Board of County Commissioners Public Hearing to Consider:

HB 3400 Opt Out of Marijuana Businesses in Unincorporated Areas (outside cities)



AUGUST 12, 2015

# HEARING FORMAT

- Public hearings at 10:00 a.m. and 5:30 p.m. today
- The hearings will be conducted in the following order:
  - **1.** Staff will provide a presentation.
  - 2. Public hearing (testimony).
  - **3.** Board to continue or close the public hearing.
  - 4. Board to deliberate and decide whether to adopt an ordinance to opt out some/all marijuana businesses at a future public meeting.



# BACKGROUND

- Electors of Oregon passed Ballot Measure 91 (recreational marijuana) in November 2014.
- 2015 Legislature enacted HB 3400 on June 30, 2015, including opt out provisions for marijuana businesses.
  - Deschutes County may opt out by adopting an ordinance within 180 days of the effective date of HB 3400 (June 30, 2015).
  - Grandfathering for existing medical processors and dispensaries that have successfully completed the local land use process (<u>no</u> applications submitted).



# BACKGROUND

BOCC may enact an ordinance which prohibits the establishment of any or all of the following businesses in the <u>UNINCORPORATED AREA</u> of Deschutes County:

- a. Medical Marijuana processing sites;
- b. Medical Marijuana dispensaries;
- c. Recreational Marijuana producers (growers);
- d. Recreational Marijuana processors;
- e. Recreational Marijuana wholesalers;
- f. Recreational Marijuana retailers; or
- g. Any combination of the entities described above.



### PUBLIC HEARING PURPOSE

To receive public input on whether to enact an ordinance to opt out of marijuana businesses in unincorporated Deschutes County (outside cities).

Why now?

- Significant public interest. Hearing provides an opportunity for everyone to share their opinions.
- Provide clarity to citizens, businesses, agencies, etc. on what's legal & what's not as soon as possible.
- Inform private investment decisions.



### PUBLIC HEARING PURPOSE

This is <u>NOT</u> a public hearing to address:

- Measure 91 (it's the law).
- Marijuana businesses in the cities of Bend, La Pine, Redmond or Sisters.
- Personal grow, use or possession of recreational marijuana.



#### HB 3400: A LAND USE SNAPSHOT

- Retail Marijuana Production ("commercial grows"), as licensed by OLCC, is:
  - An agricultural crop that is permitted <u>outright</u> in the Exclusive Farm Use (EFU) Zone like any other farm crop.
  - Entitled to protections and duties provided under the Oregon Right to Farm Act.
  - Eligible for farm use deferral under Oregon property tax law like any other farm crop.



