYES:</b>	Wiggins, Preston, Borders, Esswein, Killgore, Loyd, Perry
<b>NAYS:</b>	None
<b>ABSTENTIONS:</b>	None
<b>ABSENT:</b>	None

(7:24:19) – Chairperson Wiggins recessed the meeting.

(7:30:34) – Chairperson Wiggins reconvened the meeting. A quorum was still present.

**14.G ZA-2022-0263 FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING A REQUEST FROM QUALCAN, LLC (“APPLICANT”) FOR A RECOMMENDATION FROM THE PLANNING COMMISSION TO THE BOARD OF SUPERVISORS TO AMEND DIVISION 1.20 OF TITLE 18, APPENDIX OF THE CARSON CITY MUNICIPAL CODE (“CCMC”) TO AMEND VARIOUS PROVISIONS RELATING TO MARIJUANA GOVERNING THE NUMBER OF RETAIL MARIJUANA STORES ALLOWED IN CARSON CITY AND THE AVAILABILITY OF DRIVE-THROUGH SERVICES AT MEDICAL MARIJUANA DISPENSARIES AND RETAIL MARIJUANA STORES.**

(7:32:36) – Chairperson Wiggins introduced items 14.G and 14.H to be discussed concurrently. Ms. Ferris gave background and reviewed the appropriate Staff Reports. She explained that item 14.G had been requested by the applicant and was a proposal for an amendment to the Carson City Municipal Code (CCMC) to increase the number of retail marijuana stores authorized in Carson City from two to three and to provide for drive-through sales at medical marijuana dispensaries and retail marijuana stores. She noted that Section 678B.260 of the Nevada Revised Statutes (“NRS”) permits up to four retail marijuana stores in Carson City. Ms. Ferris also explained that item 14.H had been agendized by Staff in response to a request from the Carson City Board of Supervisors for a recommendation from the Planning Commission to the Board to amend Division 1.20 of Title 18, Appendix of the CCMC to establish various provisions relating to marijuana governing curbside pickup at medical marijuana dispensaries and retail marijuana stores. Ms. Ferris and Mr. Reese responded to clarifying questions as well. Mr. Reese noted that the content of the proposed ordinance for item 14.G had been provided by the applicant; however, the proposed ordinance for item 14.H had been Drafted by the District Attorney’s Office. Ms. Sullivan reviewed the findings of fact and explained that item 14.G did not request a policy decision, but it was “a text amendment” recommendation to the Board of Supervisors.



(7:51:30) – Chairperson Wiggins was informed that drive-through alcohol sales were also not allowed in Carson City. Commissioner Perry was informed by Ms. Ferris that Southern Nevada allowed drive-through dispensaries. Mr. Reese clarified that the Nevada Cannabis Compliance Board had established regulations for curbside pickup. Chairperson Wiggins entertained public comments.

(7:54:13) – Applicant representatives Matt Robertson and Bruce Robertson introduced themselves. Matt Robertson believed that the drive-through was safer than the curbside pickup as they would have a security guard placed in the drive-through itself and all vehicle passengers must be over 21 years old. The Commission was informed that the applicants had established businesses in Clark and Washoe Counties and they would have security cameras in the drive-through areas. Commissioner Esswein was informed that a menu would not be available at the start of the drive-through as most items would be pre-ordered. Commissioner Loyd expressed concern that the security issues had not been addressed in the proposed ordinance and the Robertsons were amenable to addressing that concern. Ms. Ferris clarified that State law allowed for two medical marijuana dispensaries and up to four retail shops. Chairperson Wiggins entertained public comments.

(8:06:36) – Will Adler introduced himself as a representative of the two existing cannabis dispensaries Rise and Sierra Wellness and referenced his clients' written public comments, incorporated into the record. Mr. Adler noted that had his clients known there would be an effort to have additional recreational stores, they would have applied for that. He also believed that Rise and Sierra Wellness had "seen a noticeable drop in all sales in the Carson City market" after the opening of a store in Mound House. Mr. Adler noted that a curbside business was necessary during the COVID-19 pandemic when clients were not allowed inside a store, adding that they have streamlined their processes since then.

