CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

| Presentation hours | Date: | 11/22/16 | Approx Start Time: 3:00 pn | n Approx Length: 1½ |
|-----------------------|--------|-------------|--|--------------------------------|
| Presentation | Title: | Marijuana | Land Use Regulation Amendme | ents |
| Department: | | Dept. of Tr | ansportation and Development, | , Planning and Zoning Division |
| Presenters: | | , | D Director; Dan Johnson, DTD A ant County Counsel | Assistant Director; and Nathan |

Other Invitees: Mike McCallister, Planning Director; and Jennifer Hughes, Principal Planner

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD? We are requesting direction on what type of amendments, if any, the Board would like to consider to the Zoning and Development Ordinance regulations that apply to marijuana-related land uses.

EXECUTIVE SUMMARY:

In December, 2015, the Board adopted new Zoning and Development Ordinance (ZDO) regulations to apply to marijuana-related land uses, including production, processing, wholesaling and retailing. (Attachment 1) These regulations took effect on January 4, 2016, for medical marijuana retailing and all categories of recreational marijuana land use and on March 1, 2016, for medical marijuana production and processing. The Board-approved Long Range Land Use Planning work program for the current fiscal year includes a project to "consider whether there is a need for refinements" to these regulations.

Amendments to state statutes and administrative rules dealing with marijuana land uses have been occurring on a somewhat regular basis since the county adopted its regulations. At this point, staff has not identified any required amendments to the county's standards as a result of state changes; however, if the Board decides to initiate amendments to the ZDO, staff will review the state changes in more detail to confirm our initial findings. In addition, there are indications that the 2017 legislature will consider additional marijuana legislation.

On September 27, 2016, the Board held a policy session on this topic. At that time, Board members expressed interest in considering amendments related to 10 topics and directed staff to return for additional discussion prior to beginning work on an amendment package. In addition, staff has since received three amendment requests from the public. These are in addition to the requests previously submitted by Shirley Morgan and discussed at the September 27 policy session.

- 1. <u>Processing</u>. Consider allowing the processing of marijuana concentrates and extracts in the EFU and AG/F zones with the following standards: 20-acre minimum tract size, minimum setback of 100 feet from property lines, minimum 150 feet from any off-site structure and minimum 1000 feet from any rural residential zone. This use also would be subject to state standards that limit the processing area to 10,000 square feet and require a minimum of 25% of the processed crop to be grown onsite. Concerns have been expressed about hazards associated with this type of processing, but please note that under state law, agricultural processing typically qualifies to be conducted in an agriculturally exempt building, meaning no building permit is required and the regulations outlined in the building code do not apply. The county cannot impose a building permit requirement when state law provides for an exemption to the code. Portions of the Oregon Fire Code might apply in some instances; however, that code is enforced through the local fire districts. Electrical, plumbing and mechanical permits are always required if such systems are installed.
- 2. <u>Minimum Setbacks</u>. Consider increasing the minimum property line setback for buildings used for indoor marijuana production and processing in the EFU, TBR and AG/F zones to 50 feet. Currently the minimum setbacks are the same as for buildings used for other types of agricultural uses (10 feet from side and rear property lines, 30 feet from front property lines); however, unlike other farm buildings, buildings used for recreational indoor marijuana production and processing must comply with noise and odor control standards. Indoor <u>medical</u> marijuana growing and processing may either meet the noise and odor control standards or comply with a 100-foot setback standard. This amendment would require individual notice to approximately 13,000 owners of EFU, TBR and AG/F land.
- 3. <u>Marijuana Uses Inside the UGB</u>. Consider prohibiting all regulated marijuana land uses in rural residential and natural resource zones inside the Portland Metropolitan Urban Growth Boundary (PMUGB). This would apply to areas east of Happy Valley, many of which were previously in the City of Damascus, that have not yet been rezoned for urban uses. This suggestion arose following discussions with City of Happy Valley staff. With the disincorporation of Damascus, a large area of rural zoning inside the PMUGB is now under county jurisdiction. However, at least some of this area is likely to be annexed by Happy Valley in the coming years, and the city is concerned about conflicts between urban development and existing marijuana operations. The county's ZDO prohibits regulated marijuana land uses in all urban and future urban residential zones. Because land inside the PMUGB is anticipated for urban development over the next 20 years, it may make sense to adopt the same prohibitions on marijuana land uses in these areas. This amendment would require individual notice to approximately 3,000 owners of RRFF-5, FF-10, EFU, TBR and AG/F land inside the PMUGB.
- 4. Lot Size. Consider increasing the minimum lot size for marijuana production in RRFF-5 and FF-10 zones. The current standard is five acres but drops to two acres if the majority of abutting lots are at least two acres. The proposal discussed at the last policy session was to drop to two acres only if <u>all</u> abutting lots are at least two acres. This amendment would require individual notice to all owners of RRFF-5 and FF-10 land that is less than five acres.
- 5. <u>Fencing</u>. Consider adopting a 10-foot maximum height limit for fencing associated with marijuana land uses, as well as the following provision from Multnomah County: *Fences, walls or other barriers shall not be electrified, use barbed wire, razor wire, concertina coils, anti-climb spikes or any other similar security feature designed to discourage ingress through the potential of causing bodily harm.*

