

May 25, 2017

Economic Development Committee Minutes

Honorable Council
City of Newark
June 5, 2017

There was a meeting of the Economic Development Committee in Council Chambers on Monday May 30, 2017 after Safety Committee with these members present:

Jeremy Blake
Jeff Rath
Curtis Johnson
Bill Cost Jr
Mark Fraizer

We Wish to Report:

1. **Ordinance No. 17-22** authorizing a moratorium on the processing or approval of any application for certificate of zoning clearance, building occupancy permit, or any other permit or approval required under the zoning code for any premises that would enable the retail sale or dispensing of medical marijuana for a period of 180 days; and declaring an emergency was considered.

Bill Cost- Originally when this piece of legislation came through, and Safety Director Baum presented it, it was presented as asking for a yes or no vote, and my point of view, I did not think we had enough information from the state. I thought there are unanswered questions, there are incomplete parts of this that I don't see how we can really give a logical, reasonable yes or no vote and feel good about it. After Safety Director Baum spoke, and he even at that point suggested the idea of a moratorium, and Mr. Fraizer gave a power point presentation that, in it, also suggested a moratorium with the idea of trying to slow down the pace of inquiries about locations for these dispensaries. Again, I don't think we had quit enough information yet to say yes or no. I wouldn't feel good about that vote right now. We find ourselves in kind of a funny spot. The state says that it's legal but you can't have it. The federal government says it's a totally illegal substance regardless. My understanding is that insurance isn't going to touch this right now; the doctors aren't going to touch prescriptions right now; there are concerns about whether a bank will take a deposit. I'm just not quite sure what there is for us to say yes or no to. As a result, I thought that Councilman Johnson's tabling of the issue was a good idea. And what I am looking for this moratorium to do is to shut down this process temporarily of the dispensaries and the

locations until we have solid answers from the state. From my point of view, the growing, the processing, my concerns there are not quite as serious as they are when this reaches a retail sale and reaches the general public. I don't think it's asking too much to have there be control on how this is being handled. To me it's no different than any other prescription; I have absolutely no objection to medical marijuana whatsoever. Now, recreational, I have absolutely no interest in it whatsoever. But the medical marijuana I'm sure has merit we will hopefully move on to discover the right way to do this and I want to be thorough about it. Another thing I want to point out, I have not trying in any way shape or form to discourage business in the city of Newark. I have run a business in the city of Newark for over forty years. I am not here to discourage business; I am here to promote business. I think sometimes you also don't just have to encourage business that is coming. I think sometimes you have to make sure that you are taking care of the businesses that are already here and make sure that things are being done in a way that is reasonable and sensible for them as well. Another concern I've heard is the length of time of this moratorium is six months. I would be more than open if somebody wanted to discuss amending that amount of time. The state is supposed to be ready by September 17th, 18th, September 8th....I don't know, we will see if they are ready on that time period or not. But if we have that kind of guidance by them we could always amend this amount of time on this moratorium. I would be totally open to that discussion as well. But that's basically where I'm coming from. I think we've done the right thing so far, we are giving this every consideration. But I just want to make sure that we are going to have the ability to give a reasonable, rational answer when the state comes through with the information that I feel they need to provide for us. And not just about location but some of the other things that I am talking about. There are a lot of loose ends. Thank you.

Jeff Rath- When you said you would be open to an amendment for the duration, are you saying you would be open to amending it to three months so that on September 8th people could apply for permits, we could revisit this then?

Bill Cost- I would consider that.

Jeff Rath- I'm confused, maybe someone could explain this to me. We have the issue tabled, until when? Indefinitely. I don't understand what a moratorium will do. If there are people interested in opening dispensaries in the City of Newark, is the moratorium designed to stop them from asking for that period of time because we don't have any answers? And if that's the case, the licensing process doesn't start until September and it takes a period of time to get through, and if we've tabled the issue already, our response if somebody is asking is we haven't decided what we are doing with this yet the issue has been tabled get back to us when we discuss it then. I'm just not sure what the moratorium is to do.

Bill Cost- I'm going to ask Safety Director Baum to address that and I have some comments as well.