(8:11:56) – Deni French introduced himself as a Carson City resident and explained that he preferred the marijuana establishments over car washes; however, he was concerned about the locations, calling the process complicated, and recommended against approval of the request. Ms. Ferris clarified that a Special Use Permit would be required for the actual storefronts as a next step. Ms. Sullivan offered to explain the noticing process to Mr. French.

(8:16:35) – Mr. Adler was informed by Mr. Reese that the curbside pickup and the drive-through ordinances may conflict for now and he likened them to the introduction of two bills during the legislative session adding that the final recommendations were up to this Commission. Commissioner Borders was concerned about "who will get the final contract" should more than one applicant vie for the allowable establishments. Discussion ensued and Ms. Sullivan believed that having an effective date for applications may provide a solution; however, she believed that the agenda order may also be "tricky" should there be more applicants. Ms. Ferris clarified for Vice Chair Preston that the applicant had submitted an application for a Special Use Permit in addition to the proposed text amendment to the CCMC; however, it had not been agendaized because the applicant had "additional work to do with their traffic study." Mr. Adler explained to Commissioner Loyd that the two recreational marijuana establishments in Carson City had been grandfathered in because of State legislative action since they were also medical dispensaries.

(8:29:02) – Commissioner Esswein inquired whether a lottery system could be instituted based on Commissioner Border’s previous question. Chairperson Wiggins noted that the Commission could a) recommend a third recreational marijuana establishment; b) deny the request; c) follow state law and approve four recreational marijuana establishments; or d) follow a lottery process or establish a deadline for the applications. Mr. Robertson did not object to the idea of having four stores. Commissioner Border reiterated his concern that the curbside pickup and the drive-through options are still prohibited in the City’s ordinance and Chairperson Wiggins recommended addressing that first (item 14.H). Vice Chair Preston wished to ensure that the other restrictions, such as proximity to schools, are followed during the Special Use Permit process.

(8:36:36) – Chairperson Wiggins entertained additional Commissioner discussion regarding the addition of a third retail recreational marijuana store and explained “I don’t like protectionist policies that only allow certain people to have economic advantage,” and was in favor of following State law and allowing four recreational marijuana stores. Commissioner Killgore seemed to be in agreement with a “hear, hear” comment. Commissioner Perry stated, “I’m on the side of stay with two [stores]...don’t add.” He also believed that some of the findings such as the Master Plan and economic vitality could not be made, referencing the written public comments that were received, adding that having four establishments would impact public services. Commissioner Esswein was not opposed to having four stores; however, he wished to see “much broader public noticing.” Commissioner Borders did not want to see any changes unless some rules were established on “how an additional license is going to be awarded.” He also wished to add a section on drive-throughs. Mr. Reese explained that allowing four businesses “would allow both current applicants or awardees to come forward on a first-come-first-served basis.

Mr. Adler explained that there actually were fairness and timing issues, adding that the applicants already had a location in mind not far from his client’s current location. Commissioner Preston wished to defer to the State’s curbside pick-up regulations. She also believed that the City’s population has not increased and recommended keeping the number at two stores. Commissioner Loyd was also in favor of following the State’s curbside pick-up regulations and was in favor of increasing the number of retail establishments per State law and “capitalism will determine who the winner is.” Chairperson Wiggins recapped the Commission’s discussion noting that the members wished to follow the Cannabis Compliance Board’s upcoming revisions.

Mr. Reese clarified that the City’s ordinance did not allow drive-through sales; however, the curbside pickup was allowed. Mr. Adler noted that the City’s curbside pickup regulations had additions above and beyond State regulations. Commissioner Perry explained that State Law had placed a cap on the number of dispensaries based on population and had provided an option whereby “the political subdivision of the State can decide whether they want recreational marijuana and how many.” Discussion ensued regarding the public hearing process and Ms. Sullivan recommended noticing the four marijuana establishments “in the spirit of transparency” and explained that the public had most likely “not personalized the text amendment.” Commissioner Preston recommended tabling the item as she personally had not received

proper notice due to the non-delivery of her paper. Discussion ensued and the applicant agreed to the continuation of the item and to the proposing of four stores instead of three.

