

City Council Memorandum Development Services Memo No. 23-001FA

Date: February 9, 2023 **To:** Mayor and Council

Joshua H. Wright, City Manager

Thru: Andy Bass, Deputy City Manager

Derek D. Horn, Development Services Director

From: Kevin Mayo, Planning Senior Manager

Subject: PLH22-0060 Medical Marijuana Code Amendment

Final Adoption of Ordinance No. 5044

Proposed Motion:

Move City Council adopt Ordinance No. 5044, approving Zoning Code Amendment PLH22-0060 Medical Marijuana Code Amendment, as recommended by Planning and Zoning Commission.

Background/Discussion

In 2010, voters passed Proposition 203, the Arizona Medical Marijuana Act, that legalized the use of medical marijuana and established regulations for its growth, cultivation, and dispensation, which are administered by the Arizona Department of Health Services (ADHS). The proposition did not preempt cities from enacting reasonable zoning regulations for medical marijuana uses. Thus, in 2011, Chandler amended the Zoning Code (Ordinance No. 4278) requiring Use Permit approval for medical marijuana facilities, cultivation sites and infusion food establishments, and adopting approval criteria, definitions, and procedures by which these uses may be considered in Chandler.

Subsequently, in 2017, the Zoning Code was amended by replacing the Use Permit approval process with an administrative zoning clearance review and approval process, more closely aligning Chandler's regulatory process with neighboring valley cities. As well, the one-year approval expiration was removed, and the ability to reduce the separation requirements was prohibited. In 2018, the Zoning Code was amended (Ordinance No. 4855) again to expand the hours of operation, and no longer prohibit off-site deliveries and sale of other merchandise.

Finally, in 2020, Arizona voters approved Proposition 207 (the Smart and Safe Act), which legalized the possession, cultivation, and dispensing of recreational marijuana and set forth state licensing requirements. These licensing requirements and additional regulations are administered by ADHS. The Arizona Department of Revenue additionally collects both standard transaction privilege tax (TPT) and a 16% excise tax on the retail sale of recreational marijuana.

The subject amendment was initiated by a request to modify the City Zoning Code by amending Article II.-Definitions, Article XXI.-Table of Permitted Uses For Nonresidential Districts, and Article XXII.- Additional Height and Area Regulations as they relate to regulating medical marijuana facilities, medical marijuana cultivation sites, and medical marijuana infusion food establishments. Proposed amendments include expanding hours of operation, increasing square-footage size

limitations, and permitting the collocation of an ancillary medical marijuana facility with its affiliated onsite medical marijuana cultivation site and/or medical marijuana infusion food establishment when approved through a Conditional Use Permit.

Proposed Code Amendment

The attached proposed Zoning Code Amendment contains the proposed changes to ARTICLE II.-DEFINITIONS, ARTICLE XXI.-TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS, and ARTICLE XXII.-ADDITIONAL HEIGHT AND AREA REGULATIONS. The following is a summary of the proposed Code Amendment.

- Expand the size limitation for a Medical Marijuana Facility from not larger than 2,500 square feet to 5,000 square feet
- Expand the size limitation for a Medical Marijuana Cultivation Site from not larger than 3,000 square feet to 5,000 square feet
- Establish a size limitation for a Medical Marijuana Infusion Food Establishment of not larger than 5,000 square feet
- Amend the hours of operation for a Medical Marijuana Facility from 9:00 am 10:00 pm to 7:00 am - 10:00 pm
- Permit the collocation of an ancillary Medical Marijuana Facility with its affiliated onsite Medical Marijuana Cultivation Site and/or Medical Marijuana Infusion Food Establishment subject to:
 - Conditional Use Permit required
 - Ancillary to the primary use, not larger than 2,500 square feet or 25% of the gross building square footage, whichever is less
 - Located within 1,320 feet of an arterial roadway
 - Shall have frontage and direct access from Public Right-Of-Way

Public Notification

- This request was noticed in accordance with the requirements of the Chandler Zoning Code
- · This request was noticed within the City's Social Media
- The public hearing schedule was posted on the City's website and advertised in the newspaper
- As of the writing of this memo, City staff is unaware of any opposition to this proposed Code Amendment

Planning and Zoning Commission Vote Report

Planning and Zoning Commission meeting of December 7th, 2022. Motion to Approve.