Safety Director Steve Baum – Here's what I know. I understand the moratorium to be in place until such time as, at this point, we are sure to know what all the rules are going to be that apply to the dispensaries. We don't have that information at this time, so making a decision without having all of the information I think is irresponsible. So I like your idea of a moratorium. We will have all of the information and can make an informed decision after the moratorium expires. So let's say, that they finalize and give the final signature to a

decision in 165 days as opposed to 180. Amend it in 165 days after you have all of the information. However, since we are dealing with government, we know from personal experience you can't always get things done as fast as you want to so maybe it will be October before you have all the answers. We know that the number of dispensaries has gone from 1100 down to 40 and now it is back up to 60, they are still changing things. I think a moratorium until you find out all the rules is a good idea. You are agreeing to something that you don't know exactly what you are agreeing to if you don't pass a moratorium.

Mr. Cost- my understanding with the tabling was that we weren't saying yes, we weren't saying no as a result it was an open field at this time for anyone to inquire on locations and dispensaries and the administrations concerns are the number of those inquiries that are coming their way and to say Council took no action they tabled it. A moratorium would allow them to give the answer that there is a moratorium on locations and dispensaries until whatever that date might be, 60 days, 180 days, to get the number of inquiries down until we are ready to deal with it. I think tabling it was a perfectly good idea and I appreciate what you did Curtis but from my way of looking at it this is the next natural step so we really have ourselves in place to deal with those inquiries until the State gives us clear answers.

Mr. Rath- I couldn't agree with you more about making a decision now without all of the information, without all of the facts would be irresponsible. When we tabled this issue I think that was us saying we need more information so I couldn't agree with that statement more.

Director Baum- I would hate for a potential business owner to come into the City of Newark and make a financial investment based on the idea that he is going to open up a retail market when we don't know that we are going to be ok with a retail shop or not so a moratorium lets everybody know that we don't have all of the information yet so when you make an inquiry it lets us say we haven't decided yet so don't spend your money on this particular idea until we have a better idea what direction we are going to go. Are we on the same page sir?

Mr. Cost- as far as I'm concerned.

Mr. Marmie- I just wanted to clarify the tabling issue. What was tabled may never come back at all. They may decide that what we tabled wasn't good and come up with additional legislation that is why it was tabled indefinitely. If it isn't brought back up then it dies from no one bringing it back. This is putting something in place now so whatever we do legislate in the future will be the one tabled or one rewritten.

Mr. Fraizer- I guess my frustration with the whole topic is that this is a prohibition of business opportunity in the City of Newark, a limitation of healthcare access for people with serious critical illnesses and we are acting out of ignorance instead of making informed decisions. When we are ok with the growing and processing of medical marijuana and those rules are still subject to change and yet we are saying that the retail distribution for people with 20 serious illnesses is the major problem that we have in front of us, I find that really tough to swallow. When it comes to the appropriate zoning for the City of Newark, Ohio I spent my last two weeks diving into zoning which is one of my least favorite things to do, I found some general rules that we could institute to make the appropriate zoning in place. For instance, zoning prohibitions where we say this is what we want to restrict. The State of

Ohio has already said we don't want it next to churches, schools, institutions, we have that zoning so 500 feet from there. We also have zoning for an agricultural district which is typically rural, outside of major metropolitan areas. It has a variety of uses including a rifle range so it would probably make sense to do a prohibition from there. We also have a conservation district which often has a similar overlap with agricultural districts so it probably makes sense to outlaw it there. Then we also have a significant investment in the downtown area so a prohibition might have a business impact on the businesses that have decided to do business and appropriate for a prohibition downtown.