**(9:14:10) – Commissioner Esswein moved to continue the item to the July 27, 2022 Planning Commission meeting, subject to additional public notice regarding the approval of four possible recreational marijuana stores. The motion was seconded by Commissioner Killgore.**

<b>RESULT:</b>	<b>APPROVED (6-1-0)</b>
<b>MOVER:</b>	Borders
<b>SECONDER:</b>	Preston
<b>AYES:</b>	Wiggins, Preston, Borders, Esswein, Killgore, Loyd
<b>NAYS:</b>	Perry
<b>ABSTENTIONS:</b>	None
<b>ABSENT:</b>	None

(9:16:03) – Commissioner Perry reiterated his concerns resulting in a “nay vote” noting that some of the findings such as the Master Plan and economic vitality could not be made and the impact the additional stores would have on public services.

**14.H ZA-2022-0292 FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING A REQUEST FROM THE CARSON CITY BOARD OF SUPERVISORS (“BOARD” OR “APPLICANT”) FOR A RECOMMENDATION FROM THE PLANNING COMMISSION TO THE BOARD TO AMEND DIVISION 1.20 OF TITLE 18, APPENDIX OF THE CARSON CITY MUNICIPAL CODE (“CCMC”) TO ESTABLISH VARIOUS PROVISIONS RELATING TO MARIJUANA GOVERNING CURBSIDE PICKUP AT MEDICAL MARIJUANA DISPENSARIES AND RETAIL MARIJUANA STORES.**

Based on the discussion of item 14.H, Chairperson Wiggins entertained a motion.

**(9:05:54) – Commissioner Esswein moved to recommend to the Board of Supervisors approval of an ordinance amending Division 1.20 of Title 18, Appendix of the Carson City Municipal Code to establish various provisions to marijuana governing curbside pickup under certain conditions at medical marijuana dispensaries and retail marijuana stores. The motion was seconded by Commissioner Borders.**

<b>RESULT:</b>	<b>APPROVED (7-0-0)</b>
<b>MOVER:</b>	Esswein
<b>SECONDER:</b>	Bordeers
<b>AYES:</b>	Wiggins, Preston, Borders, Esswein, Killgore, Loyd, Perry
<b>NAYS:</b>	None
<b>ABSTENTIONS:</b>	None
<b>ABSENT:</b>	None

## STAFF REPORT FOR PLANNING COMMISSION MEETING OF JUNE 29, 2022

**FILE NO:** ZA-2022-0263 & ZA-2022-0292

**AGENDA ITEM:** 14.G & 14.H

**STAFF CONTACT:** Heather Ferris, Planning Manager

### **AGENDA TITLE:**

ZA-2022-0263 For Possible Action: Discussion and possible action regarding a request from Qualcan, LLC (“Applicant”) for a recommendation from the Planning Commission to the Board of Supervisors to amend Division 1.20 of Title 18, Appendix of the Carson City Municipal Code (“CCMC”) to amend various provisions relating to marijuana governing the number of retail marijuana stores allowed in Carson City and the availability of drive-through services at medical marijuana dispensaries and retail marijuana stores.

Staff Summary: The Applicant is proposing to amend the CCMC to increase the number of retail marijuana stores authorized in Carson City from two to three and to provide for drive-through sales at medical marijuana dispensaries and retail marijuana stores. Section 678B.260 of the Nevada Revised Statutes (“NRS”) permits up to four retail marijuana stores in Carson City.

ZA-2022-0292 For Possible Action: Discussion and possible action regarding a request from the Carson City Board of Supervisors (“Board” or “Applicant”) for a recommendation from the Planning Commission to the Board to amend Division 1.20 of Title 18, Appendix of the Carson City Municipal Code (“CCMC”) to establish various provisions relating to marijuana governing curbside pickup at medical marijuana dispensaries and retail marijuana stores.

Staff Summary: On August 5, 2021, the Board considered an ordinance banning curbside pickup at medical marijuana dispensaries and at retail marijuana stores. The Board rejected the proposed ordinance and requested that an ordinance establishing curbside pickup provisions be brought back before the Board. This ordinance proposes to amend the CCMC to allow curbside pickup under certain conditions at medical marijuana dispensaries and retail marijuana stores.

