

Joint Meeting – Planning & Zoning Board and City Council – August 31, 2021

Mayor Jeremy Menning called the meeting to order at 7:12p.m. with the following city council members present: Arden Jones, Travis Kuehl, LaVonne Randall, and Mark O’Hara. Mark Monahan and Mark Brenneman were absent with notice. Planning and Zoning members present: Tony Randall, Tim Graham, Stacey Kutil, Michelle Kilbourn, Steve Nolte, and Brad Miles. Mark Anderson was absent with notice. City Administrator Teresa Sidel, City Attorney Tom Frieberg and Chamber and Economic Development Director Amy Farr were also present, along with 3 people from the public.

Public Hearing:

- **Ordinance #714– Amend Zoning Regulations for Cannabis Regulation:** As explained by the city attorney, Ordinance #714 would amend the city zoning regulations to allow cannabis establishments within the city. This ordinance would cover both medical cannabis and recreational cannabis if it comes into effect. The proposed regulations would allow manufacturing, cultivating, and testing within light and heavy industrial zones and dispensaries in all commercial zones, including central business zones. All cannabis establishments are regulated by the state and subject to state inspections. Highlights of the proposed ordinance are: No cannabis establishments within 1000’ of any K-12 school, they cannot be within 500’ of each other, drive through service is not permitted, hours of operation are from 6am to 12am (midnight), and they must comply with all state regulations and applicable zoning standards. BJ Olsen was present to comment on the proposed regulations. Mr. Olsen is interested in establishing a dispensary and has done research on the subject. He commented that the 500’ separation regulation may not be feasible for an owner that wants to do both medical and recreational cannabis in the same building, he also advocated to put a limit on the number of licenses available to avoid dispensary failures and encouraged drive-through service. He noted that cannabis establishments that are done correctly are good for the city and economy but if not done correctly they will be detriment to the city. Additional discussion was held by the P&Z Board regarding the ordinance presented. A motion was made by Nolte, second by Miles to recommend approval of proposed ordinance #714 with the following amendments – remove section 12.16 (A)(4) that restricts dispensaries to be over 500’ from each other and amend section 12.16 (B)(3) to allow drive-thru service for medical cannabis only - all voted yes, motion carried.

Planning & Zoning Adjournment: A motion was made by Kutil, second by Kilbourn, to adjourn the Planning and Zoning Board at 8:07pm – all voted yes, motion carried. The meeting continued with the City Council.

New Business:

- **1st Reading of Ordinance #714 – Amend Zoning Regulations for Cannabis Regulation:** The City Council considered the amended ordinance #714 for cannabis establishments. A motion was made by Randall, second by Kuehl to approved 1st Reading of Ordinance #714 as amended and recommended by the P&Z Board – all voted yes, motion carried.
- **1st Reading of Ordinance #715 – Set Licensing Provisions for Cannabis Regulation:** The City Council reviewed ordinance #715 that would set the licensing regulations for cannabis dispensaries. Discussion was held on the proposed regulations, the number of cannabis licenses to allow, and the fee for the license. A motion was made by Randall to approve 1st reading of ordinance #715 with an amendment to section 4.0207 (A) that would allow 3 dispensaries – motion died for lack of a second. Additional discussion was held. A motion was made by Kuehl, second by Randall to approve 1st reading of #715 with the following amendments – amend section 4.0207 (A) to allow 3 cannabis dispensaries, amend section 4.0204 (B)(1) to set the application fee at \$10,000, with \$5,000 reimbursable if the applicant fails to obtain a registration certificate for the South Dakota department of Health, and amend section 4.0208(B) to set the annual renewal fee at \$10,000, with \$5,000 reimbursable if the applicant fails to obtain a renewal from the state – all voted yes, motion carried.

City Council Adjournment: A motion was made by Jones, second by O’Hara to adjourn at 8:40p.m. – all voted yes, motion carried.

Minutes recorded by City Administrator, Teresa Sidel.

I, the undersigned, Teresa Sidel, City Administrator in and for the City of Hartford, South Dakota, do hereby certify that the above and foregoing is a true and correct copy of the minutes which is on file at the Municipal Finance Office.

Teresa Sidel, City Administrator