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.



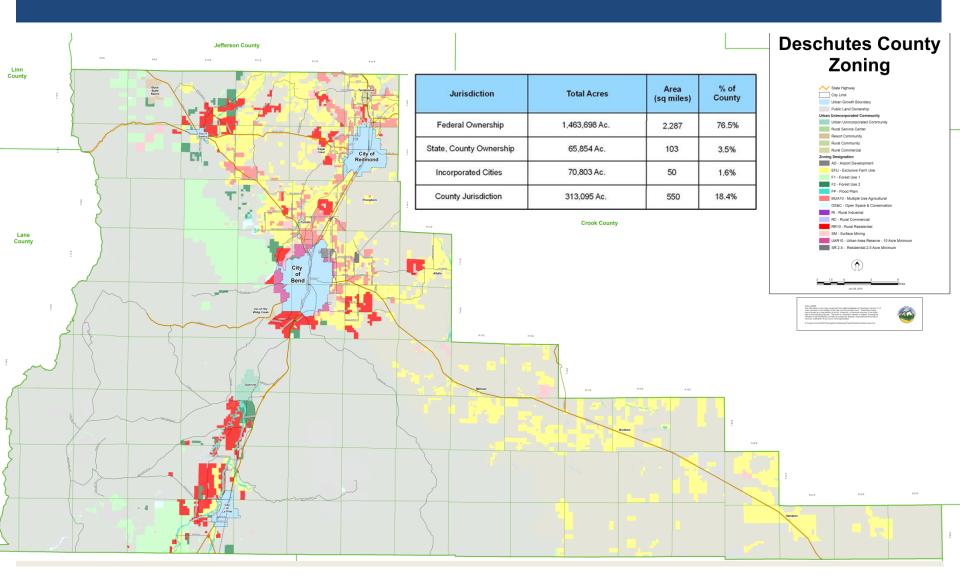
HB 3400: A LAND USE SNAPSHOT

Land Use:

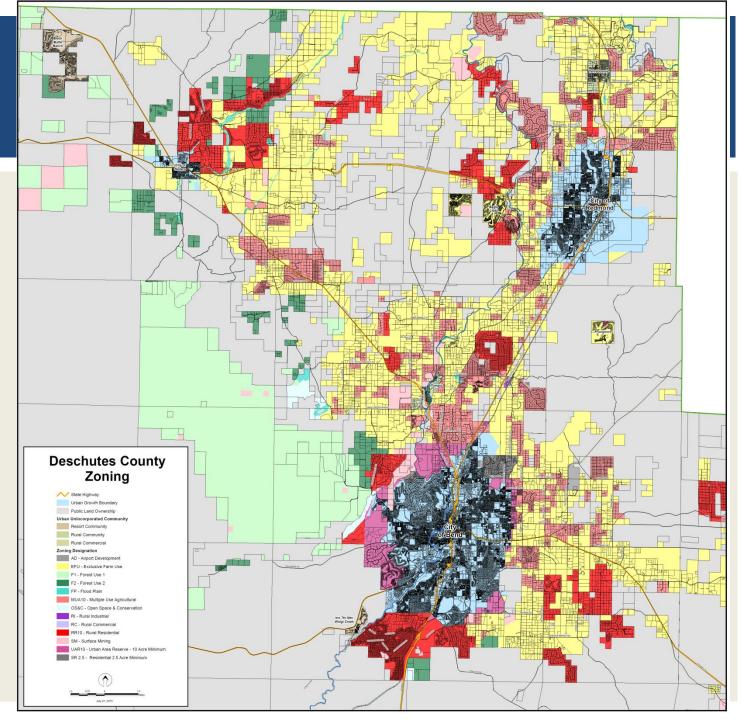
- Requires a Land Use Compatibility Statement (LUCS) from local government prior to OLCC's issuance of marijuana business license.
- In EFU, the law prohibits farm stands, farm commercial activities, and new farm dwellings based on marijuana crops.
- Allows counties to permit marijuana crops in farm 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)



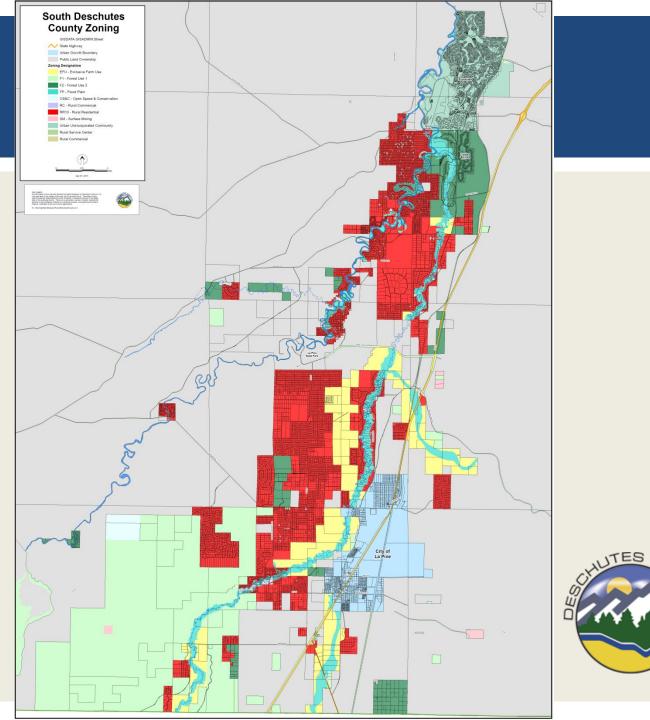




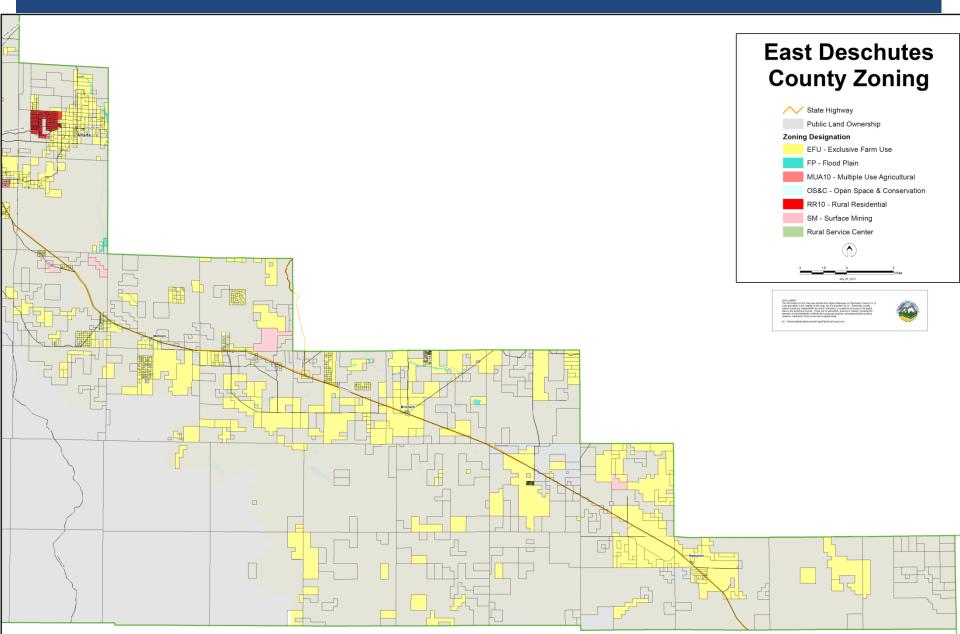
ZONING



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.