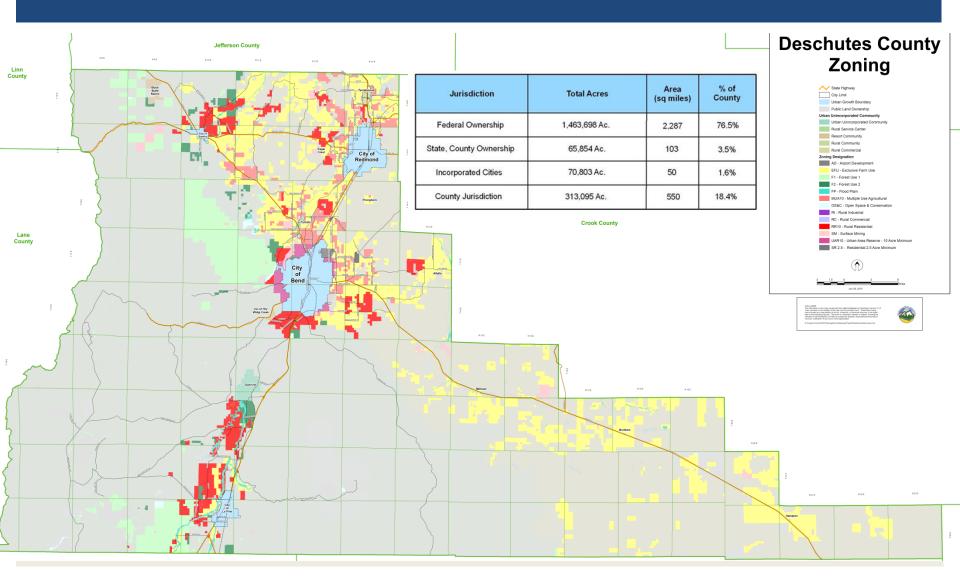
### HB 3400: A LAND USE SNAPSHOT

#### Land Use:

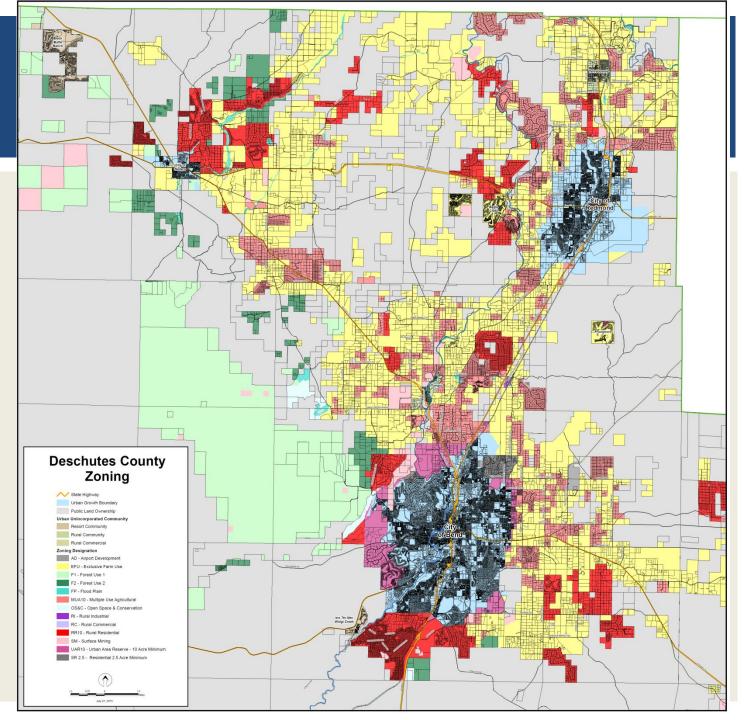
- Requires a Land Use Compatibility Statement (LUCS) from local government prior to OLCC's issuance of marijuana business license.
- In EFU, the law prohibits farm stands, farm commercial activities, and new farm dwellings based on marijuana crops.
- Allows counties to permit marijuana crops in farm and forest zones, similar to EFU:
  - Forest 1 & 2 Zones (F-1, F-2)
  - Multiple Use Agricultural-10 Zone (MUA-10)
  - Rural Residential-10 Zone (RR-10)