- 6. State Standards. In order to allow the county to enforce state marijuana standards, consider adopting all of the state statutes related to recreational and medical marijuana, as well as the related administrative rules adopted by the Oregon Liquor Control Commission (OLCC) and the Oregon Health Authority (OHA). This could be done by incorporating the text into the zoning ordinance or through adoption by reference. Currently marijuana land uses are only permitted by the ZDO if they are licensed by the OLCC or registered with the OHA, so we already have enforcement authority for unlicensed marijuana land uses. However, if a use is licensed but out of compliance with state regulations, the County does not currently have zoning enforcement authority to compel compliance with those state standards. The breadth of the OLCC and OHA regulations far exceed the scope of current county regulations and would therefore require additional staff resources and expertise to enforce. Examples of regulated elements include: criminal background checks, financial and business records, signage, security (e.g., door locks, alarm systems), video surveillance, sanitary working conditions, marijuana canopy size, pesticides/fertilizers/agricultural chemicals, retail delivery, tax collection, transfer of inventory, worker permits, product testing, packaging and labeling, seed-to-sale tracking, and advertising. For additional detail, see Attachment 2.
- 7. <u>Inspections</u>. Consider requiring marijuana land use applicants to consent, as a condition of permit approval, to future site inspections by county personnel to verify compliance with county standards, and consider applying this retroactively to permits already approved. Planning could impose such a condition on those marijuana-related operations seeking approval moving forward. It is unlikely that land use law provides for the retroactive application of a general inspection requirement to land use permits already approved.

The county currently has the authority to seek an administrative warrant for situations involving marijuana-related operations. This process permits county personnel to enter property believed to be in violation of the ZDO, so long as the County follows the process set forth in Chapter 2.07.030(G) of the County Code. This process requires the assistance of the Clackamas County Sheriff's Office.

Enforcement of zoning regulations is covered by Chapter 2.07 of the County Code, rather than the ZDO. If the Board seeks additional enforcement inspection authority beyond the administrative warrants and general enforcement procedures already contained in Chapter 2.07, amendments to the County Code would be necessary, which is a separate adoption process apart from amendments to the ZDO.

Other jurisdictions have the authority to use business licenses to regulate marijuana operations, which includes the ability to inspect premises which are used for such operations. If the Board is interested in regular inspections of all marijuana land uses, including those already approved and regardless of whether there is an open code enforcement complaint, a business license may be an appropriate mechanism. Unlike conditions of approval imposed through a land use permit, inspection requirements imposed under business licensing may apply retroactively.

8. <u>OLCC License</u>. Consider requiring an applicant for a marijuana land use to receive a license from the OLCC prior to filing an application with the county. This approach does not appear to be workable. Oregon Administrative Rules 845-025-1090(2) provides that the OLCC may not take action on a marijuana license application prior to receiving a land use compatibility statement from the county authorizing the land use.

