

**MINUTES
WORK SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS
WEDNESDAY, MAY 11, 2011
6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.
Public input is placed after Council motions to facilitate future research.
Public input, where appropriate, is heard prior to the motion

1. **Call to Order**

The meeting was called to order at 6:30 p.m.

2. **Roll Call**

Mayor Burnside, Vice Mayor Kovacovich, Councilors Whatley and German were present; Councilors Garrison, Baker and Roulette were absent.

Also Present: Town Manager Russ Martin, Community Development Director Mike Jenkins, Asst. Planner Jenna Owens, Councilor-Elect Bruce George, and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**

The Pledge was led by German .

4. **Public hearing, review, and discussion of the rewrite of the Planning & Zoning Ordinance. Staff**

Resource: Mike Jenkins

There was no action taken.

Community Development Director Jenkins noted that at the last meeting the Council had made a number of recommendations to staff. Jenkins referred to the material in the agenda packet that summarized the recommendations made by Council regarding their review of Part One through Part Three, adding that he would also review partial changes for Parts Four through Six as provided by Council. Jenkins said that at that last hearing the Council had also requested a viewing of the Visual Library that the Community Development Department had put together for Design Review. However, Mayor Burnside requested that the review of the Visual Library be postponed until the next meeting on the Zoning Rewrite at which time the full Council should be present.

Jenkins reviewed each page of the summary, explaining the revisions that had been made pursuant to Council recommendations on Parts One through Three, with the members indicating agreement with the changes as outlined. After a brief discussion regarding the Town Attorney's input, Mayor Burnside declared the public hearing open on Parts One through Six; it was agreed that the Council would then address the Town Attorney's comments and questions after the public hearing, as well as discussing a decision on zoning regarding the Medical Marijuana issue.

PUBLIC HEARING OPEN

(Note: There was no public input following the Council's initial review of their previous comments regarding Parts One through Six.)

Public Hearing Closed.

Jenkins then discussed with Council, with input from Town Manager Martin, the changes recommended by the Town Attorney, reviewing his comments and questions he had raised regarding references to mobile/modular/manufactured and site built homes, as well as some of the language proposed by staff.

Following a brief discussion on whether to continue the review of changes, and at what point to hear comments on the Medical Marijuana issue, as well as the protocol for allowing public input, the discussion moved to the Medical Marijuana issue. Jenkins explained that on May 5, 2011, the Planning & Zoning Commission passed three motions concerning the Medical Marijuana Act, in particular recommending C-2

zoning with only one dispensary allowed, and not allowing a growery facility that is separate from the dispensary. The actions of the Commission were influenced by the letter from the U.S. Attorney for Arizona that pointed out in strong language that the marijuana program is still against Federal law. To date, the Town Attorney has been unsuccessful in his request for clarification from the U.S. Attorney regarding the possibility of elected officials and city and town employees being subject to prosecution under the Controlled Substances Act. Jenkins also outlined some of the language in the Medical Marijuana Act, and the rules that have caused some confusion, as well as the basis for the zoning recommendation submitted by the Commission.

Following further discussion of the P&Z zoning recommendation, confusion over the Medical Marijuana Act rules, concern for possibly violating Federal law, and the potential for sales tax revenue, a second public hearing was opened in order to get public input on questions the Council members had expressed regarding Medical Marijuana.

PUBLIC HEARING OPEN

(Comments from the following individuals are summarized.)

Bruce George, Councilor-elect, wondered about including cookies and brownies; he thought the issue was Medical Marijuana, and did not understand the comments about cookies and brownies.

LORI HICKS, representing a medical center, said that she and her partner are looking to locate a potential dispensary site in the area of Camp Verde. She explained that the State has been divided into the CHAA zones (Community Health Analysis Areas); only one dispensary will be allowed in the zone that the State is allowing and that will cover Jerome, Cottonwood, Clarkdale and Camp Verde, or any of the communities comprising what is referred to as the Yavapai East CHAA. Ms. Hicks said that it is her understanding from discussions that all of the towns or cities want to limit the growing facilities. To get any medical marijuana whatsoever an individual must be a qualified patient through the State of Arizona; that requires certification through a doctor as well. There will be hurdles, but for the first 12 months, because of the way the State has set the system up, there will be people growing the product in this community since there is no dispensary in place, and the cards are being handed out so people can be growing. There is scientific evidence that medical cannabis can help deal with different ailments, especially in cancer, HIV, and chronic pain; there is a high demand for medical marijuana.

Howard Hintz, a consultant in the marijuana industry, pointed out one correction; under the State law it will be possible in three years for anybody to move a CHAA to another CHAA. There is no restriction, so in theory, in three years it would be possible to have anywhere from two to ten dispensaries. That should be anticipated at this time. Putting a reasonable distance restriction between dispensaries could probably result in a limit of one location. Mr. Hintz outlined how other cities such as Yuma and Phoenix have approached the issue of limiting dispensaries; for example, allowing one dispensary based on a specific population number. According to State law, Mr. Hintz believes that the Town is mandated to make an area available for a dispensary and growing. From June 1 to June 30 people can start applying for a dispensary license; the State will analyze the level of competition for an area; a lottery will then be held to select someone for a particular area. However, there is no way to know where the individual will locate the dispensary, which is another reason to decide on some restrictions now. Mr. Hintz noted that in order to open a dispensary, the applicant must get the property owner's authorization and a zoning clearance from the municipality, so it is necessary to know what the zoning will be. Referring to the letter from the U.S. Attorney for Arizona, Mr. Hintz said that he is not aware of one person who has been indicted or even harassed, as a public servant. In his opinion, Arizona has the toughest marijuana laws in the country. Mr. Hintz concluded his remarks with the recommendation to have the operation located where it would produce the most sales tax revenue.