In Favor: 6 Opposed: 0 Absent: 1 (Barichello)

Ordinance No. 5044 was Introduced and Tentatively Adopted on January 26th, 2023.

Attachments
Ordinance No. 5044

ORDINANCE NO. 5044

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AMENDING ARTICLES II. DEFINITIONS, XXI. TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS, AND XXII. ADDITIONAL HEIGHT AND AREA REGULATIONS OF CHAPTER 35 OF THE CITY CODE OF THE CITY OF CHANDLER, RELATING TO MARIJUANA DISPENSARIES.

WHEREAS, in accordance with A.R.S. 9-462 et seq., the legislative body may adopt by ordinance any change or amendment to the regulations and provisions set forth in the Chandler Zoning Code; and

WHEREAS, this amendment, including the draft text, has been published as an 1/8-page display ad in a local newspaper with general circulation in the City of Chandler, giving fifteen (15) days' notice of the time, date, and place of the public hearing; and

WHEREAS, a public hearing was held by the Planning and Zoning Commission as required by the Zoning Code, on December 7, 2022.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

- Section 1. That certain document known as the "2022 Amendments to Chandler City Code Chapter 35 for Marijuana Dispensaries," one paper copy and one electronic copy of which shall remain on file in the office of the City Clerk, a copy of which is attached to this ordinance as Exhibit A, is hereby declared to be a public record.
- Section 2. That the Chandler City Code is hereby amended by adoption of the amendments contained in the document "2022 Amendments to Chandler City Code Chapter 35 for Marijuana Dispensaries."
- Section 3. Providing for Repeal of Conflicting Ordinances.

All ordinances or parts of ordinances in conflict with the provisions of this ordinance, or any parts hereof, are hereby repealed.

<u>Section 4.</u> <u>Providing for Severability.</u>

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Chandler, Arizona, thisday of	•
ATTEST:	
CITY CLERK	MAYOR
PASSED AND ADOPTED by the City Council o day of, 2023.	f the City of Chandler, Arizona, this
ATTEST:	
CITY CLERK	MAYOR
<u>CERTIFICA</u>	TION
I HEREBY CERTIFY that the above and foregoing adopted by the City Council of the City of Chandled day of, 2023, and that	er, Arizona, at a regular meeting held on the
	CITY CLERK
APPROVED AS TO FORM:	
CITY ATTORNEY TA	

EXHIBIT A

2022 Amendments to Chandler City Code Chapter 35 for Marijuana Dispensaries {Public Record for Ordinance No. 5044}

Chapter 35 of the Chandler City Code is hereby amended as follows (additions in ALL CAPS, deletions in strikethrough):

ARTICLE II. – DEFINITIONS

35-200. - Definitions.

. . .

Infusion food establishment: A food processing or other food establishment of any type or size, not operated by a medical marijuana dispensary and not located at a medical marijuana facility or a medical marijuana cultivation site, BUT MAY BE LOCATED ON THE SAME PREMISES OR WITHIN THE SAME BUILDING AS ITS AFFILIATED MEDICAL MARIJUANA FACILITY OR MEDICAL MARIJUANA CULTIVATION SITE OPERATING UNDER THE SAME ARIZONA DEPARTMENT OF HEALTH SERVICES APPROVED LICENSE AND UPON APPROVAL OF A USE PERMIT and which is permitted under Arizona State Law to contract with and does provide to a medical marijuana dispensary edible food products infused with medical marijuana.

. . .

Medical marijuana facility: The physical location from which a medical marijuana dispensary operates to acquire, possess, supply, sell, or dispense in any manner or form medical marijuana or related supplies and educational materials to cardholders, as that term is defined in A.R.S. Section 36-2801. A MEDICAL MARIJUANA FACILITY ALSO INCLUDES A RECREATIONAL MARIJUANA RETAIL ESTABLISHMENT THAT SELLS MARIJUANA AND MARIJUANA PRODUCTS TO ADULTS FOR NON-MEDICINAL RECREATIONAL USE PROVIDED THE RECREATIONAL MARIJUANA RETAIL ESTABLISHMENT OPERATES AT A SINGLE SHARED LOCATION WITH A MEDICAL MARIJUANA DISPENSARY. A medical marijuana facility cannot serve as a medical marijuana cultivation site, BUT MAY BE LOCATED ON THE SAME PREMISES OR WITHIN THE SAME BUILDING AS ITS AFFILIATED MEDICAL MARIJUANA CULTIVATION SITE AND/OR INFUSION FOOD ESTABLISHMENT OPERATING UNDER THE SAME ARIZONA DEPARTMENT OF HEALTH SERVICES APPROVED LICENSE AND UPON THE APPROVAL OF A USE PERMIT.

