

Marijuana Social Equity stakeholders meeting Summary 5/25/2022

- The meeting was well attended with more than 30 participants, including City staff
- Several individuals spoke in favor of the special exception process
 - One requested that an unbiased third party define what constitutes a “school”
- Others voiced concern about the process
 - The SE process would put an additional burden on social equity license holders that other dispensaries didn’t experience. It should also apply to existing businesses wishing to expand.
 - A simpler process will increase selection/opportunities for consumers.
 - It was suggested that public meetings be removed and that the PDSD director makes the decision, not Mayor and Council.
 - Others mention that the SE process is the only way for residents to have a say in what occurs in their neighborhood
- There was concern that the license holders have a timeline with which to use their license and that this process may prevent them from successfully securing a location.
- Some expressed frustration in the selection process for the license recipients
- There is a desire for additional economic incentives and internship/scholarship programs to increase the support for marginalized and negatively impacted communities.



CITY OF
TUCSON

PLANNING & DEVELOPMENT SERVICES

May 25, 2022

Adult-use Marijuana Social Equity Licenses

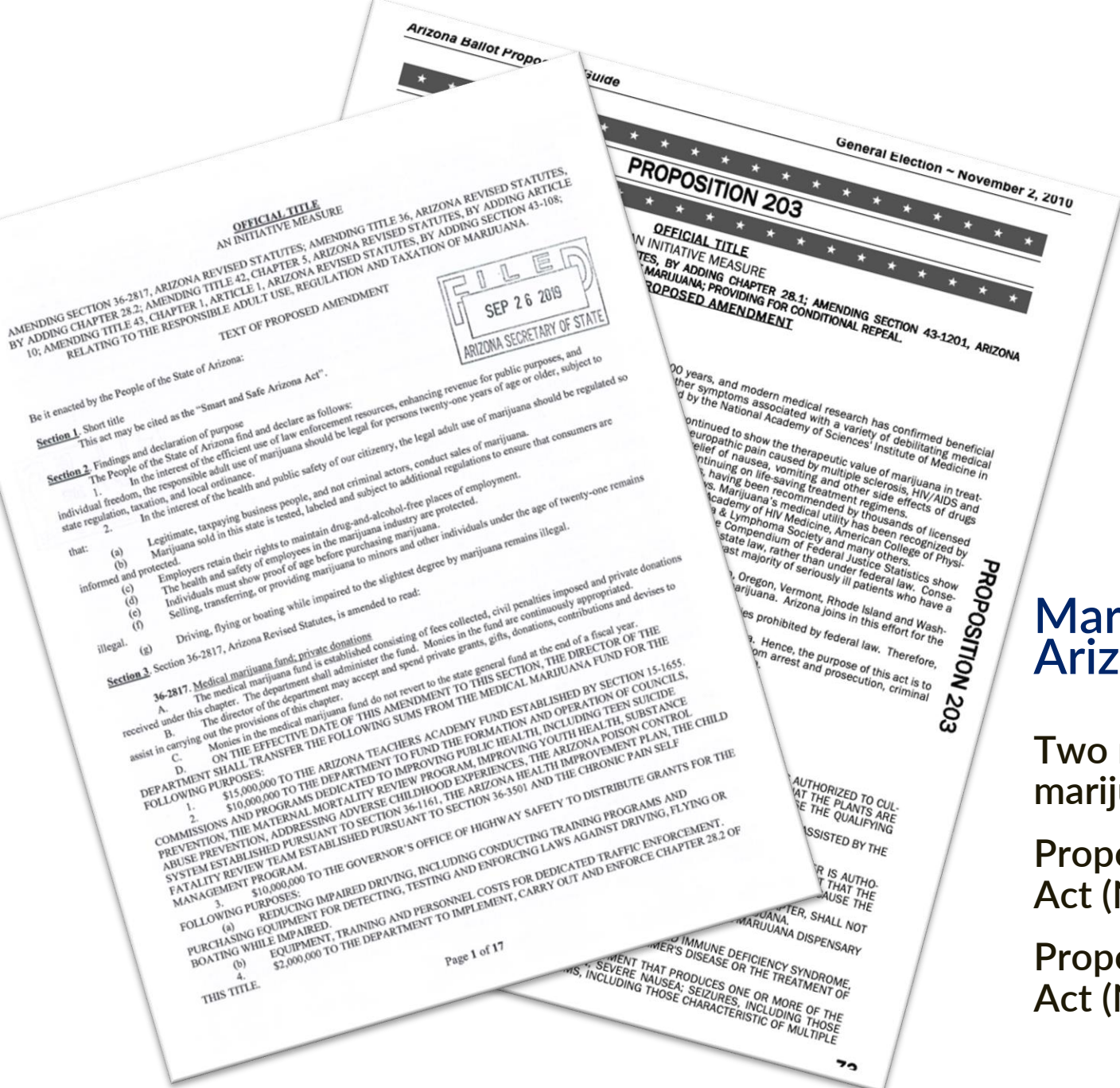
Unified Development Code (UDC) text amendment to
address adult-use marijuana social equity licenses

City of Tucson
Planning and Development Services

Agenda for today

Unified Development Code amendment to address social equity licenses

- Introductions
- Background of marijuana regulations in Arizona
- Marijuana zoning regulations in Tucson
- Social equity licenses and Mayor and Council Direction



