



Community Development Department

Planning Division Building Safety Division Environmental Soils Division

P.O. Box 6005 117 NW Lafayette Avenue Bend, Oregon 97708-6005
(541)388-6575 FAX (541)385-1764
<http://www.co.deschutes.or.us/cdd/>

MEMORANDUM

DATE: September 23, 2015

TO: Board of County Commissioners

FROM: Matthew Martin, Associate Planner
Nick Lelack, Community Development Director

RE: Marijuana Related Business Land Use / Zoning Decisions Continued

PURPOSE

The purpose of this memorandum is to assist the Board of County Commissioners (Board) in providing direction on drafting reasonable time, place and manner regulations for marijuana related businesses.

BACKGROUND

- September 2, 2015: At this work session, the Board decided not to “opt out” of any marijuana related businesses at this time as allowed by HB 3400. Instead, the Board decided to work with staff to propose regulations addressing marijuana businesses, and to begin the process immediately.
- September 17, 2015: At this work session, the Board provided initial direction on the County zones where marijuana businesses might be allowed or prohibited, and whether they might be permitted outright or as a conditional use. Please find attached the following tables including the existing and draft land uses:
 - Table 1 – MARIJUANA RETAIL (Medical Dispensaries and Recreational)
 - Table 2 – MARIJUANA PROCESSING
 - Table 3 – MARIJUANA PRODUCTION (Medical and Recreational)
 - Table 4 – MARIJUANA WHOLESALING

Home Occupations: The Board also provided direction that marijuana related businesses as home occupations should be proposed to be prohibited.

Processing: The Board discussed identifying different types of processing activities and regulating the activities differently. For the Board’s consideration, staff offers the following draft definitions:

- **Marijuana Processing, Type 1**: Marijuana processing that is limited to drying, curing, trimming, and packaging marijuana.

- **Marijuana Processing, Type 2:** Marijuana processing that extracts concentrates, infuses products, or involves mechanical and/or chemical processing in addition to drying, curing, trimming, and packaging.

BOARD DIRECTION:

Staff seeks direction on these proposed definitions and how to permit or prohibit the different types of processing in various zones.

REASONABLE REGULATIONS

The provisions of HB 3400, Sections 33, 34, and 89 provide an opportunity for the County to establish “reasonable regulations” addressing the time, place and manner characteristics of marijuana related uses. Compliance with “reasonable regulations” must be demonstrated by the applicant prior to the issuance of a Land Use Compatibility Statement (LUCS). These regulations can apply to outright permitted uses or conditional uses.

Based on direction from the Board, comments received, and review of adopted and proposed regulations from Oregon (primarily Clackamas County¹) and Washington, staff has identified potential reasonable regulations for marijuana related businesses to be considered.

The draft standards are outlined in the attached **Table 5**. The criteria and standards included are provided as starting points for the Board’s consideration.

BOARD DIRECTION

Staff seeks direction on the initial use standards in the attached tables.

In addition, staff seeks direction on whether the proposed ordinance adopting marijuana business regulations should apply the new regulations to existing marijuana businesses, operations, buildings, and properties, as legally allowed.

Attachments: Tables 1-5

¹ <http://www.clackamas.us/planning/marijuanalanduse.html>

TABLE 1. MARIJUANA RETAIL (Medical Dispensaries and Recreational)

Zone	Current Code	Board Direction	Comments	
Permitted (P) Conditional Use (CU) Not Allowed (NA)				
	Dispensaries	Retail	One Use Category	
TITLE 18 – Deschutes County				
Multiple Use Agricultural-10		CU	NA	<ul style="list-style-type: none"> • CU-Commercial Activity in Conjunction with a Farm Use
Destination Resort		Possibly		<ul style="list-style-type: none"> • If proposed as part of DR
Rural Industrial	P		CU	
UUC - SUNRIVER				
Commercial	P	P	P	
Town Center	P	P	P	
Business Park	P	P	P	
Flood Plain Combining	*	*		<ul style="list-style-type: none"> • Subject to underlying zoning
RURAL COMMERCIAL				
Deschutes Junction and Deschutes River Woods Store	P	P	P	
Spring River	P	P	P	
Pine Forest and Rosland	P	P	P	
RURAL SERVICE CENTER - UC				
Brothers, Hampton, Millican, Whistlestop, Wildhunt	P	P		
Alfalfa RSC - Commercial Mixed Use District	P	P		
TUMALO RURAL COMMUNITY				
Commercial	P	P	P	
Industrial	P		CU	
TERREBONNE RURAL COMMUNITY				
Commercial	P	P	P	
Commercial Rural	P	P	P	
TITLE 19 - BEND				
Urban Area Reserve		P	NA	<ul style="list-style-type: none"> • Farm stand
TITLE 20 - REDMOND				
Urban Holding-10		P	NA	<ul style="list-style-type: none"> • Farm stand • Comm. activity with farm use
TITLE 21 - SISTERS				
Not Allowed				

TABLE 2. MARIJUANA PROCESSING

If the Board supports the Medical Processing Type 1 and 2 approach (definitions below), then, staff seeks direction on whether Marijuana Processing Type 1 or 2 or both will be proposed as a permitted use (P), conditional use (CU), or not allowed (NA) in each zone.

