

**CITY OF CRAIG
ORDINANCE NO. 663**

An Ordinance Establishing a Limited Moratorium on the Receipt or Processing of Applications, Permits, or Pending Approvals Pertaining to Marijuana Establishments.

Section 1. Classification. This is a non-code ordinance.

Section 2. Severability If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall be effective immediately upon adoption.

Section 4. Action. The Craig City Council finds the following.

WHEREAS, on November 4, 2014, the Alaskan voters approved a ballot measure legalizing the use of marijuana, and, with a State license, the operation of marijuana establishments, defined as cultivation, manufacturing, testing and retail facilities; and

WHEREAS, the initiative, which goes into effect on February 24, 2015, requires the State to begin accepting and processing applications for the registration of marijuana establishments within one year of the effective date of the act; and

WHEREAS, the initiative authorizes local governments to enact legislation concerning the time, place, and manner related to the operation of registered marijuana establishments, or the prohibition of marijuana establishments; and

WHEREAS, it is in the public's best interest that the Craig City Council thoughtfully consider and adopt legislation regulating marijuana establishments within the City of Craig; and

WHEREAS, the purpose of this moratorium is to allow the City of Craig a reasonable period of time to consider and enact legislation concerning the operation of commercial marijuana establishments in the Craig city limits.

NOW, THEREFORE, BE IT ENACTED BY THE CRAIG CITY COUNCIL:

Moratorium. The City of Craig shall accept no development permit application, proposal, or other documentation for a similar purpose, nor act on pending applications, proposals, or documentation for a similar purpose, pertaining to marijuana establishments, including marijuana cultivation, testing, and product manufacturing facilities and marijuana retail stores. The prohibition imposed by this section shall remain in effect until March 31, 2016.

Adopted this _____ day of _____, 2015.

Mayor Dennis Watson

ATTEST _____

Kassi Bateman, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: January 30, 2015
RE: Ordinance No. 663

Attached you will find Ordinance No. 663. The ordinance sets in place a moratorium on the establishment of marijuana cultivation, testing facilities, manufacturing, and retail sales stores until March 31, 2016. The purpose of the proposed moratorium is to allow the city council time to review and assess laws and regulations adopted by the State of Alaska between now and November 24, 2015 regarding marijuana use.

As the council is aware, Alaska voters approved Ballot Measure 2 last November. That ballot measure legalized the production, transport, and sale of marijuana in Alaska. In response to voter approval of the measure, the state's executive branch is facing a deadline of November 24, 2015 to put into place regulations governing the activities approved in Ballot Measure 2. In addition, between now and then, the Alaska Legislature may choose to pass legislation relating to marijuana that impacts the regulations written by the executive branch. All this means that if the State of Alaska uses its full allotted time to write and implement any new laws and rules on this matter, the City of Craig, and other municipalities around Alaska, will at that point decide on what, if anything, they wish to do locally in response to statewide law and regulations. As I have told the council in the past, Ballot Measure 2 gives local government wide latitude to regulate or prohibit marijuana activity, so long as those regulations are not, using the words of the ballot measure, "in conflict" with state statute and regulation.

Should Craig decide to implement rules of its own regulating or prohibiting some of the activities permitted by Ballot Measure 2, and if that decision includes modification of the city's zoning code, then a months-long process will need to occur to put that effort in place. Adoption of Ordinance No. 663 provides the city council and city staff time to respond to the State of Alaska's actions without being subject to statutory deadlines to process applications for commercial production and/or sale of marijuana within the city limits that would likely occur without the moratorium.

Recommendation

Approve Ordinance No. 663 at first reading.