Marijuana Regulations in Arizona

Two major voter initiatives have shaped marijuana in Arizona

Proposition 203 – Arizona Medical Marijuana Act (November, 2010)

Proposition 207 – Arizona Smart and Safe Act (November, 2020)

November 2, 2010	November 23, 2010	September 9, 2014	February 23, 2016	January 08, 2019	April 06, 2021
<ul style="list-style-type: none"> • Voters approved Proposition 203 legalizing the use of medical marijuana in Arizona. 	<ul style="list-style-type: none"> • Mayor and Council adopted medical marijuana zoning regulations (Ordinance 10850). 	<ul style="list-style-type: none"> • Mayor and Council adopted revisions to the medical marijuana zoning regulations, including the removal of the size limit on medical marijuana off-site cultivation locations in the I-1 and I-2 zones, permitting infusion kitchens as an associated use to dispensaries, and the establishment of a sunset date of two years for the amendments. 	<ul style="list-style-type: none"> • Mayor and Council adopted revisions to the medical marijuana zoning regulations increasing the permitted size of off-site cultivation locations in the C-2 and C-3 zones from 3,000 to 4,000 square feet, and adjusting the setback for expansion of existing dispensaries to be in conformance with the Arizona Department of Health Services (ADHS) standards. 	<ul style="list-style-type: none"> • Mayor and Council remove the sunset date regarding medical marijuana and adopt the proposed amendments to the Unified Development Code (UDC) related to odor mitigation and lobby size. 	<ul style="list-style-type: none"> • Mayor and Council voted 7-0 to adopt changes to the UDC in relation to dual-use licenses, reducing setbacks, and to temporarily prohibit social equity licenses until their rule-making was complete.

Marijuana zoning regulations in Tucson

Since 2010, the City of Tucson's marijuana zoning regulations have undergone several revisions that have resulted in how they stand today.

Those revisions have been a result of state legislative action, local initiatives, and voter initiatives

November 2, 2010

- Voters approved Proposition 203 legalizing the use of medical marijuana in Arizona.

November 23, 2010

- Mayor and Council adopted medical marijuana zoning regulations (Ordinance 10850).

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- Mayor and Council adopted revisions to the medical marijuana zoning regulations, including the removal of the size limit on medical marijuana off-site cultivation locations in the I-1 and I-2 zones, permitting infusion kitchens as an associated use to dispensaries, and the establishment of a sunset date of two years for the amendments.

February 23, 2016

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January 08, 2019

- Mayor and Council remove the sunset date regarding medical marijuana and adopt the proposed amendments to the Unified Development Code (UDC) related to odor mitigation and lobby size.

April 06, 2021

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Adult-Use Marijuana Zoning Amendments (2021)

- Permitted dual-use marijuana dispensaries
- Reduced setbacks to 1000 feet for dispensaries, and 500 feet for treatment facilities, parks and schools (removed churches)
- Created a new marijuana manufacturing use (allowed in P-I as well)
- Clarified odor mitigation regulations
- Restricted adult-use only licenses (social equity) to allow to provide feedback to the rulemaking process

Proposition 207 – Arizona Smart and Safe Act (2020)

Social Equity Licenses

- 26 new licenses adult-use only licenses to those previously affected by marijuana laws
- Rulemaking was completed in December – began accepting applications immediately
- 51% of ownership of applicant team must meet :
 - Applicant or family member of applicant must either have a marijuana conviction expunged or is eligible to have a conviction expunged.
 - Applicant must have made less than 400% of the poverty level for three of the past five years
 - Applicant must be from a geographic area disproportionately impacted by marijuana laws (not clear what the criteria is for was)
- Licenses were distributed on April 8, 2022

Mayor and Council Direction – March 2022

On March 22, 2022, City of Tucson Mayor and Council directed staff to begin the process to address social equity licenses via the following:

- Create a **M&C Special Exception process** for all marijuana dispensaries, including the social equity licenses.
- The new public process **could allow for reduced setbacks in exchange for a more site-specific zoning review** (potentially all currently required setbacks, except for the 500-foot required school setback)
- Current dispensaries would not need to use the SE process unless they relocated.

Mayor and Council Special Exception Process

The following is a general overview of this process:

- Mailed neighborhood notification for a neighborhood meeting of all properties within 400 feet of the project and all neighborhood associations within 1 mile of the project prior to the submittal of the application.
- Application submittal detailing how the proposal meets all the requirements of the use-specific standards in the UDC.
- Staff review of the proposal with recommendation to the Zoning Examiner.
- Mailed notice of public hearing sent to all properties within 400 feet of the project and all neighborhood associations within 1 mile of the project.
- Notice of the public hearing posted on site and in local paper.
- Public Hearing before the Zoning Examiner for a recommendation to Mayor and Council.
- Public Hearing held by Mayor and Council for review and decision.

Issues for consideration

- Options for some dispensary expansion without a Special Exception
- Reduced or eliminated setbacks
- Criteria for Special Exception review

Feedback on potential special exception process for marijuana dispensaries

Next Steps

- Compile feedback from stakeholder group
- Draft proposal based on feedback and M&C Direction
- Planning Commission review & recommendation (study session & public hearing)
- Mayor and Council review & decision (public hearing)