- 9. Buffers. Consider applying the same buffers between sensitive uses and marijuana production as are applied to marijuana retailers. The current retail buffers are 2000 feet from a school; 1500 feet from a public park, public playground, government-owned recreational use, public library, licensed treatment center, light rail transit station, or a multifamily dwelling owned by a public housing authority; 500 feet from a daycare facility or preschool; and 100 feet from most residentially zoned property. This amendment would significantly increase required staff resources due to the volume of production applications and the need to do field work to confirm whether sensitive uses are present within the buffers. (Some of the information is available in electronic databases, but field visits provide an important way to double check. This is what is currently done for retail applications.) This amendment would require individual notice to approximately 30,000 owners of RRFF-5. FF-10, EFU, TBR and AG/F land because our data on sensitive uses is not complete enough to ensure that we could accurately screen out unaffected properties. Applying buffers would prohibit marijuana production on some EFU lands and thus may run afoul of state law that requires the county to allow this use in EFU zones. Alternatively, the buffers may be permissible as a "reasonable regulation" of marijuana production allowed by state law.
- 10. <u>Co-Location of Uses</u>. Consider prohibiting a site developed with a marijuana land use from also being developed with a tourism-related use. This could include such uses as bed and breakfasts, campgrounds, home occupations to host events, RV camping facilities, agritourism events, parks, and outdoor gatherings. This amendment would require individual notice to approximately 30,000 owners of RRFF-5, FF-10, EFU, TBR and AG/F land.
- 11. <u>Park Buffer</u>. Oregon Bud Company has submitted a request to reduce the buffer between marijuana retailers and public parks with no active uses intended for children from 1500 feet to 500 feet. (Attachment 3)
- 12. Warehousing of Marijuana. Jeff Bachrach, on behalf of Lanphere Construction and Design, has submitted a request to allow the storage or warehousing of marijuana on EFU land. (Attachment 4) Storage of marijuana grown or processed on a licensed site is allowed under a production or processing license, but it is not clear how storage of marijuana grown by others would be licensed by the OLCC. It could fall under wholesaling, but the definition adopted by the state (and copied by the county) seems to encompass only a middleman buying from the grower or processor and selling to the processor or retailer. There is no clear allowance for leasing space to growers for marijuana storage. Even if the licensing issue were resolved, it does not appear that warehousing is allowed because state law specifically excludes "commercial activities in conjunction with farm use" associated with a marijuana crop. This is the category under which wholesaling of other agricultural products would fall. Mr. Bachrach has explained to staff that he believes this use can be permitted, and he may submit additional analysis in that regard.

13. <u>Odor Control</u>. Kim Trewhella has submitted a response to Shirley Morgan's previous amendment suggestions. In addition, Ms. Trewhella is requesting revisions to the odor control standards for indoor grows. (Attachments 5 and 6) She argues that requiring odor control for indoor grows when there are outdoor grows on the same site leads to expenses for the business without a corresponding benefit in odor control. The reason staff drafted the existing standards was because of an understanding that an outdoor grow will likely get only one bloom cycle per year whereas an indoor grow can achieve multiple bloom cycles. As a result, the odor from an outdoor grow would be present for only a limited time each year. However, staff has recently learned that multiple bloom cycles may be possible as part of an outdoor grow in a greenhouse. Ms. Trewhella is also requesting changes to the technical aspects of our odor control standards related to air exchange and has submitted supporting information from an engineer. Reviewing/verifying the technical aspects could be done as part of any larger amendment package that may be undertaken.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? X YES INO

What is the cost? The cost is in staff time and mailing of public notice. The exact amount will depend on the scope of the amendments the Board wishes to consider and the amount of public interest that results.

What is the funding source? General Fund

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department's Strategic Business Plan goals? This item aligns with the Long Range Planning Program's purpose statement to provide plan development (updates to the Comprehensive Plan, Transportation System Plan and Zoning & Development Ordinance), analysis, coordination and public engagement services to residents; businesses; local, regional and state partners, and County decision-makers so they can plan and invest based on a coordinated set of goals and policies that guide future development.
- How does this item align with the County's Performance Clackamas goals? This item aligns with the county's Performance Clackamas goal to *grow a vibrant economy* because the marijuana industry has the potential to create family wage jobs. This item also aligns with the county's goal to *ensure safe, healthy and secure communities* by regulating an industry that may have negative effects on public health safety.

LEGAL/POLICY REQUIREMENTS: Because the County has not placed an "opt-out" measure on the ballot, state law requires that all categories of marijuana land use (production, processing wholesaling and retailing) be allowed somewhere in the County, and production must be allowed in the Exclusive Farm Use zone. In addition, state law permits the County to adopt "reasonable" regulations for most marijuana-related land uses. **PUBLIC/GOVERNMENTAL PARTICIPATION:** Amendments to land use regulations require various types of public notice (e.g., newspaper, Oregon Department of Land Conservation and Development, community planning organizations, cities in the county). Individual mailed property owner notice is required if the proposal includes the restriction or prohibition of a use of land. The degree to which property owner notice is required will depend upon the scope of the amendments the Board wishes to consider.

OPTIONS:

- 1. Direct staff not to begin work on proposed amendments to the county's marijuana-related land use regulations.
- 2. Direct staff to do additional research and/or drafting of possible amendments identified by the Board and return for an additional policy session to determine whether to proceed to public notice and hearings.
- 3. Initiate amendments to the county's marijuana-related land use regulations, limit the amendments to those contemplated as part of the original "refinement" proposal presented by staff at the September 27 policy session, and direct staff to begin the process of research, drafting, public notice and hearings. Those amendments include:
 - Fence design standards
 - Allowing the processing of extracts and concentrates in the EFU and AG/F zones outside the PMUGB, subject to certain standards (e.g., setbacks, lot size)
 - Prohibiting marijuana production and processing in the RRFF-5, FF-10, EFU, TBR and AG/F zones inside the Portland Metropolitan Urban Growth Boundary (PMUGB) (most processing is already prohibited in these zones)
 - Any amendments needed to conform to changes in state law/regulations
 - Minor edits to increase clarity of existing regulations
- 4. Initiate amendments to the county's marijuana-related land use regulations, identify the scope of the amendments the Board wishes to consider, and direct staff to begin the process of research, drafting, public notice and hearings.

