



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 9/14/2021

REQUESTER: Elisabeth Muckala

PRESENTER: Elisabeth Muckala, Asst. City Attorney

ITEM TITLE: O-2122-16: CONSIDERATION OF ACCEPTANCE, REJECTION, AMENDMENT OR POSTPONEMENT OF AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 13-108, IN ARTICLE I OF CHAPTER 13 (LICENSES AND OCCUPATIONS); AMENDING ARTICLE XXXIV, SECTION 13-3401, IN CHAPTER 13 (LICENSES AND OCCUPATIONS); AMENDING SECTION 424.1 (C-2, GENERAL COMMERCIAL DISTRICT), AND SECTION 426.1 (I-1, LIGHT INDUSTRIAL DISTRICT), BOTH IN ARTICLE XI OF CHAPTER 22 (ZONING ORDINANCE); AND AMENDING SECTION 450 (DEFINITIONS), IN ARTICLE XIV OF CHAPTER 22 (ZONING ORDINANCE); IN ORDER TO ADD PERMITTED AND SPECIAL USES FOR MEDICAL MARIJUANA WASTE FACILITIES, AND TO IMPLEMENT CHANGES AND RESOLVE INCONSISTENCIES RESULTING FROM 2021 STATE LAW UPDATES REGARDING MEDICAL MARIJUANA; AND PROVIDING FOR THE SEVERABILITY THEREOF.

BACKGROUND:

The 2021 Oklahoma State Legislative Session resulted in various updates to the state treatment of existing medical marijuana license categories and facilities. Some of these changes require alterations to our existing business license categories and zoning uses. Other changes that have occurred over the years on a state level also require small additions and updates to existing licenses and uses.

DISCUSSION:

House Bill 2646 is effective November 1, 2021 and implements various changes that implicate the City of Norman's provisions, processes or policies concerning Medical Marijuana:

- Addition of an allowance for Medical Marijuana Dispensaries to "prepare and package" pre-rolls and sell to holders of a Medical Marijuana Patient License, and corresponding changes to the definition of "Dispensary";

- Addition of an allowance for Medical Marijuana Growers to “prepare and package” pre-rolls and sell to Medical Marijuana Dispensaries, and corresponding changes to the definition of “Medical Marijuana Commercial Grower”;
- Permission for the Oklahoma State Department of Health to issue two types of Medical Marijuana Processor licenses: one for “Nonhazardous medical marijuana processors” and another for “Hazardous medical marijuana processors”; and
- Destruction of the requirement that a licensed facility obtain a new Certificate of Compliance; as of November 1, 2021, only licensed facilities undergoing a “change of use or occupancy” must get a new COC under state law.

A short summary of other changes within House Bill 2646 that do not directly implicate Norman’s provisions, processes or policies are:

- Addition of gram conversions to legal Medical Marijuana amounts;
- Alterations to the manner in which distance is measured between medical marijuana facilities and public and private schools;
- Heightened language meant to avoid or deter the unlawful diversion of medical marijuana by a licensed business;
- Additional sampling and testing requirements;
- Updates to the proposed makeup of the Medical Marijuana Advisor Council, formerly known as the Food Safety Standards Board; and
- Other minor or non-substantive language alterations to existing provisions.

Additionally, the last round of state updates occurred in 2019, at which time the provisions regarding Medical Marijuana Waste Facilities were established, but licenses had not yet begun to be issued by the Oklahoma Medical Marijuana Authority (“OMMA”). Since that time, licenses have begun to issue and City Staff recommends provisions regarding the local issuance of business licenses as well as the creation of zoning uses for such facilities.

Ordinance No. O-2122-16 alters the City of Norman’s pre-existing “Tier I” processor license category and zoning use to recognize that these activities are now covered by the state definition of “dispensary” and to establish that Tier I licenses will cease to be issued November 1, and that zoning uses after November 1 will be considered and treated the same as dispensaries.

O-2122-16 also contains language that will accommodate, by licensure and zoning, the state’s creation of hazardous/non-hazardous medical marijuana processor categories (including setting licensure fees based on similar existing licensure categories).

O-2122-16 adopts state law and definitions concerning Medical Marijuana Waste Facilities, and creates City of Norman licensure and zoning categories (also setting fees based on similar existing licensure categories) for these facilities.

Finally, O-2122-16 implements various other minor or non-substantive language changes meant to further align the zoning ordinance and Chapter 13's treatment of these facilities as licensed entities and zoning uses, and also to further ensure the City of Norman's treatment of these facilities/uses is consistent with state law as it evolves.

RECOMMENDATION:

City Staff recommends adoption of Ordinance No. O-2122-16.