Medical marijuana cultivation site: The physical location from which a medical marijuana dispensary operates to grow, cultivate, manufacture, infuse, or store medical marijuana, or from which it delivers, transfers, transports, or supplies medical marijuana to another medical marijuana facility or cultivation site. A medical marijuana cultivation site cannot serve as a medical marijuana facility, BUT MAY BE LOCATED ON THE SAME PREMISES OR

WITHIN THE SAME BUILDING AS ITS AFFILIATED MEDICAL MARIJUANA FACILITY OR INFUSION FOOD ESTABLISHMENT OPERATING UNDER THE SAME ARIZONA DEPARTMENT OF HEALTH SERVICES APPROVED LICENSE AND UPON APPROVAL OF A USE PERMIT.

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ARTICLE XXI. - TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS

35-2100. - Purpose.

TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS

Uses	Districts				
	C-1	C-2	C-3	I-1	I-2
Medical marijuana (see footnote #3 AND #4 at					
end of table)					
Facility ^{3,4,5}		X	X	UP	UP
Cultivation site ³				X	X
Infusion food establishment ³				X	X

Footnotes:

- 3) Medical marijuana facilities, medical marijuana cultivation sites and infusion food establishments shall be permitted in the specified districts only upon obtaining a zoning clearance OR USE PERMIT, AS REQUIRED BY SECTION 35-2100 TABLE OF PERMITTED USES FOR NONRESIDENTIAL USES, in accordance with section 35-2213 of this Code.
- 4) A MEDICAL MARIJUANA FACILITY LOCATED IN THE I-1 DISTRICT OR THE I-2 DISTRICT MUST BE INCIDENTAL TO A CULTIVATION SITE AND/OR INFUSION FOOD ESTABLISHMENT AND: (1) SHALL BE LOCATED WITHIN 1,320 FEET OF AN ARTERIAL ROADWAY MEASURED IN A STRAIGHT LINE FROM THE CLOSEST EXTERIOR WALL OF THE CULTIVATION SITE AND/OR INFUSION FOOD ESTABLISHMENT TO THE CENTERLINE OF THE ARTERIAL ROADWAY AND WITHIN 500 FEET OF THE C-2 OR C-3 DISTRICT, OR PAD DISTRICT WHERE C-2 OR C-3 USES ARE ALLOWED MEASURED IN A STRAIGHT LINE FROM THE NEAREST PROPERTY LINE OF THE MEDICAL MARIJUANA CULTIVATION SITE AND/OR INFUSION FOOD ESTABLISHMENT TO A ZONING DISTRICT BOUNDARY LINE; AND (2) SHALL HAVE FRONTAGE AND ACCESS FROM PUBLIC RIGHT-OF-WAY. A MEDICAL MARIJUANA FACILITY INCIDENTAL TO A MEDICAL MARIJUANA CULTIVATION SITE AND/OR INFUSION FOOD ESTABLISHMENT SHALL COMPLY WITH ARTICLE XVIII OF THIS CODE.
- 5) A MEDICAL MARIJUANA FACILITY LOCATED IN THE I-1 DISTRICT OR THE I-2 DISTRICT SHALL NOT EXCEED TWO THOUSAND FIVE HUNDRED (2,500) GROSS

SQUARE FEET OR TWENTY FIVE PERCENT (25%) OF THE GROSS BUILDING SQUARE-FOOTAGE, WHICHEVER IS LESS.

. . .

ARTICLE XXII. – ADDITIONAL HEIGHT AND AREA REGULATIONS

. . .

35-2213. - Medical marijuana facility, medical marijuana cultivation site, and infusion food establishment.