RECOMMENDATION:

Staff respectfully recommends the Board direct staff to initiate amendments to the county's marijuana-related land use regulations, limit the amendments to those contemplated as part of the original "refinement" proposal presented by staff at the September 27 policy session, and direct staff to begin the process of research, drafting, public notice and hearings.

In regard to the recommendation, the process of crafting and adopting the current regulations was complex and controversial, requiring a significant commitment of staff resources and several large public hearings. Public opinion on the issues was passionate on both sides. Considering extensive amendments is beyond what was contemplated in this year's work program and, in staff's opinion, is likely to require a process similar to what the county undertook last year. The current standards essentially represent a compromise between the concerns of marijuana advocates and opponents, and staff believes this compromise was reasonable given the diversity of opinion.

Should the Board desire to expand on the identified "refinement" list and propose the addition of other possible amendments, a subsequent policy session may be in order to evaluate the adopted work program for this fiscal year and determine which projects may need to be delayed to future years.

ATTACHMENTS:

- 1. Clackamas County Marijuana Land Use Regulations Approved by Board of County Commissioners, dated December 3, 2015 (staff-drafted summary of the current regulations)
- 2. Memo from Glen Hamburg, Planning and Zoning Division staff, regarding state marijuana regulations
- 3. Email and draft code language from Oregon Bud Company
- 4. Letter from Jeff Bachrach
- 5. Submittal from Kim Trewhella
- 6. Current and Proposed Discretionary Amendments and Rules, dated 9/12/16 (submitted by Shirley Morgan, Rachel McCart, Dr. Ken Evans and Rocky Roberts)

SUBMITTED BY:

Division Director/Head Approval _____ Department Director/Head Approval _____ County Administrator Approval _____

For information on this issue or copies of attachments, please contact Jennifer Hughes @ 503-742-4518



Clackamas County Marijuana Land Use Regulations Approved by Board of County Commissioners*

UPDATED: December 3, 2015

*Board action on the final ordinance is expected on Dec. 17, 2015.

After months of study, research, public input, Planning Commission hearings and Board of County Commission hearings, the Clackamas County Board of Commissioners approved marijuana land use regulations by voice vote at the end of a land use hearing on Dec. 2, 2015. The Board is scheduled to take action on the final ordinance at its business meeting at 6 p.m., Thursday, Dec 17. This document provides a brief overview of the regulations, including where marijuana businesses will be allowed in unincorporated Clackamas County and some of the major conditions that will apply. This document is for informational purposes only and is not intended as legal guidance. In addition to new marijuana land use regulations, marijuana businesses will have to comply with the same building, fire and other codes that apply to businesses in Clackamas County, as well as to Oregon Liquor Control Commission (OLCC) requirements for recreational marijuana and Oregon Health Authority (OHA) requirements for medical marijuana. The final regulations will be available at www.clackamas.us/planning/marijuana.html after December 17.

The marijuana land use regulations approved by the Board of County Commissioners on December 2 ...

... Apply only to unincorporated Clackamas County, and set limits on where and how various marijuana businesses can operate;

- ... Do not apply to: Noncommercial growing or processing of recreational marijuana, as allowed by state law without a license from OLCC
 - Growing medical marijuana by a medical marijuana cardholder at the cardholder's residence as long as no more than 12 mature plants are grown at that address (up to 6 mature plants per cardholder are permitted by state law)
 - Processing of medical cannabinoid products or concentrates by a medical marijuana cardholder, or a designated primary caregiver for a cardholder
- ... Do apply to: Recreational marijuana businesses (growing, processing, wholesaling or retailing) licensed by the OLCC
 - Growing medical marijuana for a medical marijuana cardholder at an address other than the address where the cardholder resides or at an address where more than 12 mature marijuana plants are produced
 - Processing of medical marijuana except for processing of medical cannabinoid products or concentrates by a medical marijuana cardholder, or a designated primary caregiver for a cardholder •
 - Retailing medical marijuana

The regulations allow recreational and medical marijuana facilities – production/grow, processing, wholesaling and retailing -- in zones shown below.