- **Marijuana Processing, Type 1:** Marijuana processing that is limited to drying, curing, trimming, and packaging marijuana.
- **Marijuana Processing, Type 2:** Marijuana processing that extracts concentrates, infuses products, or involves mechanical and/or chemical processing in addition to drying, curing, trimming, and packaging.

Zone	Current Code	Board Direction	Comments
Permitted (P) Conditional Use (CU) Not Allowed (NA)			
TITLE 18 – DESCHUTES COUNTY			
Exclusive Farm Use	P	P	<ul style="list-style-type: none"> • DCC 18.16.025(l): Facility for the processing of farm crops...
Multiple Use Agricultural-10	CU	CU	<ul style="list-style-type: none"> • Commercial activity in conjunction with a farm use
Rural Industrial	P CU	P CU	<ul style="list-style-type: none"> • P or CU depends on location and proximity to residential use or zone
UUC - SUNRIVER			
Business Park	P	P	<ul style="list-style-type: none"> • Includes manufacturing of food products
Flood Plain Combining	*	*	<ul style="list-style-type: none"> • Subject to underlying zoning
TUMALO RURAL COMMUNITY			
Commercial	CU	CU	<ul style="list-style-type: none"> • Manufacturing/Production
Industrial	P	P	
TERREBONNE RURAL COMMUNITY			
Commercial	CU	CU	<ul style="list-style-type: none"> • Manufacturing/Production
Commercial Rural	CU	CU	<ul style="list-style-type: none"> • Manufacturing/Production
TITLE 19 - BEND			
Not Allowed			
TITLE 20 - REDMOND			
Not Allowed			
TITLE 21 - SISTERS			
Not Allowed			

TABLE 3. MARIJUANA PRODUCTION (Medical and Recreational)

Zone	Current Code	Board Direction	Comments
Permitted (P) Conditional Use (CU) Not Allowed (NA)			
TITLE 18 – DESCHUTES COUNTY			
Exclusive Farm Use	P	P	
Forest Use	P	CU	
Rural Residential-10	P	CU	
Multiple Use Agricultural-10	P	CU	
Surface Mining	P	CU	
Open Space and Conservation	P	NA	
Rural Industrial	P	CU	
Airport Development	P	NA	
UUC - SUNRIVER			
Airport	P	NA	
Forest	P	NA	
Flood Plain Combining	*	NA	• Subject to underlying zoning
RURAL COMMERCIAL			
Deschutes Junction and Deschutes River Woods Store	P	CU	
RURAL SERVICE CENTER - UC			
Brothers, Hampton, Millican, Whistlestop, Wildhunt	P	CU	
Alfalfa RSC - Commercial Mixed Use District	P	CU	
Alfalfa Residential District	P	CU	
Open Space District	P	NA	
TUMALO RURAL COMMUNITY			
Residential	P	NA	
Residential 5-acre Minimum	P	CU	
Research and Development	P	NA	
TERREBONNE RURAL COMMUNITY			
Residential District	P	NA	
Residential 5-acre Minimum	P	CU	
TITLE 19 - BEND			
Urban Area Reserve	P	NA	
Residential Suburban Low Density	P	NA	
Residential Urban Standard Density	P	NA	
TITLE 20 - REDMOND			
Urban Holding-10	P	NA	
TITLE 21 – SISTERS			
Urban Area Reserve	P	NA	

TABLE 4. MARIJUANA WHOLESALING

Zone	Current Code	Board Direction	Comments
Permitted (P) Conditional Use (CU) Not Allowed (NA)			
TITLE 18 – DESCHUTES COUNTY			
UUC - SUNRIVER			
Commercial	P	P	• Office only
Town Center	P	P	
Business Park	P CU	P CU	• P - office only • CU - warehouse
Flood Plain Combining	*	*	• Subject to underlying zoning
RURAL COMMERCIAL			
Pine Forest and Rosland	P	P	• Office only
RURAL SERVICE CENTER - UC			
Brothers, Hampton, Millican, Whistlestop, Wildhunt	P	P	• Office only
Alfalfa RSC - Commercial Mixed Use District	P	P	• Office only
TUMALO RURAL COMMUNITY			
Commercial	P CU	P CU	• P - office only • CU - warehouse
TERREBONNE RURAL COMMUNITY			
Commercial	P CU	P CU	• P - office only • CU - warehouse
Commercial Rural	P CU	P CU	• P - office only • CU - warehouse
TITLE 19 - BEND			
NA			
TITLE 20 - REDMOND			
NA			
TITLE 21 - SISTERS			
NA			