How do we improve the security and response of our police force if heaven forbid there was an incident which seems a lot less likely compared to the opiate epidemic we are facing with prescription pharmacies as well as no prohibition between alcohol sales and opiates sales which can result in the overdose death and health consequences. We are ok with not regulating that it is just the uncertainty of medical marijuana prohibition that we have concerns with. Looking at revitalization for the City of Newark, equal opportunity for people to have access to healthcare what zoning should we put in place? What I came up with is I feel it should be located within 1 mile of a limited industry district, general industry district or within a business corridor. These areas located in major through fares such as 21st Street, Mai Street, Deo Drive and State Route 13 in order to enable enough traffic and enough road space for first responders to come to the scene. Another piece is our industrial district located within the City of Newark often there are factories that are no longer operational, depressed areas in the City of Newark and often target areas for growing operations and processing operations which we are comfortable with and there is no prohibition on or any type of moratorium that has been suggested that will likely take hold. So when it comes to what zoning are we actually talking about, we look at the general office zoning. In general office social services agencies and government offices are allowed, hospitals and clinics are allowed, professional offices engaged in providing health services to the general public with incidental retail trading including but not limited to medical and medical related activities but not including veterinary offices or animal hospitals, dentists, orthodontists, optometrists and opticians. That seems like that is the zoning we are really looking for. On the second piece we are looking at limited office zoning and limited office zoning lists social services agencies and government offices, health services with the public and the only difference between the two was the amount of the size of the area. Then the other option that the State allows us is to limit the number of dispensaries within the City of Newark, Ohio. If we are concerned with public safety and we don't want medical marijuana dispensaries on every corner and although there is a 40, 60 to 1100 range it could be we could say yes we do want medical marijuana retail facilities to provide healthcare to people but we want to limit the number to three. We can also say they can't be right beside of each other whatever we want to do to make ourselves feel better about the situation. We can make these rules and put it in the zoning ordinance to make sure we get it right. There is also the ability to have a local licensing requirement similar to the State. There would be a fee to pay, you have to go through the approval process, come up with a business plan, financials and regulatory approvals. What we are seeing throughout the state is hyper sensitivity and fear, we have had 25 cities provide a moratorium or ban. As an Economic Development Committee if we stand apart from this group and we will say we will not

submit to a moratorium and we will not submit to a prohibition and we will allow the process to unfold and encourage businesses to come here. We will not only stand apart we will be at the top of line in order to actually have economic activity and benefit from this legislation that the state has provided for 20 chronic illnesses. When it comes to what we should do as a committee my recommendation is that we do not enact a moratorium, we do not enact a prohibition, we allow the state to come up with their rules, we evaluate it then and in the meantime we develop the appropriate frame work for businesses to come in place.

Mr. Cost- I want to stress I am not here to discourage business. When we compare a dispensary to a pharmacy I think I know what to expect in a pharmacy. I think I know how things are going to be handled, how things are going to be done. A dispensary I am not quite so sure yet. I don't feel the same confidence level that I do when I go into a pharmacy to get a prescription filled. I am not sure where the word prohibition came from but I am looking for a temporary moratorium so we can feel good about what the state is presenting and how we are supposed to go about doing things. I have no problem with medical marijuana, it's not my issue. My issue is how we are going about doing this given the loose ends the state has left for us.

Mr. Rath- I'm sorry I interrupted during his comments, he said that he didn't know where the word prohibition came from and the tabled legislation was a direct prohibition of medical marijuana dispensaries in the City of Newark. There was no time frame just a simple no we aren't going to allow them in the City of Newark.

Mr. Fraizer- if you do a moratorium it impacts the licensing process and then you're not able to get a license and because you enacted this moratorium you are not allowing dispensaries to be licensed legally then you go back to the line and if there are not additional dispensaries enabled then you never have a dispensary, you have limited access then it is in fact a prohibition. So that's the other piece on how a moratorium can become a prohibition.

Mr. Johnson- I don't think that we have enough information from the State at all to begin to know what we want to do, I think the moratorium idea gives us time to come together and think about what we are trying to do. We're not saying don't have legislation, we are saying wait and see. I don't see a problem with the moratorium.

Mr. Rath- should we enact a 6 month moratorium, we pass this out of Committee today and it goes on to full Council next Monday and it passes. If we were to adopt that same process to amend that? Let's say 3 or 4 months into it we want to reverse it right now what is the time frame that would take?

Director Sassen- theoretically you could do it in one day.

Mr. Rath- how would that be accomplished?

Director Sassen- it could take 5 weeks and another 30 days to be fully enacted depending on what process you follow. We have rule 11 which is a process that allows a piece of legislation that could be drafted as an emergency to come directly before Council without Committee action. So if it was the will of the Majority and Minority Leaders of Council to allow a piece of emergency legislation to come before Council at a regular meeting it could be debated and voted on that night and effective immediately upon the Mayor's signature. Theoretically it could take one day but the normal process is 5 weeks with a 30 day waiting

period if there is no emergency clause attached. It all depends on the sense of urgency Council has if they want to repeal this.

Mr. Rath- if we go through Committee and full Council with an emergency clause?

Director Sassen- 3 weeks with the emergency clause.