| ZONING DISTRICT | MARIJUANA BUSINESS | | | | |
|--|------------------------------|---|------------------------------|----------------|--|
| | Production/Grow | Processing | Wholesaling | Retailing | |
| URBAN ZONES | | | | | |
| Business Park (BP), Light Industrial (LI), General Industrial (GI) | Primary use ^{## ++} | Primary use ^{## ++} | Primary use ^{## ++} | PROHIBITED | |
| Village Office (VO) | PROHIBITED | Primary use ^{##} ; extract and concentrate processing prohibited | PROHIBITED | PROHIBITED | |
| Corridor Commercial (CC), General Commercial (C-3), Station Community Mixed Use (SCMU), Office Commercial (OC) | PROHIBITED | Primary use ^{##} ; extract and concentrate processing prohibited | PROHIBITED | Primary use*** | |
| Neighborhood Commercial (NC), Community Commercial (C-2), Regional Center Commercial (RCC), Retail Commercial (RTL), Planned Mixed Use (PMU), Regional Center Office (RCO) | PROHIBITED | PROHIBITED | PROHIBITED | Primary use*** | |
| RURAL ZONES | | | | | |
| Exclusive Farm Use (EFU), Ag/Forest (AG/F) | Primary use* *** | Primary use* ***; extract and concentrate processing prohibited | PROHIBITED | PROHIBITED | |
| Timber (TBR) | Primary use* +++ | PROHIBITED | PROHIBITED | PROHIBITED | |
| Rural Residential Farm Forest 5 Acre (RRFF5), Farm Forest 10 acre (FF10) | Primary use** | PROHIBITED | PROHIBITED | PROHIBITED | |
| Rural Commercial (RC), Rural Tourist Commercial (RTC) | PROHIBITED | PROHIBITED | Primary use## + | Primary use*** | |
| Rural Industrial (RI) | Primary use ^{## ++} | Primary use ^{## ++} | Primary use ^{## ++} | PROHIBITED | |

*Conditions for production and processing are set for minimum lot size, minimum set-back from lot line, indoor processing only, access, odor, noise, lighting, security cameras, water and waste management. Some standards may not apply to medical marijuana production and processing, but in that case indoor production and processing must maintain a larger lot line setback than would otherwise apply. ** Conditions for production in rural residential zones include those mentioned above, as well as requirements that the owner or licensee/registrant lives on the property, the business be in completely enclosed buildings and building size limits. Some of the standards may not apply to medical marijuana production, but in that case indoor production must maintain a larger lot line setback than would otherwise apply (details in ZDO Section 841). ***Conditions for retailing include operating hours, odor, window service (not allowed), waste management, minors (not allowed on premises unless allowed by state law), no co-location of related activities and uses, and minimum separation distances. #*Use must be confined to completely enclosed buildings. +4,000 sq. ft. total building space limit/property. ++20,000 sq. ft. total building space limit/property for all marijuana-related land uses on the property. +++It's not clear whether state law permits medical marijuana production in EFU, AG/F and TBR or medical marijuana processing in EFU and AG/F. Resolution may require state legislative action or a court decision.



The regulations do not permit any recreational or medical marijuana businesses – production, processing, wholesaling or retailing – in the following zoning districts:

Urban Residential Districts

- Future Urban 10-Acre (FU-10)
- High Density Residential (HDR) 0
- Medium Density Residential (MR-1)
- Medium High Density Residential (MR-2) 0
- Planned Medium Density Residential (PMD)
- Regional Center High Density Residential (RCHDR) 0
- Special High Density Residential (SHD)
- Urban Low Density Residential (R-2.5, R-5, R-7, R-8.5, R-10, R-15, 0 R-20, R-30)

- Village Standard Lot Residential (VR-5/7)
- Village Small Lot Residential (VR-4/5) 0
- Village Townhouse (VTH) 0
- 0 Village Apartment (VA)

Rural Residential Districts

- Hoodland Residential (HR)
- Mountain Recreational Resort (MRR) 0
- Recreational Residential (RR) 0
- 0 Rural Area Residential 1-Acre (RA-1)
- Rural Area Residential 2-Acre (RA-2)

Requirements for marijuana businesses may include the following depending on the zoning and the type of use. For a complete list, including minimum lot size, maximum building size and minimum setback requirements, go to www.clackamas.us/planning/marijuana.html.