The operation of a medical marijuana facility, a medical marijuana cultivation site, or an infusion food establishment shall only be allowed in accordance with the provisions, procedures and standards set forth in this Section.

- 1. Eligible Zoning Districts.
 - A. The operation of a medical marijuana facility is allowed only in a C-2 or C-3 District or in that portion of a PAD District where C-2 AND/or C-3 uses are allowed and only upon obtaining a zoning clearance for such use, OR IN AN I-1 OR I-2 DISTRICT OR IN A PORTION OF A PAD DISTRICT WHERE I-1 AND/OR I-2 USES ARE ALLOWED AND ONLY UPON OBTAINING A USE PERMIT AS REQUIRED BY SECTION 35-2100 TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS, IN ACCORDANCE WITH SECTION 35-2213 OF THIS CODE.
 - B. The operation of a medical marijuana cultivation site or an infusion food establishment is allowed only in an I-1 or I-2 District or in that portion of a PAD District where I-1 or I-2 uses are allowed and only upon obtaining a zoning clearance for such use.
- 2(A). ZONING CLEARANCE Application. IN ACCORDANCE WITH SECTION 35-2100—TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS, Medical marijuana facilities, medical marijuana cultivation sites and infusion food establishments shall submit a completed zoning clearance application with supplemental materials as required by the Planning Division. The application shall contain the following information:
 - 1)A. The location of the premises at which the medical marijuana facility, the medical marijuana cultivation site, or infusion food establishment will be operated.
 - 2)B. The identity of the medical marijuana dispensary that will operate the medical marijuana facility or the medical marijuana cultivation site, and, for an infusion food establishment, the identity of the operator of the establishment.

- 3)C. If the premises identified in the application is not owned by the medical marijuana dispensary making application for the zoning clearance, a written statement signed by the property owner authorizing the applicant to apply for the zoning clearance for the premises and consenting to the use being requested in the application.
- 4)D. A site plan for the property on which the premises is located showing lot dimensions with front, sides and rear setbacks, and, where applicable, its location within the larger development in which the property may be situated.
- 5)E. An accurate, to-scale, floor plan clearly showing the configuration of the premises and stating the total floor space of the premises or portion thereof to be used for the purpose for which the zoning clearance is requested. In addition to any other information, the floor plan shall specifically identify and provide as applicable: (i) the location of the enclosed, locked facility in which cultivation or storage of medical marijuana will take place; (ii) the total floor space for the enclosed, locked facility; (iii) the location within the premises where infusion will take place; (iv) all entrances and exits to and from the premises, indicating which such entrances are secured and which, if any, are not secured; (v) the location of any windows from which a member of the public can view activities occurring inside the premises; (vi) any additional security measures or devices to be installed in or upon the premises, including without limitation any on-site alarm system or security lighting; and (vii) additional protections, if any, against medical marijuana diversion and theft.
- 6)F. Other pertinent information as needed to determine compliance with the provisions of this Section (35-2213) as required by the Planning Division.
- 2(B)3. ZONING CLEARANCE Approval Criteria. The Zoning Administrator may approve a zoning clearance application to operate a medical marijuana facility, a medical marijuana cultivation site, or an infusion food establishment upon finding that the request complies with the following criteria:
 - 1)A. The request is in conformance with the General Plan and its policies.
 - 2)B. The request is in full conformance with the provisions of this Section (35-2213).
 - 3)C. The request is in full compliance with Chapter 29 Building Regulations of the City Code, all development standards and other land use regulations stated in the Zoning Code or any other ordinance or code adopted by the City of Chandler.
 - 4)D. The request will not be detrimental to persons residing or working in the vicinity, to adjacent property, to the neighborhood or to the public welfare in general.
 - 5)E. The medical marijuana facility, a medical marijuana cultivation site, or an infusion food establishment:

- I)1) Is located in a permanent building and is not located in a temporary structure, trailer, cargo container, motor vehicle, or other similar non-permanent enclosure.
- II)2) Is not larger than FIVE THOUSAND (5,000)two thousand five hundred (2,500) gross square feet for a medical marijuana facility; and FIVE THOUSAND (5,000)three thousand (3,000) gross square feet for a medical marijuana cultivation site; AND FIVE THOUSAND (5,000) GROSS SQUARE FEET FOR AN INFUSION FOOD ESTABLISHMENT. The secure storage area does not exceed five hundred (500) square feet in a medical marijuana facility and one thousand (1,000) square feet in a medical cultivation site.
- III)3) Does not have or operate drive-through facilities or take-out windows.
- IV)4) Will not emit dust, fumes, vapors or odors into the environment.
- V)5) Is operated only by a medical marijuana dispensary, DUAL LICENSE, or, in the case of an infusion food establishment, a person or entity authorized by State law to infuse edible food products, who does:
 - Ai. Comply with all registration and recordkeeping required by the City of Chandler, Maricopa County and Arizona Law.
 - Bii. Obtain, maintain and display a valid City of Chandler business registration or license as may be required by City Code.
 - Ciii. Prohibit consumption of medical marijuana on the premises.
 - Div. Not permit outdoor seating anywhere on the premises. Where the premises is located within a larger commercial or industrial development having walkways or other common area containing already existing outdoor seating required as a condition of the zoning for the development, then no new outdoor seating shall be located immediately adjacent to the premises.
 - Ev. Allow annual fire inspections pursuant to the City of Chandler Code.
 - Fvi. Have operating hours not earlier than 7:009:00-a.m. and not later than 10:00 p.m. FOR A MEDICAL MARIJUANA FACILITY.
- 6)F. Separation requirements. A medical marijuana facility or a medical marijuana cultivation site shall be located a minimum distance from the uses set forth in Table 2213.3(F) 2213.2(B)(6) Separation Requirements. Measurements shall be

made in a straight line in any direction from the closest exterior wall of the medical marijuana facility or medical marijuana cultivation site to the nearest property line of any parcel containing uses identified in the table. No separation is required when a medical marijuana facility or a medical marijuana cultivation site is separated from another such facility or site by a freeway. The separation requirements set forth in Table 2213.3(F) 2213.2(B)(6) shall not be reduced through a variance, Planned Area Development (PAD), or any other manner.

Table 2213.3(F) 2213.2(B)(6) Separation Requirements					
Use or Use Classification	Separation Requirement (feet)				
Another medical marijuana facility, or cultivation site, OR INFUSION FOOD ESTABLISHMENT *	5,280				
Day care center, public or private	1,320				
Public or private park	1,320				
Place of worship	1,320				
Charter school, public or private school or college	1,320				
Residential zoning district boundary	1,320				
Public library	1,320				
Hospital, public or private	1,320				

^{*} NO SEPARATION SHALL BE REQUIRED WHEN A MEDICAL MARIJUANA FACILITY AND ITS AFFILIATED MEDICAL MARIJUANA CULTIVATION SITE AND/OR INFUSION FOOD ESTABLISHMENT ARE LOCATED ON THE SAME PREMISES OR WITHIN THE SAME BUILDING.

2(C)4. *Issuance of zoning clearance*.

1)A. Approval of such a zoning clearance application shall not be construed as any endorsement by the City of the use or operation for which the zoning clearance has been requested by the applicant. The review time for said zoning clearance

- application shall conform to the time frames adopted by the City as required by Arizona Revised Statutes which are posted on the City's website.
- 2)B. A zoning clearance issued under this Section (35-2213) shall be deemed void and to have automatically expired if the permitted use is not commenced by the zoning clearance holder or substantial construction has not taken place within nine (9) months after the date of approval.
- 2(D)5. Nontransferability of zoning clearance. A zoning clearance issued under this Section (35-2213) is not transferable to any other location or premises, nor is it valid for any other use or business associated with a medical marijuana dispensary that is not specifically identified in the zoning clearance.
- 2(E)6. Zoning clearance denial and appeal process.
 - 1)A. The Zoning Administrator, upon finding that the information presented in a zoning clearance application for a medical marijuana facility, medical marijuana cultivation site, or an infusion food establishment does not comply with the requirements set forth in this Section (35-2213) shall issue a notice of denial that specifies the grounds therefore.
 - 2)B. The applicant may appeal the Zoning Administrator's decision to deny the issuance of a zoning clearance to the Board of Adjustment pursuant to the appeal procedures provided under Section 35-2503 of this Zoning Code.
- 2(F)7. Revocation or suspension of zoning clearance.
 - 1)A. The Zoning Administrator may suspend or revoke a zoning clearance upon finding:
 - I)1). Material noncompliance with the requirements prescribed in this Section (35-2213); and/or
 - II)2). Operation of the permitted use in such a manner as to cause a substantial detrimental impact on neighboring persons or property.
 - 2)B. To suspend or revoke a zoning clearance, the Zoning Administrator shall deliver or mail by certified mail to the address indicated on the zoning clearance and, if different from application address, the address of the property subject to the zoning clearance, a written notice that the zoning clearance is suspended or revoked and which states the grounds therefore.
 - 3)C. Upon written request received by the Zoning Administrator within ten (10) days of the date of the notice by the zoning clearance holder, or any person whose use of the subject property will be adversely affected by the suspension or revocation, the matter will be referred to the Board of Adjustment on an appeal pursuant to

