

ORDINANCE 1400

AN ORDINANCE OF THE CITY OF PANAMA CITY BEACH, FLORIDA, ESTABLISHING A TEMPORARY MORATORIUM ON GROWING, CULTIVATION, PROCESSING, MANUFACTURING, DISPENSING, DISTRIBUTION, AND WHOLESALE AND RETAIL SALE OF MEDICAL CANNABIS, LOW-THC CANNABIS, AND DERIVATIVE PRODUCTS, OR ANY RELATED ACTIVITIES; ESTABLISHING A TEMPORARY MORATORIUM UNTIL JUNE 1, 2017 ON THE OPENING, RELOCATION, OR EXPANSION OF ANY MEDICAL MARIJUANA DISPENSING FACILITY WITHIN THE CITY LIMITS; DIRECTING STAFF TO DEVELOP PROPOSED LAND DEVELOPMENT REGULATIONS AND OTHER RECOMMENDATIONS REGARDING SUCH CANNABIS-RELATED ACTIVITIES; PROVIDING FOR PENALTIES; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, as provided in section 2(b), Article VIII of the Constitution of the State of Florida, and section 166.021(1), Florida Statutes, the City of Panama City Beach, Florida (the "city"), a municipal corporation, enjoys all governmental, corporate, and proprietary powers necessary to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except as expressly prohibited by law; and

WHEREAS, as provided in section 166.021(3), Florida Statutes, the governing body of each municipality in the state has the power to enact legislation concerning any subject matter upon which the state legislature may act, except when expressly prohibited by law; and

WHEREAS, in 2014 the Florida Legislature enacted the Compassionate Medical Cannabis Act, codified at Section 381.986, Florida Statutes (the "Compassionate Use Act"), which legalized the cultivation, processing, and dispensing of "Low-THC Cannabis," as defined by Section 381.986(1)(e), Florida Statutes, by a licensed dispensing organization for "Qualified Patients," as defined by Section 381.986(1)(h); and

WHEREAS, in 2016 the Florida Legislature amended the Right to Try Act, codified at Section 499.0295, Florida Statutes, which amended the Compassionate Use Act and legalized the cultivation, production, and dispensing of "Medical Cannabis," as defined by Section 381.986(1)(f), Florida Statutes, and derivative products by a licensed dispensing organization to "Eligible Patients," as defined by Section 499.0295, Florida Statutes; and

WHEREAS, the comprehensive State licensing and regulatory framework directs that the criteria for the number and location of, and other permitting requirements that

do not conflict with state law or department rule for, dispensing facilities of cannabis businesses may be determined by local ordinance; and

WHEREAS, cannabis businesses licensed pursuant to the law have begun cultivating cannabis for processing and dispensing; and

WHEREAS, the dispensing of cannabis is currently illegal under federal law and the United States Drug Enforcement Agency has recently confirmed that cannabis remains a Schedule I drug under federal law, but the United States Department of Justice has discussed federal enforcement of such laws with respect to state regulated cannabis operations in the 2012 "Cole Memorandum," and;

WHEREAS, potential adverse impacts on the health, safety, and welfare of residents and business from secondary effects associated with the distribution of cannabis exist, potentially including, offensive odors, trespassing, theft, fire hazards, increased crime in and about the dispensary, robberies, negative impacts on nearby businesses, nuisance problems, and increased DUI incidents; and

WHEREAS, in November of this year, Florida voters decided to amend the Florida Constitution to legalize the cultivation, production, and dispensing of medical cannabis for a broader population of eligible patients; and

WHEREAS, Florida laws relating to the cultivation, production, and dispensing of cannabis products are rapidly changing – raising substantial questions about whether cannabis-related land uses, as a category of commercial use, may have deleterious and negative secondary effects on surrounding land uses and communities; and

WHEREAS, the purpose of this ordinance is to place a temporary moratorium on Medical Cannabis Activities, as defined herein, for a period of time reasonably necessary for the City to determine the best way to regulate Medical Cannabis Activities for the benefit of the public health, safety, and welfare and to promulgate reasonable regulations relating to such activities if deemed advisable by the City; and