R. L. Miller, realtor, said that the possibility of allowing medical marijuana dispensaries is somewhat of a windfall. It is a lottery, and there is no question that the Town will be doing all this in a few weeks from now. He said that he recognizes that the Camp Verde CHAA has some very specific things, and one of them is the Hwy 260 and the other the I-17. That intersection in this CHAA will generate the highest dollars of any other dispensary. It amounts to the distribution of a legal product that has been approved by the State and

by the people. Mr. Miller wanted to encourage the Council to make sure that the issue is not looked at as no opportunity. If it happens for this Town, put it in the right location; it will be the Willy Wonka Golden Ticket, and somebody will make a lot of cash out of it. Put it where it will make some money.

There was no further public input.

PUBLIC HEARING CLOSED

Council Discussion

Burnside commenced the Council discussion with his recommendation of C-2 zoning for the dispensaries, with additional growing facilities in C-3, M-1 and M-2. With further input from Jenkins and Martin, the members discussed whether to allow more than one dispensary in the Camp Verde area, and how to impose a limit, either based on population or distance requirements; the issue of supply and demand; and the theory of equal protection under the law. As for a consensus, Kovacovich said he agreed with the zoning for the dispensary and for the growery, possibly limit the dispensary based on distance; German would prefer one dispensary only, if possible. She said she would recommend that staff be given direction to come back with a couple different options to study and to check with other cities and town on what can legally be done and how to support that, perhaps on the basis of health, safety and welfare. Whatley said there appears to be agreement on the dispensary and the growing, but there is a difference on how many or how far apart.

A recess was called at 8:30 p.m.; the meeting was called back to order at 8:43.

With Martin describing the revisions, and with input from Jenkins, the Council resumed further review of the changes to Parts Four through Six, including a detailed discussion on the subject of the regulations for grading or just grubbing properties; staff will refer to the Building Code for clarification and to clear up any confusion.

After the review through Part Six, Martin then outlined a brief summary of what staff will bring back to Council for consideration. He commented that staff put together the recommendation from the Planning Commission on Medical Marijuana to include the C-2 zone; the Council will have the opportunity to add language, but the restrictive language will probably be omitted. As far as the industry part of the medical marijuana, Council appears to go along with restricting it to the M-1, M-2 and C-3 zones. There is some concern as to distance; the same option on C-2 will be available on the industry side as well; staff will put it in as an option to insert for what staff hopes will be a One through Six clean version. It is guaranteed that mistakes will still be made; however, staff will do their best to come up with a good document as soon as possible. Council should have it within at least a week from now; a week later, on May 25, Council will be requested to adopt the final Parts One through Six. In 30 days from that point it will become effective, and at the end of June it should be applicable. It is possible that on June 15 there will be some second thoughts; Martin urged the members to write it down, go over it with Jenna or Mike. The document is changeable, is the best effort to date, and there will be opportunities to make corrections in the future wherever necessary.

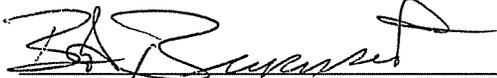
Burnside requested a presentation of the Visual Library so that Council can approve it by consensus; Martin said that will be put on the Agenda for next week.

5. **Discussion, consideration, and possible approval of Resolution 2011-838 a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, declaring the Planning & Zoning Ordinance of Camp Verde, dated May 11, 2011, to be a public record and establishing Planning & Zoning Ordinance of Camp Verde. Staff Resource: Mike Jenkins (Continued to May 25. 2001.)**
6. **Discussion, consideration, and possible approval of Ordinance 2011-A374, an Ordinance of the Mayor and Council of the Town of Camp Verde, Yavapai County, Arizona, adopting by reference the establishment of the Planning & Zoning Ordinance of Camp Verde, repealing Ordinance 87-A23 and**

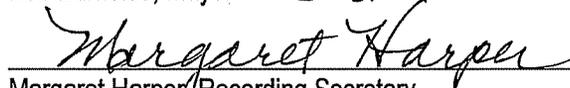
all amendments thereto, excepting Ordinances 91-A161 and 2001-A193 (Street Naming and Addressing), and Ordinance 2001-A187 (Wireless Communication Facility Regulations) in their entirety and proscribing penalties for violations thereof. Staff Resource: Mike Jenkins
(Continued to May 25, 2001.)

7. **Adjournment**

On a motion by German, seconded by Kovacovich, the meeting was adjourned at 9:25 p.m.



Bob Burnside, Mayor 5-31-2011



Margaret Harper, Recording Secretary

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Work Session of the Town Council of Camp Verde, Arizona, held on the 11th day of May 2011. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 1 day of May, 2011.



Debbie Barber, Town Clerk