PRODUCTION AND PROCESSING:

- Access off a private road or easement requires agreement from others property owners with access rights
- Lights: inside lights not visible outside a building and outdoor grow lights not used, 7 p.m.-7 a.m.; other exterior • fixtures designed to direct light downward and so it does not spill onto adjacent lots
- Noise: HVAC equipment and generators may not produce noise exceeding 50 dB(A) at lot line
- Odor: Many requirements, including use of an activated charcoal filtration system, negative air pressure maintained • inside the building, filtration system designed and stamped by a licensed mechanical engineer
- Security cameras: If used, may only be directed to subject property and public rights-of-way, except as required otherwise by the state
- Waste management: Waste stored in secure receptacle in possession of licensee
- Water: Must submit proof of water right or statement water is supplied from a public or private system, or statement from state that water right is not required

RETAIL:

- Hours: 10 a.m. 9 p.m.
- Odor: Many requirements, including use of an activated charcoal filtration system, negative air pressure maintained inside the building, filtration system designed and stamped by a licensed mechanical engineer
- Waste management: Waste stored in secure receptacle in possession of licensee
- No smoking, ingesting or consuming in retail building; no retail on same lot as marijuana smoking or social club
- Minimum separation distances:
 - 100 feet from residentially-zoned property except if street frontage on principal interstate, expressway, etc. 2,000 feet from elementary or secondary schools, including property and parking lots • 1,500 feet from public parks, playgrounds, libraries; government-owned recreational use, licensed

 - treatment center, light rail transit station or multi-family dwelling owned by a public housing authority
 - o 500 feet from a licensed daycare facility or preschool, including associated property and parking lot
 - 1,000 feet for other marijuana retailer of the same type (e.g., recreational or medical)

FOR MORE AND UPDATED INFORMATION:

- Marijuana Land Use Laws and Regulations (www.clackamas.us/planning/marijuana.html)
- Contact Planning and Zoning Division staff at zoninginfo@clackamas.us or 503-742-4500

The Commission plans to have new regulations in place by January 2016, when the Oregon Liquor Control Commission (OLCC) is required to begin accepting applications for licenses related to marijuana businesses.

STATE BACKGROUND: In November 2014, Oregon voters approved Measure 91, legalizing the use of marijuana for personal recreational use. In 2015, the State Legislature approved five bills that amend and provide regulations related to recreational and medical marijuana. State law gives the county the authority to adopt "reasonable regulations" regarding recreational and medical marijuana. The law defines four types of marijuana business:

- *Production*: manufacture, planting, cultivation, growing or harvesting of marijuana in Oregon
- *Processing:* processing, compounding or conversion of marijuana into cannabinoid products, concentrates, or extracts; excluding packaging or labeling
- *Wholesaling*: purchasing marijuana items in Oregon for resale to a person other than a consumer in Oregon
- *Retailing*: selling marijuana items to a consumer in Oregon

Urban Commercial Districts

• Office Apartment (OA) • Village Community Service (VCS)

Urban Industrial Districts

• Campus Industrial (CI)

MEMORANDUM

From: Glen Hamburg, Planner 1To: Jennifer Hughes, Principal PlannerDate: November 8, 2016

RE: Adoption of State Marijuana Regulations

Issue:

Members of the Clackamas County Board of Commissioners (BCC) expressed concern that the State of Oregon will not be sufficiently enforcing the State's adopted marijuana regulations. BCC members have proposed adopting those same regulations at the County level, so that Clackamas County would have the authority to enforce them independently.

Findings:

By adopting the State of Oregon's marijuana-related regulations as Clackamas County ordinances, the County would be choosing to regulate numerous duties of its marijuana industry that it currently does not. Below is list of just some of those duties that marijuana producers, processors, wholesalers, laboratories, and/or retailers must perform according to these State regulations. Adopting their relevant regulations at the County level would imply the County's intent to assume a responsibility for enforcing them as well.

Duty of Producer, Processor, Wholesaler, Lab, and/or Retailer

- Pass criminal background checks OAR 845-025-1080
- Obtain required production training and maintain producer certification OAR 845-025-2890
- Meet marijuana workers' and retailers' continued qualifications and certification requirements OARs 845-025-5500 to 5590
- Demonstrate that the person responsible for a medical marijuana grow site (PRMG) meets State requirements OARs 333-008-0025 to 0047
- Demonstrate residency for medical marijuana registry identification cards OAR 333-008-0022
- Have security plans reviewed by the State, obtain any security waivers, and ensure security requirements are always met 845-025-1400
- Operate alarm systems with a least two "panic buttons", video surveillance equipment, and digital archiving, monitoring, and printer systems capable of producing still photos, and maintain logs of security system access OARs 845-025-1420 to 1470, 333-008-2120
- Erect sight-obscuring walls/fences at least eight feet tall OAR 845-025-1470(1)