Mrs. Floyd- it seems to me the big question here is what is the difference between the legislation that was tabled and the piece of legislation that Mr. Cost is providing. It seems to me the tabled legislation by tabling it I think by tabling it; it leaves our zoning department up in the air and people who are thinking about bringing businesses here are thinking that we may come back and do what they want us to do and therefore go out and lease property or purchase property that they could put a business on. A moratorium seems it says we are going to wait until the State comes through with their rules and regulations and then we are going to look at how that fits in Newark, Ohio. I like Bill am not opposed to medical marijuana. I stay with a friend 8 hours a day that has Parkinson's once the rules are set for medical marijuana her doctor told her he'd write a prescription for her immediately which would help her immensely. I was there this afternoon for 4 hours so I am very much in favor of it but I would hate to see us jump the gun and have people planning where they are going to have a business and then we come back and say we are going to let them but say they can't be here and here, or here and here. Then you have business people who have invested money in places that are now not going to work. I am very much in favor of this moratorium because I think it gives us time to find what the state rules are, time for us to look at those state rules and then see how we can apply that to Newark, Ohio and where it fits. I don't see it as anti-economic development. I see it as an opportunity for us to set some basic rules on how we want to do this before we go and do it.

Mr. Cost- I think what we got here is an issue that I don't expect people to all totally agree. It is as controversial probably as we are ever going to get. I do think that it is important enough that I would like to see it come out of committee and be given consideration by entire Council. I think that it is an important enough decision that we all should weigh in on it. I appreciate everyone's time.

Mr. Fraizer- when it comes to the impact of business investment in our community by setting a moratorium and the possibility of an eventual prohibition that will in fact impact those who are wanting to do processing and growing as well because why would they come to a community that is unsure of its' legislation and unsure of what the laws are? Those investments will eventually be under prohibition as well. By doing a moratorium I feel we set the wrong tone for people wanting to do businesses, in fact I think it is a cope out of us defining it in our zoning code. What are the zoning conditions as well as what are the conditions of growing and processing? I don't understand how this is such a prevailing issue when we are comfortable with the growing and the processing. If we want to do a moratorium you should do one across the board but picking and choosing like this doesn't do any good for public investment nor does it do any good with attracting people to our area.

Mr. Rath- I am torn on this issue, I'm not sure where we want to go with it; I certainly want to learn more information about it. I'm categorically not opposed to medical marijuana or the dispensaries of but I understand the concerns and the questions. I'm probably not as afraid of not getting one here as Mr. Fraizer is. With the list of cities that have already done

a prohibition I think there is going to be opportunities to still do it when we get there but I don't want to be unprepared. I like this discussion and I want to continue this discussion and I would like to continue with the preparation of this potentially begin in our community. Procedurally would it be possible for us to do a 6 month moratorium on medical marijuana dispensaries but within that 6 month time frame have a discussion, introduce legislation and pass legislation that would concern zoning and where we would want these dispensaries to be, where they would not be allowed to be, should we decide to have them. I understand that would become an empty law should we decide on a prohibition. Which is still a possibility. If after this moratorium we decide to allow medical marijuana dispensaries can we begin the process today or at our next committee meeting to decide where we want these?

Director Sassen- yes

Mr. Fraizer- that situation happened in Akron, they did a moratorium or a complete ban then after some time they decided they were going to zone this appropriately. The issue that I have is that we don't need a moratorium to zone this appropriately. We still have time for the State to get their rules written and approved by three committees. We don't need a moratorium for us to write an appropriate zoning.

Mr. Marmie- any law can be changed that this body enacts. We do that all the time, every single finance committee we change the law when we change the budget. I understand that we want to find out what we don't know and we want to make sure that we are doing the appropriate thing. My concern is that if we pass this moratorium it gives us the luxury of doing nothing. We don't need to decide until these 180 days is up; we don't need to decide until the State decides. So we aren't going to even discuss zoning or worry about it until we have to worry about it. Then we are going to be behind the 8 ball. I disagree with the statement that if there is only 40 of them and only one town in the State of Ohio allows it I guarantee you that there is going to be 40 of them in that town because it is going to be a money maker to somebody. They are going to look at that opportunity and make sure if they have an opportunity to make money they do. That is the concern about waiting. I say put the pressure on ourselves. We can have this same thing in our back pocket and we don't have to act upon it. If someone inquiries I would tell them there are going to be restrictions, we don't know what they are yet, just like the State has made all their rules yet neither have we. We are going to restrict this in our community and we are going to make sure we are doing it our way. I can tell you for a fact that some of the things Mr. Fraizer has indicated that it's going to be next to Puff and Stuff, it's not going to be in a residential area. It is probably going to be in one of the business corridors like Mr. Fraizer indicated, that is what we are leaning towards and we will have it in place in time. If not then we will put a ban on it but at best case there are going to be significant restrictions in our community. If we tell them that then it forces us to actually do our job which is zone it appropriately, get it done right and get it done quickly. We can always ban it but if we put this moratorium on here it just gives us a ticket to do nothing. We should do more than nothing for this community. We should make sure we are doing our best for this community to do what we can to promote business if this is an opportunity for our community, and it may not be. The final decision on the 11th hour might be this isn't for us but we need to make sure we have everything in place so if that witch goes on we are a part of that. I disagree with the

moratorium because it gives us the right to do nothing.

