

ORDINANCE NO. 2024-08

FIRST READING 7/16/2024
SECOND READING 8/20/2024

AN ORDINANCE AMENDING ORDINANCE 66-83 (MT STERLING ZONING ORDINANCE) TO DEFINE “MEDICAL CANNABIS BUSINESSES” AND TO ESTABLISH WHERE SAID BUSINESSES ARE PERMITTED WITHIN THE CITY LIMITES OF MOUNT STERLING, KENTUCKY

WHEREAS, on April 15, 2024, the Kentucky General Assembly adopted House Bill 829, which was signed into law by the Governor on April 17, 2024, amending KRS 218B, the Kentucky law permitting medical cannabis; and

WHEREAS, the medical cannabis statutes authorize local governments to have the option of either permitting or rejecting medical cannabis operations in their jurisdictions, or submitting the question to the voters; and

WHEREAS, KRS 218B.090 and 218B.130 authorizes local governments to permit cannabis business operations within their territories through passage of a resolution; and

WHEREAS, the City Council wants to utilize the authority of KRS218B.090 and 218B.130 to allow medical cannabis business operations in the City of Mount Sterling, Kentucky.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF MOUNT STERLING, KENTUCKY THAT ORDINANCE NO. 66-83 IS AMENDED AS FOLLOWS:

1. Ordinance 66-83, the MT STERLING ZONING ORDINANCE, Article II, Section 201 – Definitions – Shall be amended to ADD the following “Medical Cannabis Business” definitions:
 - a. Medical Cannabis Cultivator – In accordance with KRS 218B.140 and 915 KAR 1:030, a Cultivator may grow medical cannabis (also known as raw plant material) in an enclosed, locked facility and sell medical cannabis to a licensed medical cannabis processor, producer, or dispensary.
 - b. Medical Cannabis Processor - In accordance with KRS 218B.140 and 915 KAR 1:040, a Processor may process raw plant material into medical cannabis products on its licensed premises. Processors may modify medical cannabis through extraction and other processing methods to develop various products for the medical-use cannabis market.
 - c. Medical Cannabis Producer - In accordance with KRS 218B.140 and 915 KAR 1:050, a Producer may conduct Processing and Cultivating activities, either in the same location or at separate locations.
 - d. Medical Cannabis Safety Compliance Facility – In accordance with KRS 218B.140 and 915 KAR 1:060, a Safety Compliance may test samples of

medical cannabis received from licensed cannabis businesses to ensure compliance with the testing requirements contained in 915 KAR 1:110. Safety compliance facilities verify that the medical cannabis products intended for sale are safe for use.

- e. Medical Cannabis Dispensary - In accordance with KRS 218B.140 and 915 KAR 1:070, a Dispensary may sell medical cannabis products from its licensed premises to registered qualified patients, designated caregivers, and visiting qualified patients. Dispensaries can only sell medical cannabis products acquired from a licensed cannabis business that has passed all tests required by 915 KAR 1:110.

2. The following sections of Ordinance 66-83, the MT STERLING ZONING ORDINANCE, Article VI, Zoning District Regulations, shall be amended to ADD the following permitted uses:

- a. Section 602 – P-1 DISTRICTS (PROFESSIONAL OFFICE)
 - i. Permitted Uses
 - 1. Medical Cannabis Safety Compliance Facility
- b. Section 603 – BUSINESS DISTRICTS
 - i. 603.1 – B-1 Districts (Neighborhood Businesses)
 - 1. Permitted uses
 - a. Medical Cannabis Safety Compliance Facility
 - b. Medical Cannabis Dispensary
 - ii. 603.2 – B-2 Districts (Highway Business)
 - 1. Permitted Uses
 - a. Medical Cannabis Safety Compliance Facility
 - b. Medical Cannabis Dispensary
 - iii. 603.3 – B-3 Districts (Central Business District)
 - 1. Permitted Uses
 - a. Medical Cannabis Safety Compliance Facility
 - b. Medical Cannabis Dispensary
 - iv. 603.4 – B-4 Districts (General Business)
 - 1. Permitted Uses
 - a. Medical Cannabis Safety Compliance Facility
 - b. Medical Cannabis Dispensary
 - c. Medical Cannabis Processor
 - d. Medical Cannabis Production
- c. Section 604 – INDUSTRIAL DISTRICTS
 - i. 604.1 – I-1 District (Light Industrial)
 - 1. Permitted Uses
 - a. Medical Cannabis Safety Compliance Facility
 - b. Medical Cannabis Cultivator
 - c. Medical Cannabis Processor

- d. Medical Cannabis Production
- ii. Section 604.2 – I-2 District (Heavy Industrial)

- 1. Permitted Uses

- a. Medical Cannabis Safety Compliance Facility
- b. Medical Cannabis Cultivator
- c. Medical Cannabis Processor
- d. Medical Cannabis Production

- d. Section 607 – A DISTRICTS (AGRICULTURAL)

- i. Permitted Uses

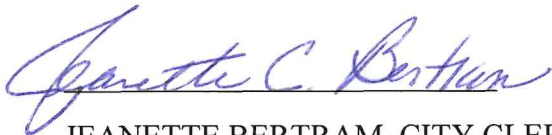
- 1. Medical Cannabis Cultivator
- 2. Medical Cannabis Processor
- 3. Medical Cannabis Production

- 3. Severability - Each word, phrase, sentence, section, and provision (each “portion”) of this Ordinance is hereby declared to be independent and, notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any portion of said Ordinance, the adoption thereof, or the application thereof to any person or circumstance is held to be invalid, the remaining portions and the application of such portions to any person or circumstances other than those to which it is held invalid, shall not be affected thereby, and it is declared that such portions would have been passed independently of such portion or portions so held to be invalid.
- 4. Any provision(s) in the City of Mt. Sterling Code of Ordinances specifically in conflict with any provision in this Ordinance is hereby deemed inoperative and repealed.
- 5. This Ordinance shall become effective upon passage and publication.



AL BOTTS, MAYOR

ATTEST:



JEANETTE BERTRAM, CITY CLERK