### **PROPOSED MOTIONS:**

“I move to recommend to the Board of Supervisors approval of an ordinance amending Division 1.20 of Title 18, Appendix of the Carson City Municipal Code to amend various provisions relating to marijuana governing the number of retail marijuana stores allowed in Carson City and the availability of drive-through services at medical marijuana dispensaries and retail marijuana stores.”

“I move to recommend to the Board of Supervisors approval of an ordinance amending Division 1.20 of Title 18, Appendix of the Carson City Municipal Code to establish various provision to marijuana governing curbside pickup under certain conditions at medical marijuana dispensaries and retail marijuana stores.”

**LEGAL REQUIREMENTS:** CCMC 18.02.050 (Review); CCMC 18.02.075 (Zoning map amendments and zoning code amendments); and NRS 278.260.

**KEY ISSUES:** Is the request to increase the allowable number of marijuana retail stores and add the ability for drive-thru and curbside service appropriate?

### **DISCUSSION:**

ZA-2022-0263:

The Applicant, Qualcan, LLC, has requested an amendment to the marijuana regulations in Division 1.20 of Title 18, Appendix of the CCMC (Title 18 Appendix is also known as the Carson

City Development Standards (“CCDS”)) to increase the number of retail marijuana stores allowed in Carson City and to include drive-through services.

Number of Retail Marijuana Stores: In 2016, Nevada voters passed The Regulation and Taxation of Marijuana Act (codified as NRS Chapter 453D and later amended and recodified as NRS Title 56), legalizing recreational marijuana in Nevada. In 2017, the Board of Supervisors adopted an ordinance to allow for recreational marijuana establishments under certain conditions. Currently, CCDS 1.20.1(j) limits the number of medical marijuana dispensaries to two and CCDS 1.20.1(k) allows for a marijuana retail store to be jointly located within the same premises as an existing medical marijuana dispensary, thereby limiting marijuana retail stores to two as well.

However, NRS 678B.220(c) permits a county with a population of 55,000 or more but less than 100,000 to have a maximum of two licenses for medical marijuana dispensaries, and NRS 678B.260(c) permits a county with a population of 55,000 or more but less than 100,000 to have up to four licenses for adult-use cannabis retail stores (adult-use cannabis retail stores are stated in the proposed ordinance as marijuana retail stores).

The applicant is requesting an amendment to the CCMC to allow for a total of three retail marijuana stores in Carson City. As noted above, per NRS and based on the population of Carson City, an additional two more retail marijuana stores could potentially be allowed in Carson City, if permitted by the City’s regulations.

As noted, however, CCDS 1.20.1(k) effectively prohibits more than two marijuana retail stores in Carson City because those stores must be co-located with a medical marijuana dispensary. (As a caveat, it is theoretically possible, although practically unlikely, that two marijuana retail stores could be co-located on the premises of one medical marijuana dispensary. However, as applied here, such a requirement would effectively prohibit the proposed, stand-alone marijuana retail store.) To alleviate this concern, the proposed ordinance reverses the co-location requirement, requiring medical marijuana dispensaries to be located within a marijuana retail store. This would permit additional retail stores in Carson City, but limit the total number of points of sale of marijuana.

Staff has consulted the Carson City Sheriff’s Office (“CCSO”) on this matter. The CCSO has no objections to an additional retail marijuana store and notes that they have not experienced any marked challenges with the existing operations in Carson City. Based on the input from the CCSO, staff recommends increasing the number of allowed marijuana retail stores.

Drive-through services: Currently, CCDS 1.20.2(c) expressly prohibits drive-through services at medical marijuana dispensaries and retail marijuana stores. The applicant has requested a text amendment to allow for drive-through services. As presented to the Planning Commission, the text amendment simply changes “prohibited” to “permitted” to allow for drive-through services at a marijuana retail store.

Staff has consulted with the CCSO on this matter as well. The CCSO has requested that this option be scrutinized to ensure that there are adequate safety and security measures for monitoring to prevent access to juveniles. The CCSO indicated that providing cameras at the drive-through with full access at the CCSO could help to alleviate these concerns.

Based on the input from the CCSO staff recommends allowing for drive-through service at marijuana retail stores only if adequate safety/security cameras are provided with access given to the CCSO for real time monitoring of the drive-through.

ZA-2022-0292:

The Applicant, the Carson City Board of Supervisors, has requested an amendment to the marijuana regulations in CCDS 1.20 to establish curbside pickup provisions for marijuana retail stores and medical marijuana dispensaries.