Director Sassen- I feel compelled to preface my comment by quoting Abraham Lincoln when he said that he had never seen a board sliced so thin that it didn't still have two sides. Mr. Fraizer pointed out one side of the issue which is if you pass a moratorium there is a potential chilling on future businesses, we don't know what the City of Newark is going to do so let's go look somewhere else. The flip side of that board that is my perspective is a legal issue that is if a potential retailer who wants to get into the dispensary business comes in tomorrow and files their application for a zoning permit for permission to open a retail dispensary, jumping the gun somewhat on the state rules, maybe they don't even have their license but they are requesting their permit. Let's say Council enacts a complete ban on dispensaries. Then they say I already began my process for a zoning application, I invested money on a business plan to do that, I know what you said earlier about I am doing that at my own risk, I have the potential argument to say that my process had already begun when Newark had no rules in place at all because the ban had been tabled therefore I want to make a grandfather argument in court that my zoning application should have been allowed because I filed my application. Will they succeed on that argument, I don't know. That was my only concern that I thought needed to be stated that potential legal avenue it gives a retailer if at some point if at some point and time Council enacts a ban.

Mr. Fraizer- when it comes to the at your own risk mentality if we have people come in here before the state law is written without licenses and they're zoned appropriately and put on the spot and they don't get a license they still have the same effect of a lost investment. We are talking about this like it is going to be grandfathered in and is going to be an issue, that is a personal risk that they are going to have and thank God we have a legal department to help represent us but when we are talking about doing the right thing I don't think a moratorium is the right direction. If we are worried about lost investment in our community at least we are having investments in our community with the potential of economic activity.

Mr. Johnson- I haven't been thinking about a ban or a prohibition in any way shape or form and I am tired of hearing ban and prohibition Mr. Fraizer. I am talking about allowing us time to look at the situation when the State tells us what the situation is going to be and that is all I am looking at. I am very much for medical marijuana, my wife suggested that maybe it would help with her neuropathy and if that would be the case then it would be fine. We are talking about bans and zoning and we don't even know what is going on. If we want to consider it we should keep considering and we should keep considering it.

Mr. Rath- my understanding is that the administration wants this; could we hear from someone with the administration?

Mayor Hall- we make decisions based on facts not opinions. I would love to go around and poll each of you to see how much you know about this issue because we still don't know everything so I know you don't and that's not an insult there is a lot to juggle. We have legislators in Columbus that passed this law; they have yet to contact us with one sheet of paper or anything. We have gotten nothing about it. They are going to collect an enormous amount of money, we're going to collect nothing and at the end of the day we are going to have to deal with it in our community. That is where the frame of the administration is. It's not an opinion based on medical marijuana and I think the time in this room is wasted to

