



**City of Vermillion Planning &
Zoning Commission Agenda**

9:30 a.m. Joint Meeting with City Council,
Clay County Commission, and
Clay County Planning Commission
Tuesday, June 15, 2021
City Council Chambers

City Hall, 25 Center Street, Vermillion, SD 57069

1. **Roll Call**
2. **Declaration of Conflict of Interests**
3. **Adoption of the Agenda**
4. **Visitors to Be Heard**
5. **New Business**
 - a. First Reading of Ordinance 1437 – A Temporary Ordinance Regarding the Issuance of Local Medical Cannabis Establishment Permits and/or Licenses in the Joint Jurisdictional Zoning Area.
6. **Adjourn**

WELCOME TO YOUR PLANNING COMMISSION MEETING

If you wish to participate in the discussion, the meeting provides several opportunities. After the minutes are approved, the Chairperson will ask if any visitors wish to be heard. Any item not on the agenda may be discussed. During the discussion of agenda topics, anyone may comment. The Chairperson will recognize you if you raise your hand. Please introduce yourself with your name and address when addressing the Planning and Zoning Commission. Discussion occurs before motions are made and seconded. Discussion also occurs after the motion is seconded and before the vote. You may participate each time if you wish. Your suggestions and ideas are welcome. The best decisions are made when everyone participates and provides information.

Meeting Assistance: The City of Vermillion fully subscribes to the provisions of the Americans with Disabilities Act of 1990. If you desire to attend this public meeting and are in need of special accommodations, please notify the City Manager's Office at 677-7050 at least 3 working days prior to the meeting so appropriate auxiliary aids and services can be made available.



Planning & Zoning Commission Agenda Memo

From: John Prescott, City Manager

Meeting: June 15, 2021

Subject: Ordinance 1437 – Medical Cannabis regulations in the Joint Jurisdictional Zoning Area

Presenter: Drew Gunderson, Clay County Zoning Administrator

Background: In November of 2020, the voters of South Dakota approved IM26. This measure provides for medical cannabis as of July 1, 2021. The State codified IM26 in Chapter 34-20G earlier this year. The initiated measure provides municipal governments the ability to participate in the process for licensing, permitting, identifying permissible locations in the community, hours of operation, number of medical cannabis dispensaries, and other related items. The State Department of Health has not yet promulgated the final rules for their portion of the process.

The City Council recently approved Ordinance 1434 to establish where different types of medical cannabis facilities from the dispensary to grow facilities could be located within Vermillion city limits. At the last regular meeting on June 7, the City Council approved the second reading of Ordinance 1435 to address the licensing of medical cannabis establishments within Vermillion city limits.

Discussion: Clay County is the administrator for the Joint Jurisdictional Zoning Area (JJZA) surrounding the City of Vermillion. The City and County are jointly responsible for establishment of zoning regulations in the JJZA. The County is proposing the attached medical cannabis ordinance to pause the enactment of medical cannabis regulations in the Joint Jurisdictional Zoning Area until the State of South Dakota promulgates rules as required by Initiated Measure 26.

Financial Consideration: None.

Conclusion/Recommendations: Administration recommends the City Council approve the first reading of Ordinance 1437, which pauses enactment of medical

cannabis regulations in the Joint Jurisdictional Zoning Area until the State of South Dakota Promulgates rules.

**PROPOSED ORDINANCE 1437
ALSO KNOWN AS CLAY COUNTY ORDINANCE NO. 2021-03**

**A TEMPORARY ORDINANCE REGARDING THE ISSUANCE OF LOCAL MEDICAL
CANNABIS ESTABLISHMENT PERMITS AND/OR LICENSES.**

WHEREAS, Clay County, SD (“County”) and the City of Vermillion, SD (“City”) have a joint jurisdictional zoning agreement pursuant to SDCL 11-6-12; and

WHEREAS, said agreement sets forth joint zoning control outside of current City limits for an area as depicted on the Official Zoning Map of the Clay County and City of Vermillion Joint Jurisdictional Zoning Area; and

WHEREAS, a local government may enact an ordinance not in conflict with SDCL Chapter 34-20G, governing the time, place, manner, and number of medical cannabis establishments in the locality. A local government may establish civil penalties for violation of an ordinance governing the time, place, and manner of a medical cannabis establishment that may operate in the locality. A local government may require a medical cannabis establishment to obtain a local license, zoning permit, or registration to operate, and may charge a reasonable fee for the local license, zoning permit, or registration; and

WHEREAS, the County and the City, make a preliminary finding that the current regulations and controls for the Joint Jurisdictional Zoning Area may not adequately address the unique needs and impacts of medical cannabis establishments as defined in SDCL 34-20G-1; and

WHEREAS, the County and the City make a preliminary finding that the County and the City need further study of the relationship of medical cannabis establishments to the Joint Jurisdictional Comprehensive Plan and Joint Jurisdictional Zoning Ordinance. Public interest requires that the County and the City study, analyze, and evaluate the impacts of medical cannabis establishments and fully explore the impacts of any proposed regulations regarding medical cannabis establishments; and

WHEREAS, the County and the City make a preliminary finding that it would be inappropriate for a local permit or license to be issued to a medical cannabis establishment in the Joint Jurisdictional Zoning Area prior to the South Dakota Department of Health’s promulgation of regulations governing the same; and

WHEREAS, the County and the City hereby exercise their authority under SDCL 11-2-10, SDCL 7-18A-8, SDCL 11-4-3.1, and SDCL 9-19-13 to establish a temporary ordinance regarding the issuance of any local permits/licenses for medical cannabis establishments within the Joint Jurisdictional; and

WHEREAS, a temporary ordinance will ensure that a more comprehensive joint jurisdictional zoning ordinance, building permit changes, licensing permits, and any proposed amendments to the Joint Jurisdictional Zoning Area Comprehensive Plan can be completely examined with

adequate public input from citizens, business interests, and medical cannabis industry representatives; and

WHEREAS, the County and the City find that a temporary ordinance is reasonable to preserve the status quo and prevent significant investment pending the outcome of the above study and any proposed regulations emanating therefrom; and

WHEREAS, the County and the City find that the following ordinance is necessary to protect and immediately preserve the public health, safety, welfare, peace and support of the Joint Jurisdictional Zoning Area and its existing public institutions.

NOW, THEREFORE, BE IT ORDAINED, by the governing body of the City of Vermillion, South Dakota that the following sections are adopted:

Section 1. Temporary Ordinance – Application for Local Permit/License

A medical cannabis establishment desiring to operate in the Joint Jurisdictional Zoning Area shall be required to apply for a permit and/or license from the County. Applications for a local permit and/or license to operate a medical cannabis establishment, as defined by SDCL 34-20G-1, shall not be accepted until the South Dakota Department of Health has promulgated regulations as required by SDCL 34-20G-72. Any application received prior to such regulations being promulgated shall be denied.

Section 2. Immediate Effect.

This ordinance is necessary to protect and immediately preserve the public health, safety, welfare, peace, and support of the County and the City governments and their existing public institutions pursuant to SDCL 9-19-13 and SDCL 11-4-3.1.

Dated at Vermillion, South Dakota this 21st day of June, 2021.

THE GOVERNING BODY OF THE CITY
OF VERMILLION, SOUTH DAKOTA

Kelsey Collier-Wise, Mayor

ATTEST:

Katie E. Redden, Finance Officer

First Reading: June 15, 2021
Second Reading: June 21, 2021
Publication: July 2, 2021
Effective Date: July 22, 2021