- Post and maintain safety and restrictive access signage, occasionally in two languages OARs 845-025-1245, 845-025-2840, 333-008-1205, 333-008-1501
- Use material safety data sheets (MSDSs) for all pesticides, fertilizers, or other chemicals and maintain chemical log books
 OARs 845-0252070 and 845-025-3260
- Maintain hygienic work spaces and restrooms, with hand washing areas, readily accessible toilet facilities, and surfaces which prevents the growth of pathogenic microorganisms or toxins OAR 845-025-1620
- For producers, only receive immature plants from licensees OAR 845-025-2060)(1)
- Perform "seed-to-sale" UID tagging and recordkeeping OARs 845-025-7500 to 7590
- Limit canopy size, rather than just square feet of production-related space, at production facilities to those allowed by State-determined tier OAR 845-025-2040
- Produce only with those pesticides allowed by State standards OARs 845-025-2070 and 333-007-0400
- Dispose of and compost plant material to State standards OAR 845-025-1470(2)
- Physically segregate and tag harvest lots from other harvest lots within 45 days of harvest OAR 845-025-2080
- Use appropriately pure and food-grade solvents and store fuel and other chemicals properly OAR 845-025-3260
- Conduct and track laboratory tests, submit to random testing audits, and recall invalid products OARs 845-025-5000 to 5075, 845-025-570 to 5790, 333-007-0300, 333-008-1190, 333-064-0100
- Label products, shipping containers, and packaging as required by State standards 845-025-3300 to 3310, 845-025-7000 to 7060, 333-007-0010 to 0210, 333-008-1190, 333-008-12220 and 1225
 - Ensure the proper transfer of marijuana products between entities (producers, processors, retailers, etc.) OARs 333-008-1230 to 1247
 - Deliver marijuana to retailers only before 9:00pm and after 8:00am local time, only after receiving the order before 8:00pm
 OAR 845-025-2880
 - Advertise consumer product health and safety information according to State-required dimensions, with specific language and content OAR 845-025-2860
 - Limit commercial advertising content, media, coupons, and promotions OAR 845-025-8040 to 8060
 - Produce and distribute trade samples according to State standards OAR 845-025-1330

- Sell only the specific, authorized per-product amounts to eligible customers per day OARs 845-025-2800(3) and 330-007-0210
- Maintain financial transaction, banking, and tax records to State standards OAR 845-025-1200
- Collect and remit marijuana taxes *OAR 845-025-2890*
- Dispose of marijuana-related property formerly owned by a deceased licensee OAR 845-025-1275
- Pay late licensing renewal fees to State to maintain operating privileges OAR 845-025-1070
- Make true and accurate statements or representations to State agencies and law enforcement officials, and submit to inspections and minor decoy operations OARs 845-025-8540 to 8570

CC: Mike McCallister, Planning Director and Onsite Waste Water Program Manager Ben Blessing, Planner 1

Hughes, Jennifer

From: Sent: To: Subject: Attachments: tgoodall@oregonbc.com Thursday, September 29, 2016 12:52 PM Hughes, Jennifer Marijuana Code Amendments Proposed Marijuana Code Amendments.docx

Ms. Hughes,

Please see the attached, and excuse the roughness

I tried to reach you by phone, but it is lunch time.

I feel like you might like to have some background on how we came up with these numbers. If this is the case, please let me know and I will be glad to get you that information

Thank-you

Tammie Goodall Oregon Bud Company

503.850.4930 Clackamas 970.739.3686 cell



<u>Spam</u> <u>Not spam</u> <u>Forget previous vote</u>

841.04 MARIJUANA RETAILING

G. Minimum Separation Distances

a. 2000 feet from a public elementary or secondary school for which attendance is compulsory under Oregon Revised Statutes 339.020, including any parking lot appurtenant thereto and any property used by the school; or a private or parochial elementary or secondary school, teaching children as described in ORS 339.030(1)(a), including any parking lot appurtenant thereto and any property used by the school;

b. 1500 feet from a <u>-dedicated public park WITH active uses intended for the recreation of children</u> (including features such as playground equipment, athletic courts or fields, active use water features, or <u>skating or skateboard features</u>) public park, public playground, government-owned recreational use, public library, licensed treatment center, light rail transit station, or a multifamily dwelling owned by a public housing authority.

c. 500 feet from a licensed daycare facility or licensed preschool, including any parking lot appurtenant thereto and any property used by the daycare facility or preschool; <u>a dedicated public park WITH NO</u> <u>active uses intended for the recreation of children (including features such as playground equipment, athletic courts or fields, active use water features, or skating or skateboard features).</u>

Hughes, Jennifer

From: Sent: To: Subject: Attachments: Jeff Bachrach <jeffbachrach@gmail.com> Thursday, October 20, 2016 2:36 PM Hughes, Jennifer; Hughes, John Marijuana Regulations Amendment Marijuana Lt to County (Oct. 19,2016).pdf

Jennifer,

The attached letter proposes an amendment to the county's marijuana regulations along the lines you and I discussed a couple of weeks ago. Please include it as part of the work program information you will be providing to the Board of County Commissioners.