the appeal procedures provided under Section 35-2503 of this Zoning Code. If an appeal is not received within ten (10) days of the notice, the suspension or revocation shall take effect on the eleventh day after the date of notice.

4)D. The decision of the Board of Adjustment may be appealed as provided in Section 35-2503 of this Zoning Code.

3(A). USE PERMIT APPLICATION. IN ACCORDANCE WITH SECTION 35-2100—TABLE OF PERMITTED USES FOR NONRESIDENTIAL DISTRICTS, THE APPLICATION PROCEDURES FOR A USE PERMIT TO OPERATE A MEDICAL MARIJUANA FACILITY AT A SPECIFIED PREMISES SHALL BE THE SAME AS THE APPLICATION PROCEDURES STATED IN SECTION 35-305(1)(A) FOR GENERAL USE PERMITS, EXCEPT THAT IN ADDITION TO ANY OTHER REQUIRED SUBMITTALS, AN APPLICANT SHALL PROVIDE:

- 1) THE LOCATION OF THE PREMISES AT WHICH THE MEDICAL MARIJUANA FACILITY WILL BE OPERATED.
- 2) THE IDENTITY OF THE MEDICAL MARIJUANA DISPENSARY THAT WILL OPERATE THE MEDICAL MARIJUANA FACILITY.
- 3) IF THE PREMISES IDENTIFIED IN THE APPLICATION IS NOT OWNED BY THE MEDICAL MARIJUANA DISPENSARY MAKING THE APPLICATION FOR THE USE PERMIT, A WRITTEN STATEMENT SIGNED BY THE PROPERTY OWNER AUTHORIZING THE APPLICANT TO APPLY FOR THE USE PERMIT FOR THE PREMISES AND CONSENTING TO THE USE BEING REQUESTED IN THE APPLICATION.
- 4) A SITE PLAN FOR THE PROPERTY ON WHICH THE PREMISES IS LOCATED SHOWING LOT DIMENSIONS WITH FRONT, SIDE, AND REAR YARD SETBACKS, AND, WHERE APPLICABLE, ITS LOCATION WITHIN THE LARGER DEVELOPMENT IN WHICH THE PROPERTY MAY BE SITUATED.
- AN ACCURATE TO-SCALE FLOOR PLAN CLEARLY SHOWING THE CONFIGURATION OF THE PREMISES AND STATING THE TOTAL FLOOR SPACE OF THE PREMISES OR PORTION THEREOF TO BE USED FOR THE PURPOSE FOR WHICH THE USE PERMIT IS REQUIRED. IN ADDITION TO ANY OTHER INFORMATION, THE FLOOR PLAN SHALL SPECIFICALLY IDENTIFY AND PROVIDE AS APPLICABLE: (I) THE LOCATION OF THE ENCLOSED LOCKED FACILITY IN WHICH STORAGE OF MEDICAL MARIJUANA WILL TAKE PLACE; (II) THE

TOTAL FLOOR SPACE FOR THE ENCLOSED, LOCKED FACILITY; (III) ALL ENTRANCES AND EXITS TO AND FROM THE PREMISES, INDICATING WHICH SUCH ENTRANCES ARE SECURED AND WHICH, IF ANY, ARE NOT SECURED; (IV) THE LOCATION OF ANY WINDOWS FROM WHICH A MEMBER OF THE PUBLIC CAN VIEW ACTIVITIES OCCURING INSIDE THE PREMISES; (V) ANY ADDITIONAL SECURITY MEASURES OR DEVICES TO BE INSTALLED IN OR UPON THE PREMISES, INCLUDING WITHOUT LIMITATION ANY ON-SITE ALARM SYSTEM OR SECURITY LIGHTING; AND (VI) ADDITIONAL PROTECTIONS, IF ANY, AGAINST MEDICAL MARIJUANA DIVERSION AND THEFT.

