

CITY OF HALLOWELL PROPOSED ORDINANCE

Relating to Marijuana Business Licenses

Proposed Ordinance Rewrite Committee Amendments in **Red**
Proposed City Solicitor's Amendments in **Blue**

BE IT ORDAINED by the City Council of the City of Hallowell that Chapter 7 of the Revised Code of Ordinances, City of Hallowell (1997) is amended as follows:

1. Subsection 5 of Section 7-105 is amended as follows:

5. The fee for licenses granted under Division B – ~~Cannabis~~Marijuana-Related Goods and Services shall be \$250.00 per year. The fee shall be doubled for late or after-the-fact applications. The fee for filing a notice of termination or abandonment of a license granted under Division B – ~~Cannabis~~Marijuana-Related Goods and Services shall be \$50.00.

2. The heading of Chapter 7 Subchapter III Division A is amended as follows:

SUBCHAPTER III - SALE OF GOODS AND SERVICES AT FIXED LOCATIONS

DIVISION A – GOODS AND SERVICES EXCLUSIVE OF ~~CANNABIS~~MARIJUANA-RELATED
GOODS AND SERVICES

3. The heading of Chapter 7 Subchapter III Division B is amended as follows:

DIVISION B – ~~CANNABIS~~MARIJUANA-RELATED GOODS AND SERVICES

4. Sections 7-341 through 7-344 are amended as follows:

SECTION 7-341 DEFINITIONS

For purposes of this Chapter, the following terms shall have the meanings set forth in Chapter 9: ~~cannabis~~marijuana, ~~cannabis~~marijuana product, ~~cannabis~~marijuana products manufacturing facility, ~~cannabis~~marijuana retail store, ~~cannabis~~marijuana testing facility, indoor ~~cannabis~~marijuana cultivation facility, and outdoor ~~cannabis~~marijuana cultivation facility. These terms are collectively hereinafter referred to as “~~cannabis~~marijuana establishments.”

SECTION 7-342 MUNICIPAL OFFICERS TO ISSUE LICENSES FOR CANNABIS MARIJUANA ESTABLISHMENTS

The municipal officers shall have the authority to approve or disapprove applications for licenses for the operation of cannabis marijuana establishments. The annual license fee shall be as provided in Section 7-105 of this Chapter.

The provisions of all applicable local ordinances, including without limitation the provisions of Chapter 9, and the statutes and rules adopted by the State of Maine shall apply to the regulation of cannabis marijuana establishments.

SECTION 7-343 CANNABIS MARIJUANA ESTABLISHMENTS; LICENSE REQUIRED

1. License Required. No person shall establish or operate any cannabis marijuana establishment without first having obtained a license for the cannabis marijuana establishment from the municipal officers. Each applicant for a license shall complete and file an application on a form prescribed by the City Clerk, together with a license fee as required in Section 7-105 of this Chapter; evidence of any State approvals or conditional approvals required to operate the cannabis marijuana establishment, including, but not limited to, a current caregiver registration or a conditional license issued pursuant to Title 28-B; a statement identifying all owners, officers, members, managers, or partners of the applicant; and a description and sketch plan of the premises for which the license is sought. Prior to accepting an application, the City Clerk shall determine that the application is complete.
2. Condition Precedent. Any cannabis marijuana establishment required to be licensed by the State authority created for the purpose of regulating and controlling the licensing of adult-use cannabis marijuana establishments pursuant to Title 28-B of the Maine Revised Statutes, as amended, must secure a State conditional provisional license from that State authority prior to submitting an application for a license pursuant to this section. A copy of the applicant's state license application and supporting documentation as filed with the State authority, and any amendments thereto, shall be filed with the application required pursuant to subsection 1, above.
3. License Issuance. The municipal officers shall license persons of good moral character to establish or operate a cannabis marijuana establishment, in accordance with the requirements set forth herein.
 - A. In determining whether to issue or deny a license application, the municipal officers shall consider (i) whether the applicant has failed any part of a state inspection or local health inspection; (ii) whether the applicant has failed to provide sufficient evidence of compliance with applicable local and state laws and regulations; (iii) whether the applicant is of good moral character, considering the applicant's criminal record, if any, and all evidence presented; (iv) the applicant's failure to pay an outstanding fine, penalty or tax owed to the City; and (v) the City's need for additional cannabis marijuana establishments. In the review of any license application pursuant to this section, the municipal officers may require and solicit review comments concerning the approval considerations identified herein from any public officers, departments, or agencies of the City.