WHEREAS, the City Council hereby finds that the temporary moratorium imposed by this ordinance is being imposed for a reasonable duration intended to give the city the time reasonably necessary to investigate the impacts of cannabis dispensing facilities, and if necessary, to promulgate reasonable regulations relating to such establishments; and

WHEREAS, the City Council hereby finds that this ordinance advances an important government purpose by reducing the likelihood of the unregulated negative secondary effects of cannabis dispensing facilities; and

WHEREAS, the City Council hereby finds that this ordinance is in the best interest of the public health, safety, and welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA:

SECTION 1. FINDINGS OF FACT. The foregoing recitals are hereby ratified and confirmed as being true and correct and are hereby made a part of this ordinance.

SECTION 2. DEFINITIONS.

- a. *Derivative Product* means any form of cannabis suitable for administration to or consumption or use by a Qualified Patient, Eligible Patient, or any other similarly situated individual.
- b. *Dispensing Facility* means any facility where Derivative Product is dispensed at retail.
- c. *Low-THC Cannabis* means a plant of the genus *cannabis*, the dried flowers of which contain 0.8 percent or less of tetrahydrocannabinol and more than 10 percent of cannabidiol weight for weight; the seeds thereof; the resin extracted from any part of such plant; or any compound, manufacture, salt, derivative, mixture, or preparation of such plant or its seed or resin.
- d. *Medical Cannabis* means all parts of any plant of the genus *cannabis*, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin.
- e. *Medical Cannabis Activities* means, without limitation, the growing, cultivation, processing, manufacturing, dispensing, distribution, and wholesale and retail sale of Medical Cannabis, Low-THC Cannabis, and Derivative Products, or any subset of such activities, or any related activities.

SECTION 3. TEMPORARY MORATORIUM. Beginning on the effective date of this Ordinance and continuing through June 1, 2017, or sooner if provided by an ordinance of the City Council, a moratorium is hereby imposed on the opening, relocation, or expansion of any Dispensing Facility within the corporate limits of the city of Panama City Beach, including but not limited to Dispensing Facilities owned or operated by an

approved dispensing organization under Section 381.986, Florida Statutes. In addition, the moratorium is hereby imposed upon all Medical Cannabis Activities by any person or entity that is not an approved dispensing organization under Section 381.986, Florida Statutes, except where inconsistent with Florida law.

SECTION 4. STUDY AND RECOMMENDATIONS. During the moratorium period described in Section 3 of this ordinance, City staff is hereby directed to study Medical Cannabis Activities and their impact on the health, safety, and welfare of residents and businesses located within the City, and to develop and recommend land development regulations for Medical Cannabis Activities in the unincorporated areas of the City, and any other relevant regulations and recommendations.

SECTION 5. PENALTIES. Any person or entity who violates any provision of this ordinance, or who fails to comply therewith, shall be subject to the penalties as prescribed in Section 1-12 of the City's Code of Ordinances.

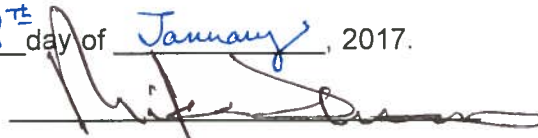
SECTION 6. SEVERABILITY. If any provision of this ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

SECTION 8. REPEAL. All ordinances or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

SECTION 9. SCRIVENER'S ERROR. The city attorney may correct scrivener's errors found in this ordinance by filing a corrected copy of this ordinance with the city clerk.

SECTION 10. EFFECTIVE DATE. This ordinance takes effect immediately upon adoption.

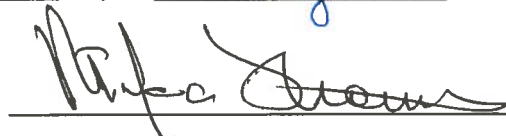
PASSED, APPROVED AND ADOPTED at the regular meeting of the City Council of the City of Panama City Beach, Florida, this 12th day of January, 2017.


MAYOR

ATTEST:

CITY CLERK

EXAMINED AND APPROVED by me this 12th day of January, 2017.


MAYOR

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