- 3(B). USE PERMIT REVIEW. THE REVIEW AND APPROVAL OF AN APPLICATION FOR A USE PERMIT TO OPERATE A MEDICAL MARIJUANA FACILITY SHALL CONSIDER ALL RELEVANT LAND USE FACTORS, INCLUDING THOSE STATED IN SECTION 35-305(1)(B) FOR GENERAL USE PERMITS, AS WELL AS THE USE PERMIT CRITERIA AND LOCATION REQUIREMENTS STATED IN SECTIONS 35-2213.3(D) AND 35-2213.3(E).
- 3(C). USE PERMIT APPROVAL. AN APPLICATION FOR A USE PERMIT UNDER SUBSECTION 3(F) MAY BE APPROVED OR DENIED BY THE CITY COUNCIL BASED UPON THE FINDINGS SET FORTH IN SECTION 35-305(1)(B). APPROVAL OF SUCH A USE PERMIT APPLICATION SHALL NOT BE CONSTRUED AS ANY ENDORSEMENT BY THE CITY OF THE USE OR OPERATION FOR WHICH THE USE PERMIT HAS BEEN REQUESTED BY THE APPLICANT.
- 3(D). *USE PERMIT CRITERIA*. THE PREMISES IN OR UPON WHICH A MEDICAL MARIJUANA FACILITY IS OPERATED SHALL:
 - 1) BE LOCATED IN A PERMANENT BUILDING AND SHALL NOT BE LOCATED IN A TEMPORARY STRUCTURE, TRAILER, CARGO CONTAINER, MOTOR VEHICLE, OR OTHER SIMILAR NON-PERMANENT ENCLOSURE.
 - 2) NOT BE LARGER THAN TWO THOUSAND FIVE HUNDRED (2,500) GROSS SQUARE FEET OR TWENTY FIVE PERCENT (25%) OF THE GROSS BUILKDING SQUARE-FOOTAGE, WHICHEVER IS LESS, FOR A MEDICAL MARIJUANA FACILITY.
 - 3) BE OPERATED ONLY BY A MEDICAL MARIJUANA DISPENSARY WHICH MUST:
 - I) COMPLY WITH ALL REGISTRATION AND RECORDKEEPING REQUIRED BY THE CITY OF CHANDLER, MARICOPA COUNTY, AND ARIZONA LAW.

- II) OBTAIN, MAINTAIN, AND DISPLAY A VALID CITY OF CHANDLER BUSINESS REGISTRATION OR LICENSE AS MAY BE REQUIRED BY CITY CODE.
- III) NOT HAVE OR OPERATE DRIVE THROUGH FACILITIES OR TAKE OUT WINDOWS.
- IV) NOT EMIT DUST, FUMES, VAPORS, OR ODORS INTO THE ENVIRONMENT.
- V) PROHIBIT CONSUMPTION OF MEDICAL MARIJUANA ON THE PREMISES.
- VI) NOT PERMIT OUTDOOR SEATING ANYWHERE ON THE PREMISES. WHERE THE PREMISES IS LOCATED WITHIN A LARGER COMMERCIAL OR INDUSTRIAL DEVELOPMENT HAVING WALKWAYS OR OTHER COMMON AREA CONTAINING ALREADY EXISTING OUTDOOR SEATING REQUIRED AS A CONDITION OF THE ZONING FOR THE DEVELOPMENT, THEN NO NEW OUTDOOR SEATING SHALL BE LOCATED IMMEDIATELY ADJACENT TO THE PREMISES.
- VII) ALLOW ANNUAL FIRE INSPECTIONS PURSUANT TO THE CITY OF CHANDLER CODE.
- VIII) HAVE OPERATING HOURS NOT EARLIER THAN 7:00 A.M. AND NOT LATER THAN 10:00 P.M.
- 3(E). SEPARATION REQUIREMENT. A MEDICAL MARIJUANA FACILITY SHALL BE LOCATED A MINIMUM DISTANCE FROM THE USES SET FORTH IN TABLE 2213.2(B)(6).
- 3(F). ISSUANCE OF USE PERMIT.
 - 1. A USE PERMIT ISSUED UNDER THIS SUBSECTION SHALL BE VALID FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF CITY COUNCIL APPROVAL OF THE USE PERMIT APPLICATION, EXCEPT AS PROVIDED IN PARAGRAPH 3(F)(2) BELOW.
 - 2. A USE PERMIT ISSUED UNDER THIS SUBSECTION 3(F) SHALL BE DEEMED VOID AND TO HAVE AUTOMATICALLY EXPIRED IF THE PERMITTED USE IS NOT COMMENCED BY THE PERMIT HOLDER OR