- B. License applications submitted pursuant to this section shall be approved or disapproved at any meeting of the municipal officers, after public notice and hearing.
 - C. The municipal officers may attach to any license issued pursuant to this section such restrictions and conditions as they deem necessary, appropriate, and reasonably designed to promote the health, safety, and welfare of the public.
 - D. A license issued under this section shall be effective for one year from the date of approval.
4. License Renewal. Renewal applications from persons having obtained a license under this section shall be submitted to the City Clerk in accordance with Section 7-104. The municipal officers shall annually review all renewal applications for the purpose of determining the status of the applicant's prior conformance and likelihood of continued conformance with the requirements of this Division, including the requirements of Section 3.A, above, and any restrictions or conditions of the license, and shall decide to either approve or deny the renewal application after public notice and hearing. An application for the renewal of an expired license shall be treated as a new license application if a renewal application is not submitted within thirty (30) days after the expiration or renewal date and shall be subject to the license fees and/or civil penalties set forth in Section 7-104.
5. License Suspension and Revocation. The municipal officers may suspend or revoke any license granted under this section if, after notice, and hearing, the municipal officers determine that the license holder is unfit to hold a license. The suspension or revocation of a ~~cannabis~~marijuana establishment license issued by the State, the failure of a license holder to acquire and maintain all necessary local and State approvals, or the violation by a license holder of any applicable local or state laws and regulations (including without limitation the provisions of Chapter 9 or applicable building or life safety code requirements) shall be prima facie evidence that the license holder is unfit to hold a license. The municipal officers shall serve written notice of a hearing on revocation on the license holder or leave said notice at the licensed premises at least three days before the time set for hearing. At the hearing, the license holder shall be given an opportunity to hear the evidence in support of the charge against the license holder and to be heard in the license holder's own defense.
56. Voluntary Termination or Abandonment of License. Any license holder terminating or abandoning a license granted under this section must file a notice of termination or abandonment with the City Clerk. The fee for filing such notice shall be as provided in Section 7-105 of this Chapter.
67. Assignment or Transfer. No license issued under this section may be assigned or transferred to another entity. Any change in ownership or change in the officers of an owner shall require a new license, [except in the case of a license amendment as described in Subsection 9 below](#). Licenses are limited to the premises for which they are issued and are not transferrable to another location. A license holder seeking to operate in a new location must first acquire a license for that location.
78. Substantial Progress. Any license issued under this section shall automatically expire if the licensee does not commence operation of the ~~cannabis~~marijuana establishment within 90 days from the date of license issuance; provided, however, that the Code Enforcement

Officer may grant the licensee one extension of up to 180 days if the licensee demonstrates substantial progress toward commencement of operation. An application for the renewal of an expired license under this subsection shall be treated as a new license application.

9. License Amendment. No retail marijuana establishment license holder shall transition from selling medical marijuana to adult-use marijuana, or from adult-use marijuana to medical marijuana, without first obtaining an amendment to such license. Each applicant for a license amendment shall complete an file an application, on a form prescribed by the City Clerk, providing copies of any State approvals or ~~licenses~~ conditional approvals required to operate the marijuana establishment, including, but not limited to, a conditional license issued pursuant to Title 28-B. The City Clerk shall approve the license amendment provided the application is complete and all applicable criteria herein are met. An amendment to a retail marijuana establishment license shall not constitute a new license. The amended license shall have the same terms and validity period as the existing license. The fee for a license amendment shall be set by the City Council.

SECTION 7-344 ADDITIONAL LICENSING RESTRICTIONS IN THE DOWNTOWN DISTRICT (DT)

Licenses applications for ~~cannabis~~ marijuana retail stores, as that term is defined in Section 9-151, that are located in the Downtown District are subject to the following additional restrictions:

1. The number of licenses issued by the municipal officers under this section shall be limited to ~~two~~ three (23) licenses.
2. Available licenses shall be advertised by the City and such advertisement shall include a deadline for the submission of license applications for ~~cannabis~~ marijuana retail stores. The municipal officers shall conduct a lottery to establish the order in which applications received will be reviewed pursuant to Section 7-343. Prior to the lottery, the City Clerk shall review all applications for timeliness and completeness, provided, however, that the omission by the lottery applicant of a description and sketch plan of the premises for which the license is sought shall not cause the application to be deemed incomplete for purposes of the lottery (but a description and sketch plan of the premises must be provided by the applicant prior to issuance of a license under this section). Any untimely submitted or otherwise incomplete applications shall be excluded from the lottery. The municipal officers shall review the timely and complete applications in the order established by the lottery pursuant to the requirements of Section 7-343 until the maximum number of licenses are approved.
3. If at any time a license issued under this section expires without timely renewal, is suspended or revoked by the municipal officers, or is terminated or abandoned by the license holder, the municipal officers shall make available the license to new applicants by soliciting new license applications in accordance with subsection 2, above. Any person who submitted an application in response to prior solicitations must submit a new timely and complete application to be included in the new lottery.

Public Hearing: January 13, 2020
Amended: _____
Second Reading: _____
Third Reading: _____

Ordinance No: _____
Effective Date: _____

City Clerk