

ORDINANCE NO. 1063

AN ORDINANCE CREATING A FRAMEWORK FOR RELOCATION OF A LICENSED MEDICAL MARIJUANA ESTABLISHMENT.

WHEREAS, the current medical marijuana establishment Ordinance found at Chapter Thirteen, Article III, Division 8 of the Code of Ordinances of the City of Yankton currently prohibits the transfer of a licensed medical marijuana establishment to another properly conforming location within the City of Yankton; and

WHEREAS, the ability to transfer a medical marijuana establishment license to a new properly conforming location remains consistent with the spirit and intent of the City of Yankton's medical marijuana establishment licensing regime.

NOW THEREFORE, BE IT ORDAINED, by the Board of City Commissioners of the City of Yankton that:

Section 13-139 is hereby amended to read as follows:

Sec. 13-139. *License Not Transferrable; Exceptions*

- (a) Licenses issued under this division shall not be transferable to any other person, business entity, or location except as set forth herein, and shall lapse automatically upon a change of ownership or location unless the transfer strictly complies with the terms set forth herein. A license issued under this Division is not a property right.
- (b) A license issued under this division shall be transferrable to another location only if the ownership of the licensee or the owners of the licensee business does not change and each of the following conditions are met:
 - (1) the licensee submits to the City a complete application for a medical marijuana establishment license for the new location in accordance with Sec. 13-141;
 - (2) the licensee submits to the City a new non-refundable application fee in accordance with Sec. 13-142;
 - (3) the application for a license to operate in the new location is approved by the City of Yankton in accordance with this Division; and
 - (4) the State of South Dakota approves the new location and issues a Registration to operate in the new location.

- (c) The licensee shall not operate in a newly licensed location as authorized herein unless the licensee first obtains a certificate of occupancy from the City of Yankton in accordance with Sec. 13-149. The condition in Sec. 13-148(b) shall not apply to a new location. All time limitations set forth in Sec. 13-148 shall not apply if a licensee has received a certificate of occupancy for its original location. When licensee opens its doors to the public in the new location, the license for the original location shall terminate and all medical marijuana business activities occurring therein shall immediately cease. Under no circumstances shall a licensee be permitted to operate a medical marijuana establishment in more than one location.
- (d) If the licensee has tendered the annual fee for the original licensed location, the licensee shall not be required to tender a new annual fee for the newly licensed location. The annual fee for the original licensed location shall transfer and apply to the newly licensed location for the remainder of the calendar year.

Section 13-148 is hereby amended to read as follows:

Sec. 13-148. *Preliminary Approval and Issuance of License*

If approved, the City's issuance of a license following an initial application shall be provisional and subject to automatic termination if:

- (a) The licensee does not receive or fails to qualify for the state registration certificate required under SDCL Chapter 34-20G within 120 days of issuance of the license; or
- (b) At least two (2) other holders of an active and unrevoked medical cannabis license have previously received a state registration certificate required under SDCL Chapter 34-20G; or
- (c) The licensee fails to pay the annual license fee to the City within thirty (30) days of the issuance of the state registration certificate in accordance with Sec. 13-143; or
- (d) The licensee fails to obtain a certificate of occupancy from the City of Yankton in accordance with Sec. 13-149 within one hundred eighty (180) days of issuance of the state registration certificate issued under SDCL Chapter 34-20G. If a licensee submits to the City of Yankton an application for a license to operate in a new location in accordance with Sec. 13-139 prior to receiving a certificate of occupancy for the original location, the time limitation set forth in this subsection (d) shall pause until the licensee has received (or has been denied) a provisional license from the City of Yankton and state registration certificate to operate a medical cannabis establishment in the new location.

No licensee may engage in the sale of cannabis products under a provisional license.

Dated this 13th day of June, 2022.

CITY OF YANKTON

Stephanie Moser

Stephanie Moser, Mayor



Al Viereck, Finance Officer

(SEAL)

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