On August 5, 2021, the Board of Supervisors considered an ordinance banning curbside pick-up at medical marijuana dispensaries and at retail marijuana stores. The Board rejected the proposed ordinance and requested that an ordinance establishing curbside pick-up provisions be brought back before the Board. The proposed ordinance was initially delayed and the provisions were to be added in conjunction with the comprehensive revisions to CCMC Title 18. However, since another application requesting an amendment to the marijuana regulations has been received, the ordinance addressing curbside pickup is being brought forward at the same time.

Consistent with the prior discussion at the Board of Supervisors, staff recommends permitting curbside pickup of marijuana.

**PUBLIC COMMENTS:**

As of the writing of this staff report, no public comments were received. Any comments that are received after this report is complete will be submitted prior to or at the Planning Commission meeting, depending on their submittal date to the Planning Division of the Carson City Community Development Department.

**OTHER CITY DEPARTMENTS OR OUTSIDE AGENCY COMMENTS:**

The application was routed to commenting agencies and the following comments were received:

Development Engineering:

Carson City Public Works Department Engineering Division (“Development Engineering”) has no preference or objection to the amendment requested. Development Engineering has analyzed how a third retail marijuana establishment would affect city infrastructure. In general, retail marijuana establishments have minor to moderate impacts on City infrastructure, and City infrastructure can support the imposed demand, but specific projects will be required to be analyzed on a case-by-case basis.

Sheriff’s Office:

The CCSO has no objections to an additional retail marijuana store. The CCSO has not experienced any marked challenges with the existing regulations or existing operations in Carson City. The CCSO cautions, however, that the option to have drive-through service be scrutinized to ensure that there are adequate safety and security measures for monitoring to prevent access to juveniles. Providing cameras at the drive-through with full access at the CCSO could help to alleviate these concerns.

**FINDINGS:**

The Planning Commission, in forwarding a recommendation to the Board of Supervisors for approval of a zoning code amendment, shall make the findings of fact found in CCMC 18.02.075(5). The following findings are recommended by staff:

- 1. That the proposed amendment is in substantial compliance with and supports the goals and policies of the Master Plan.**

The proposed text amendments to allow for additional retail marijuana stores and drive-through and curbside services do not conflict with any goals or policies of the Master Plan. Goal 2.3 of the Master Plan encourages the City to provide opportunities for a range of retail services; and Guiding Principle 5: *A Strong Diversified Economic Base* encourages the City to maintain and enhance the base of primary jobs and provide a broader range of

retail services to serve residents of Carson City as well as those in surrounding counties. The state has authorized Medical Marijuana Establishments and Marijuana Establishments as a legal use in Nevada. In order to implement those uses in Carson City, the City must provide for any applicable regulations.

**2. That the proposed amendment will provide for land uses compatible with existing adjacent land uses and will not have detrimental impacts to other properties in the vicinity.**

The proposed text amendments will not change the type of land use permitted per the zoning ordinance; therefore, it will not create incompatible land uses. Allowing for additional retail marijuana stores and expanding services to curbside and drive-through would be consistent with other similar uses in the same zoning districts.

**3. That the proposed amendment will not negatively impact existing or planned public services or facilities and will not adversely impact the public health, safety and welfare.**

The requests include increasing the number of retail marijuana stores allowed in Carson City and expanding services to include drive-through and curbside. The proposed amendment would not result in increased impacts on public services or public health, safety and welfare. Each new retail marijuana store will be required to obtain a special use permit, at which time the project will be evaluated for project specific impacts. Additionally, any existing medical marijuana dispensary or retail marijuana store that wishes to expand its services to include drive-through and/or curb-side services will require an amendment to their special use permit, at which time the project will be evaluated for project specific impacts. The CCSO has reviewed the requested text amendment and has no objections to an additional retail marijuana store. The CCSO has noted concern with the possibility of drive-through service but also notes that cameras at the drive-through with full access at the CCSO could help to alleviate these concerns.

Attachments:

- 1) Draft ordinance for ZA-2022-0263
- 2) Draft ordinance for ZA-2022-0292
- 3) ZA-2022-0263 application packet