- SUBSTANTIAL CONSTRUCTION HAS NOT TAKEN PLACE WITHIN NINE (9) MONTHS AFTER THE DATE OF CITY COUNCIL APPROVAL.
- 3. THE VALIDITY OF A USE PERMIT UNDER THIS SUBSECTION 3(F) IS FURTHER CONDITIONED UPON THE PERMIT HOLDER AND THE PERMITTED PREMISES BEING AT ALL TIMES IN COMPLIANCE WITH APPLICABLE CITY BUILDING CODES, DEVELOPMENT STANDARDS AND OTHER LAND USE REGULATIONS STATED IN THE ZONING CODE OR ANY OTHER ORDINANCE OR CODE ADOPTED BY THE CITY OF CHANDLER.
- 3(G). NONTRANSFERABILITY OF USE PERMIT. A USE PERMIT ISSUED UNDER THIS SUBSECTION IS NOT TRANSFERABLE TO ANY OTHER LOCATION OR PREMISES, NOR IS IT VALID FOR ANY OTHER USE OR BUSINESS ASSOCIATED WITH A MEDICAL MARIJUANA DISPENSARY THAT IS NOT SPECIFICALLY IDENTIFIED IN THE USE PERMIT.

3(H). USE PERMIT RENEWAL:

- 1. A USE PERMIT UNDER SUBSECTION 3(F) MAY BE RENEWED BY FILING AN APPLICATION FOR RENEWAL ON A FORM PROVIDED BY THE ZONING ADMINISTRATOR. THE APPLICATION FOR RENEWAL SHALL BE RECEIVED BY THE ZONING ADMINISTRATOR NOT LESS THAN SEVENTY (70) DAYS BEFORE THE EXPIRATION OF THE PERMIT. WHEN THE APPLICATION FOR RENEWAL IS RECEIVED LESS THAN SEVENTY (70) DAYS BEFORE THE EXPIRATION DATE, THE EXPIRATION OF THE USE PERMIT SHALL NOT BE DELAYED, POSTPONED OR OTHERWISE AFFECTED.
- 2. AN APPLICATION FOR RENEWAL SHALL BE CONSIDERED FOLLOWING THE SAME PROCEDURES AS AN ORIGINAL APPLICATION. THE APPLICATION FOR RENEWAL MAY BE DENIED FOR ANY REASON THAT AN ORIGINAL APPLICATION MAY BE DENIED OR REVOKED.
- 3. A MEDICAL MARIJUANA FACILITY LAWFULLY OPERATING IS NOT RENDERED IN VIOLATION OF THE DISTANCE REQUIREMENTS SET FORTH IN TABLE 2213.2(B)(6) IF, SUBSEQUENT TO THE INITIAL GRANTING OF THE USE PERMIT UNDER SUBSECTION 3(F), ANY OF THE USES IDENTIFIED IN TABLE 2213.2(B)(6) ARE CONSTRUCTED OR LOCATED WITHIN THE REQUIRED SEPARATION AREA. THIS PROVISION APPLIES ONLY TO THE RENEWAL OF A VALID USE PERMIT AND DOES NOT APPLY WHEN AN APPLICATION FOR A USE PERMIT IS SUBMITTED AFTER A USE PERMIT HAS EXPIRED OR HAS BEEN REVOKED.