

26-146-01 A Public Hearing on an application being submitted to the State of Maine CDBG program for a 2026 Housing Assistance Grant to support construction of five affordable homeownership units in Sanford, to be constructed by Habitat for Humanity.

## **Consent Agenda**

### **Old Business**

### **New Business**

- 26-117-01 Ordered, to adopt a Mobile Home Lot Rent Stabilization Draft Ordinance as presented. (This item must be read on two separate occasions. This is the first reading.)
- 26-127-01 Ordered, to authorize the City Manager to enter into a Contract Zoning Agreement with Stenton Mill, LLC, regarding the redevelopment of 13 River Street, as presented.
- 26-134-01 Resolved, to appoint City Manager Steve Buck as Sanford's representative on the Maine Municipal Association (MMA) Legislative Policy Committee (LPC) for July 2026 to June 2028, with the Mayor of Sanford designated as his Alternate, and to nominate Fire Chief Scott Susi to represent Senate District 33 on the LPC.
- 26-136-01 Ordered, to authorize the City Manager, on behalf of the City Treasurer, to execute an Agreement between Camden National Bank and the City of Sanford to extend our current banking service agreement for an additional three years expiring June 30, 2029.
- 26-135-01 Ordered, to consider a request to fly a rainbow pride flag on the flagpole in front of City Hall for the month of June, pursuant to the Resolution regarding display of flags on City property adopted July 5, 2022.
- 26-142-01 Ordered, to set the due dates for the 2026 real estate and personal property tax commitment as follows, first installment due by September 15, 2026 and second installment due by March 15, 2027 with a delinquent rate is 7.00% as determined by the State Treasurer. Interest will begin to accrue on the first installment on September 16, 2026 and on the second installment on March 16, 2027.
- 26-144-01 Ordered, to consider a Resolution to direct the development of a Moratorium on Data Center Permitting to allow for consideration within the Zoning and Permitting Ordinances for the unique considerations of small to large scale developments and to mitigate public concerns of environmental and utilities impacts.
- 26-145-01 Ordered, to consider a Resolution to direct City Staff to draft amendments to Chapter 161 Marijuana and Chapter 280 Zoning to opt in the City and make allowances for Medical Marijuana Dispensaries as an allowed and licensed activity in Sanford.

### **Council Member Comments**

### **Future Agenda Items**



# Memo

Number: 26-145-01  
To: City Council  
From: Steven Buck, City Manager  
Date: 2026-05-05  
Subject: Ordered, to consider a Resolution to direct City Staff to draft amendments to Chapter 161 Marijuana and Chapter 280 Zoning to opt in the City and make allowances for Medical Marijuana Dispensaries as an allowed and licensed activity in Sanford.

## **RECOMMENDATION**

Debate the pros and cons of establishing and allowing the State definition of Medical Marijuana Dispensaries to be allowed in Sanford. This is the last State defined marijuana licensed activity that has not yet been adopted and allowed within Sanford's Zoning Ordinances. Administration will not start the large amount of work unless or until a majority of the City Council adopts a Resolution to direct Staff to move forward on the development of the amended Ordinances. This would indicate that once drafted and reviewed by the City Council, the newly developed Ordinance changes would likely be adopted. Administration does not want to dedicate the large amount of Staff time towards such amendments if they are not going to be considered and or adopted by the Council and so seeks that direction now.

## **Background Information:**

There is a request for the City to opt in or create by Ordinance to allowable licensed activity of Medical Marijuana Dispensaries within our Zoning Ordinances, currently not allowed. Administration seeks a majority vote of the Council to direct the development of, or to not amend the City's Ordinances around this new activity of Medical Marijuana Dispensaries.

If voted to direct administration to move forward on amending the Ordinances for this New Use, Administration will start the process of amending for the allowance, seek the recommendation of the Planning Board as required under Chapter 280, and then move it to an Act of Ordinance for the City Council for consideration of adoption.

See attached Memo for history and background.

## **Legal Review Status:**

N/A

## **Administrative or Department Review:**

## **Financial Impact or Review:**

## Medical Marijuana Dispensary

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**To: City Council**

**Subject: Policy Consideration – Potential Ordinance Amendments to Allow Medical Marijuana Dispensaries**

**Date: May 1, 2026**

### **Purpose and Context**

The City Council has been asked to consider whether Sanford should amend its current ordinances to allow for **Medical Marijuana Dispensaries**, a marijuana use category recognized under State law but not currently authorized under Sanford’s local regulatory framework. This memorandum is intended to provide a policy-level overview to inform Council discussion and determine whether to direct staff to prepare draft ordinance amendments for future consideration.