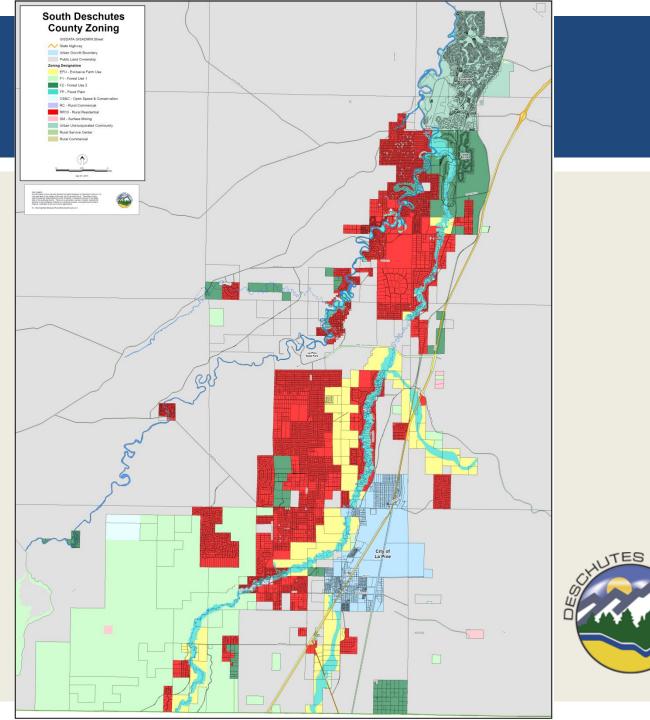




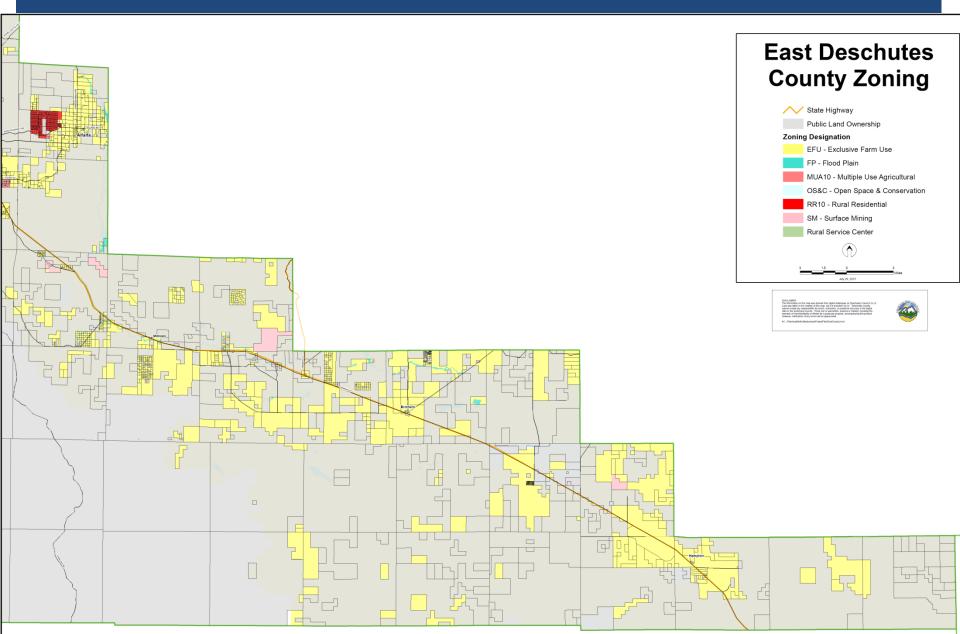
### ZONING



# ZONING







# OPT OUT: WHAT DOES IT MEAN?

- Marijuana businesses identified in the ordinance would be prohibited in unincorporated areas.
- Community Development Department cannot sign OLCC form (LUCS) for "opt out" businesses, and OLCC cannot issue a license for those businesses.
- Temporary moratorium in effect until the November 2016 general election.
- Local option tax is prohibited, and disqualification for shared state tax revenue.



#### PARTIAL OPT OUT <u>OR</u> NO OPT OUT

- Partial opt out selected marijuana businesses prohibited:
  - Ordinance referred to voters in Nov. 2016.
  - Disqualification from state shared revenue.

No opt out:

- Marijuana is a farm crop in the EFU zone.
- Board may decide <u>in the future</u> to allow and/or regulate marijuana businesses in other zones as allowed by HB 3400.



# BOARD DECISION(S)

- Prohibit the establishment of any or all of the following businesses in the <u>UNINCORPORATED AREAS</u> of Deschutes County:
  - a. Medical Marijuana processing sites;
  - b. Medical Marijuana dispensaries;
  - c. Recreational Marijuana producers (growers);
  - d. Recreational Marijuana processors;
  - e. Recreational Marijuana wholesalers;
  - f. Recreational Marijuana retailers; or
  - g. Any combination of the entities described above.



# **PUBLIC HEARING**

#### **Please:**

- Sign in / fill out a public comment card
- Come to the table when called by the Chair
- State your name
- Limit your comments to 3-5 minutes
- Be respectful



#### BOARD

At the end of the 5:30 p.m. hearing:

Continue or close the public hearing?

If the hearing is closed, the Board will deliberate at a future public meeting.

