City of Leola Council Meeting

SPECIAL MEETING – WORK NIGHT

June 14, 2021

The meeting was called to order at 6:45 pm by Mayor Royce Erdmann. Present council members: Jackie Leibel, Jackie Rau, Michael Yost, Richard Reis and Brett Schaible. City personnel present: Jim Hoffman and Sondra Waltman. Also present was Dana Leibel.

A second reading of Ordinance 21-02 was moved by Yost with a second from Reis. All in favor, motion carried. The ordinance is as follows:

**ORDINANCE NO. 2021-02**

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

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.

WHEREAS, the Municipality of Leola, South Dakota (“Municipality”), makes a preliminary finding that the Municipality’s current regulations and controls may not adequately address the unique needs and impacts of medical cannabis establishments as defined in SDCL 34-20G-1;

WHEREAS, medical cannabis state laws under SDCL 34-20G are effective July 1, 2021. The South Dakota Department of Health shall promulgate rules pursuant to chapter 1-26 not later than October 29, 2021, as defined by SDCL 34-20G-72. During the time between July 1, 2021 and potentially as late as October 29, 2021, local units of government will not yet know standards for medical cannabis and will not be able to adequately assess the local zoning and licensing requirements necessary to approve local permits and to better ensure applicants have a more predictable permitting process and avoid stranded investments.

WHEREAS, the Municipality makes a preliminary finding that the Municipality needs further study of the relationship of medical cannabis establishments to the City of Leola Comprehensive Plan and Zoning Ordinance. The public interest requires that the Municipality study, analyze, and evaluate the impacts of medical cannabis establishments and to fully explore the impacts of any proposed regulations regarding medical cannabis establishments;

WHEREAS, the Municipality makes a preliminary finding that it would be inappropriate for the Municipality to issue a local permit or license to a medical cannabis establishment prior to the South Dakota Department of Health’s promulgation of regulations governing the same;

WHEREAS, the Municipality hereby exercises its authority under SDCL 11-4-3.1 and/or SDCL 9-19-13, to establish a temporary ordinance regarding the issuance of any local permits/licenses for medical cannabis establishments within the Municipality;

WHEREAS, a temporary ordinance will ensure that more comprehensive zoning ordinance and building permit changes, licensing permits, and any proposed amendments to the Municipality’s Comprehensive Plan can be completely examined with adequate public input from citizens, business interests, and medical cannabis industry representatives;

WHEREAS, the Municipality finds 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;

WHEREAS, the Municipality finds that the following ordinance is necessary to protect and immediately preserve the public health, safety, welfare, peace and support of the municipal government and its existing public institutions;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF LEOLA***,*** OF LEOLA, SOUTH DAKOTA:

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

A medical cannabis establishment desiring to operate in the Municipality shall be required to apply for a permit and/or license from the Municipality. 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 30-20G-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 municipal government and its existing public institutions pursuant to SDCL 11-4-3.1 and SDCL 9-19-13.

Date adopted: June 7, 2021

First reading: June 7, 2021

Second reading: June 14, 2021

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Mayor, City of Leola ATTEST: Finance Officer, City of Leola

NOTICE OF ADOPTION

ORDINANCE No. 2021-02 A TEMPORARY ORDINANCE REGARDING THE ISSUANCE OF LOCAL MEDICAL CANNABIS ESTABLISHMENT PERMITS AND/OR LICENSES

NOTICE is hereby given that Ordinance No. 2021-02 being a temporary ordinance regarding the issuance of local medical cannabis establishment permits and/or licenses, was duly adopted by the City of Leola on the 7th day of June, 2021, and that such Ordinance shall be effective immediately upon adoption.

Dated this 7th day of June, 2021.

A work night was conducted as city council and staff sorted/cleaned and organized the city shop.

At 9:15 pm, Leibel moved with a second from Rau to adjourn the meeting. All in favor, motion carried.

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ATTEST: Royce Erdmann, Mayor  
  
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Sondra Waltman, Finance Officer

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