### **Current Ordinance Framework**

Sanford has adopted a controlled and structured approach to marijuana regulation through Chapters 161 (Marijuana) and 280 (Land Use). The City has “opted in” to most State-recognized marijuana activities, including:

- Adult-use cultivation, manufacturing, and retail (subject to location and licensing limitations)
- Medical marijuana cultivation and manufacturing/extraction
- A defined system of licensed marijuana properties within the Marijuana Overlay District

However, Sanford has **not adopted Medical Marijuana Dispensaries as an allowed use**. While the term is defined in the ordinance by reference to State law, it is not included in the Land Use Table nor established as a permitted or conditional use under the City’s zoning or licensing structure. As such, the City does not currently have the authority to issue a local license for this activity.

### **Key Policy Distinction – Office-Based Patient Activity vs. Dispensary Use**

Under the current ordinance framework, licensed medical marijuana cultivators and manufacturers may conduct limited patient-related interactions from office space associated with their operations. This has historically been understood as an accessory component of a production-oriented use.

Over time, however, a **policy gray area has emerged** between:

- Office-based consultation and limited patient transactions associated with cultivation/manufacturing; and

## Medical Marijuana Dispensary

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- A retail-style dispensary operation serving patients through broader product sales

This distinction is becoming increasingly important as market conditions evolve. The economic viability of cultivation and manufacturing has shifted, and there is growing incentive for operators to rely more heavily on resale activity rather than on-site production.

As a result, the line between a permitted office function and a dispensary-style retail use is less clear than when the ordinance was originally adopted.

### Implications of Authorizing Medical Marijuana Dispensaries

If the City were to amend its ordinances to allow Medical Marijuana Dispensaries, the decision would extend beyond a single use category and may introduce broader policy considerations, including:

- **Clarification of Use Categories:** The City would need to clearly define the distinction between office-based patient interaction and dispensary retail activity to avoid ambiguity.
- **Consistency Across Licensed Properties:** Once authorized, dispensary use may prompt similar requests from other operators within the Marijuana Overlay District.
- **Relationship to Existing Operations:** The City would need to consider how dispensaries interact with existing cultivation and manufacturing uses, including whether resale of third-party product is permitted.
- **Zoning and Location Considerations:** Determination of where dispensaries may be located, including whether they would be limited to existing licensed marijuana properties or expanded to other commercial zones.
- **Operational Standards:** Consideration of customer traffic, parking, hours of operation, and other factors associated with retail-oriented activity.
- **Enforcement Clarity:** Establishment of clear standards to ensure consistent interpretation and enforcement across all marijuana-related uses.

### Broader Ordinance Considerations

Council should be aware that authorizing dispensaries would likely require a **comprehensive review of Chapters 161 and 280**, including but not limited to:

- Updating use definitions and permitted uses
- Establishing a local licensing category for dispensaries
- Clarifying accessory vs. primary use thresholds
- Addressing the sourcing and sale of marijuana products
- Ensuring consistency with the City's existing limited-property regulatory model

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This process may also prompt consideration of how Sanford wishes to regulate the evolving relationship between production-based and retail-based marijuana activities.

### **Council Policy Consideration**

The question before the Council is not limited to whether a single new use should be allowed, but rather:

**Whether Sanford wishes to formally authorize a new category of marijuana activity that may have broader implications for land use, licensing, and the City's overall regulatory framework.**

### **Next Steps**

Following Council discussion, if a majority of the Council indicates interest in pursuing this policy direction, staff can be directed to:

- Prepare draft ordinance amendments to Chapters 161 and 280
- Identify options for structuring and limiting dispensary uses
- Provide additional analysis of regulatory, operational, and enforcement considerations
- Return to Council with proposed language for review and public hearing

No action is required at this time unless the Council wishes to provide such direction.

### **Conclusion**

Sanford has not yet adopted Medical Marijuana Dispensaries, making this the final State-recognized marijuana activity not currently authorized locally. Any decision to do so should be considered within the broader context of the City's regulatory approach, particularly as the distinction between production, office-based activity, and retail sales continues to evolve.

This memorandum is provided to support Council discussion and policy direction on this matter.