discuss that because that is not what it is about. It is about the proper administration of it. If we had a large factory in the middle of a neighborhood we would have complaints, zoning takes care of that. Zoning is there to make things balance out and work properly. If you want to talk about economic development you're going to get the best bang for your buck out of the growers and the processors and not the dispensaries. Dispensaries if they have to have sales tax it goes to the county, it doesn't come to us. The cultivators and the processors are going to hire people. The cultivators that we know are hiring maybe 30 people, maybe a 1.1 million dollar payroll. That is about \$17,500.00 a year for our general fund. You want to talk facts, we can talk facts. That is what this is about instead of just opinion. You need to know the time frame properly; there has been a lot of fiction up here and a lot of different stories. On September 8, 2016 the Ohio General Assembly actually voted and said within two years it needs to be within operation at that point they stepped out of time frame from September 8th and what they said by May 6, 2017 cultivator rules needed to be adopted. You have to grow it, process it and dispense it. Those are the three fractions of it and they kind of did a time frame with that. There is no sense in having a guy ready to sell when you haven't even started to grow it yet. There are going to be 24 cultivators in the state, 12 large and 12 small and it is based on the square footage of growing producing plants. The square footage is based on the square footage of those plants. The small is 3,000 and below the large is 25,000 and below. That entails a \$20,000.00 non-refundable application fee to the state and it requires an \$180,000.00 annual fee the first year and \$200,000.00 every year after to the state. Not one dollar to the city if I have to make the patrol cars run for an issue. This is not an opinion this is what we have to deal with. Within a building whether it is dispensing or growing or processing it is a product that will help and assist some people legally and there will be a whole lot of people who will like it illegally. It is the facts. May 6, 2017 the cultivator rules were adopted and they will take applications in June and make the decision in July. The processor rules need to be adopted by September 8, 2017 and the dispensary rules at the same time. There aren't any applications coming out for dispensaries because it hasn't come out yet. Until that application comes out nobody really knows what the final rules are. September 8, 2018 is the mandate to have dispensing started. Like Mr. Marmie said any law can be changed, any ban can be unband at any time by this body. There is an enormous amount of information even once it is done; it is our job to educate you on that to make the most accurate decision. I think as Mr. Cost has said we don't have all of that yet. If you think at the time if they have 40 dispensaries and we are the 18th-20th largest city in Ohio if every one of those 20 large cities got one that is half of them gone. Would it be fair to the residents of Cleveland, Cincinnati and Columbus to only get one? Of course not, would they need three? I don't even know if Newark has the right population to adequately serve the public. Otherwise people are going to have to get in cars and drive long distances to get their prescriptions refilled in Newark which they don't even live. I think that there is a whole lot of that the legislators in Columbus have done a poor job of looking at to adequately serve those that truly need it.

Mr. Cost- when that call comes through tomorrow asking what can they do or not do are they being told we are doing the easy thing and have done absolutely nothing? Or are they being told that we have tabled this issue, I'm just not sure what answer they are being

given. That is part of the reason that I am looking for an answer that can be given.

Mayor Hall- that is fair. Part of the reason we brought this to Council was to start the discussion. There is nothing in the past similar to this at all. There are no prescriptions from doctors, fact, doctors can recommend it then you have to have a permit to go obtain it. Doctors are governed by the FDA who doesn't recognize it as a legal drug so doctors can't write scripts for it. We have talked to a couple of cultivators that had some interest. Those rules are in place and we understand what those are. We are more open minded to that instead of a moratorium on everything. We represent existing businesses, it wouldn't be the first time I heard I like it but not in my back yard. Whether you represent your ward or the whole city you need to talk to a lot of people. You need to talk to businesses and ask if they mind if you had a dispensary next to your business because you represent that person in business too. We have to look down the road that if people start locating dispensaries, plural sounds absurd for Newark no bigger than it is. What if they move in and the person next to them is totally unhappy, they are going to be contacting us and you're going to have to deal with that.

Mr. Fraizer- so if we talk about what Johnstown is doing by charging an excise tax on marijuana businesses in order to have additional revenue come to the city, is that how you understand it that they are not only encouraging it but they are getting additional income by doing a surtax.

Mayor Hall- Johnstown has the resident who developed the process to extract it. There won't be any smoking of the marijuana there will be the extraction of the oil and that is how the consumption will be. The process that the gentleman developed is used far beyond marijuana; it is used for other reasons. Johnstown is a village and we are a city, there are a lot of different rules. Both Johnstown and Granville are approaching population to become cities and they are both very nervous about becoming a city. They don't want to become cities because of the additional rules and the work load that you get put on top of that. As far as excise taxes and as to what we can and can't do, we don't know yet and that is part of the discussion also. There are definitely no rules yet for dispensaries. There is a clause that reads local municipalities can forbid retail establishments in their community. We are strapped financial for our services so if something comes in that puts a burden on it then I think that we should get some compensation to offset those costs.

Mr. Johnson- I would like to have us move this on to Council

Motion by Mr. Johnson to send to full Council, second by Mr. Cost

Mr. Rath- I love the idea of having an excise tax to accumulate some income off of that. The question that I have and I'm not looking for an answer because I don't think there is an answer yet is if we have an excise tax on medical marijuana dispensary and that medical marijuana dispensary is not allowed to deposit their money into a bank because it is federally prohibited then how are we going to deposit the money they give to us an excise tax?

Mayor Hall- I think that it is better to say that banks can accept it but don't want to. It's not that they aren't allowed to but if I were to take that deposit and my insurance isn't covering it and my bank gets robbed the insurance isn't covering it. Or if they burn down, that is how I read the fine line of it because the FDIC is the insurance of it and they won't cover that money. The end result is the same.

Mr. Fraizer- Mr. Law Director is that true that it is the FDIC and not the anti-money laundering act and the other prohibitions against banking that says that they shouldn't accept medical marijuana money or what is the driving fact that banks aren't accepting medical marijuana money?

Law Director- my wife won't allow me to have access to the family checkbook which should explain to you how much I know about banking laws. The answer is I have no idea.

Mr. Fraizer- I want to also point out that growing and processing would also violate those laws as well. Therefore if we are really worried about drug money it should be across the board. I have real concerns of the message this will send to the business community as well as our constituents that do have serious medical illnesses and won't have a place to get treatment in the City of Newark Ohio.

Jen Kanagy, 2584 Upland view Ct- thank you Mr. Fraizer, I agree with everything you said you almost took up my whole two pages of notes. Something that has not been brought up is the closed loop system that Ohio was trying to develop which from my understanding you could go into a BMV or a county building and put money on a card then you could go in and swipe. I think that was an issue last time regarding safety worrying about robberies, people stealing the cash. She stated that she is a nurse of 23 years and I have never taken care of anybody who has overdosed on marijuana so I am happy to hear you all say that there are benefits to it. Transportation is an issue therefore if our residents have to find means to go to Columbus for treatment that is going to cause them a hardship and I don't think we should create hardships for our residents. I agree with Mr. Fraizer I think this moratorium is a bad idea. I think Newark should be a forward thinking city and I think we should advocate for our patients and our businesses.

Mr. Crawford, 163 S 2nd St- I also agree with you Mr. Fraizer, I appreciate your advocacy on this. I understand the hesitancy to support these almost unprecedented businesses at least in our area coming here. I have heard everyone seemingly say they are not opposed to medical marijuana so with that in mind it doesn't seem likely at least if everyone stays true to that thinking that a ban will happen in the future anyway. Since the State will get their act together at some point and pass the regulations down to you so why not start the process as Fraizer has suggested like putting together the zoning codes that you need to put together. I have a strong opposition to the emergency clause being used here, what is the emergency? I would argue that there are people with medical emergencies that need this acted upon in the opposite direction. I speak from a personal aspect I have some family members who have PTSD who are being forced to use medications that make them dependent on it whereas with marijuana they have used it in the past and never had any side effects except eating too much. Medical marijuana won't even give people that kind of high because it isn't ingested that way. There is a compassion component of this that needs to be overarching everything else here. Thank you Mr. Fraizer and Mr. Rath for your comments and everyone for your attention to this but I plead with you to not pass this moratorium. I know it's not per say a temporary ban that may not be the intent but it could have that impression. He suggested limiting the number of dispensaries to one.

Alyssa Baker- she is an advocate for cannabis reform, a patient advocate and a cannabis educator, she is the co-founder for Sensible Newark's Decriminalization ordinance and sated she is a current patient. She is working with investors who would like to help her in

her quest to own and operate a medical dispensary. She asked Council not to block progress before progress has had a chance to be made. She asked they think proactively not reactively. She stated that we are 20 years behind California with medical marijuana but we are leading the nation in opiate related deaths. She stated that people look at dispensaries as big money makers but unfortunately they are the ones that take the hardest hit. The growers and the cultivators have more money they have to put in the beginning but they have lost of operation when you get into and this is the facility that seeks to serve the patients.

Mr. Cost- in the last half hour, 45 minutes in my opinion what we have proven is that this is a very important issue and it worthy of our entire City Council weighing in on what should be done. The five of us obviously don't agree on this and I understand that so I think that the full Council should look at this and make a decision that we will all have a steak in. Thank you for your time and consideration.

Mr. Rath- I still don't know how I am going to vote on this other than today. I agree with Mr. Cost that everyone should have a voice in this. Whether this gets passed or not in Council next week I think that we need to be proactive as opposed to reactive. We need to start the legislative process for zoning and determine where this is going to go. We need to act as if this is going to be a part of our life in the future. I am going to support at least sending this on to full Council.

Motion to send on to full Council passed by a 3 (Cost, Johnson, Rath) -2 (Blake, Fraizer) vote.

Jeremy Blake, Chair