Thanks

Jeff--

Jeff Bachrach | Bachrach.Law, P.C.

921 SW Washington Street, Suite 320 | Portland, OR 97205 Office: 503.295.7797 | cell: 503.799.0242 | jeffb@bachrachlaw.com

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<u>Spam</u> <u>Not spam</u> <u>Forget previous vote</u>

Jeff Bachrach Bachrach.Law P.C.

The Pittock Block, Suite 320 921 SW Washington Street Portland, Oregon 97205 (o) 503.295.7797 (c) 503.799.0242 jeffb@bachrachlaw.com

October 19, 2016

Ms. Jennifer Hughes Development Services Building, 2nd floor 150 Beavercreek Road Oregon City, OR 97045

Re: Amendment to County Marijuana Land-Use Regulations

Dear Ms. Hughes,

Following up on our recent conversation, I'd like to request on behalf of my client, Lanphere Construction and Design ("LCD"), that the county consider, as part of the upcoming review of its marijuana land-use regulations, an amendment to allow the storage or warehousing of marijuana on EFU land.

Consistent with state law, County Code (ZDO) 841.01 provides that the production and processing of marijuana are allowed uses in EFU districts, but it omits using property to warehouse marijuana. LCD proposes that the list of permitted uses in ZDO 841.01 and ZDO Table 401-1 be amended to include the "storage of marijuana items on behalf of other licensees," as described in OAR 845-025-3500.

The use could be subject to the kind of place and manner conditions described in footnote 3 to ZDO Table 604-1.

Please include this request as part of the work program to amend the marijuana regulations, which I understand you'll be presenting to the County Commission next month.

Please give me a call if you'd like to discuss this matter further.

Thanks for your assistance.

Very truly yours,

Jeff Backrach

Jeff Bachrach

Cc: Board of County Commissioners

PRODUCER KIM TREWHELLA'S REBUTTAL TO SHIRLEY MORGAN OF CITIZENS FOR PUBLIC SAFETY, QUALITY OF LIFE AND PROPERTY VALUES (See attachment to 9/27/16 Policy Session Worksheet)

Topic 1: Annual Compliance Reporting Requirement

Shirley's Proposal: Submit annual report of compliance with all County requirements including consent for County to inspect premises for compliance and annual fee sufficient to fund inspection costs.

Kim's Rebuttal: What is now required is monthly reporting for medical through Oregon Health Authority (OHA) and real time inventory tracking through Oregon Liquor Control Commission (OLCC). If you don't do this for either agency, they already have a list of repercussions including violations and ultimately loss of license for non-compliance. All agencies have the right to inspect at any time already. To "require" the County to inspect for compliance is yet another unnecessary expansion of bureaucracy due to the already existing layers of oversight of several agencies including law enforcement.

Topic 2: Require OLCC License Prior to Issuing any Land Use Building Permits

Shirley's Proposal: Require OLCC license prior to issuing any land use building permits.

Kim's Rebuttal: This would likely be unconstitutional as the local government's regulations cannot override State laws and regulations. Additionally, the County spent a lot of time setting up time, place and manner requirements for stores, etc., and went through months of planning meetings and hearings to come up with Land Use regulations by zone. You cannot apply to OLCC without a Land Use Compatibility Statement (LUCS) from the County. A LUCS from the County assumes you can "build", or get permits for, what you stated in the LUCS. In addition, you cannot get and OLCC license without an inspection from OLCC of the premises to be sure all the criteria have been met to be "approved" for a license.

Topic 3: Limit Canopy Size

Shirley's Proposal: Limit canopy size in all zones to:

- Parcels of 10 acres or less: 2500 sf
- Parcels of 10-20 acres: 5,000 sf; may be increased to 10,000 sf
- Parcels of 20-40 acres: 10,000 sf
- Parcels of 40-60 acres: 20,000 sf

Kim's Rebuttal: Again, I defer to the point above regarding the time and consideration the County gave to establishing what the land use regulations for all zones would be. To start micro-managing each zone and acreage size is not only cumbersome, but it's restrictive to the land owner who has already invested according to rules that were previously established. To "limit license stacking" would be inconsistent with other "farming" practices such as how much hay, wine grapes, Christmas trees, berries, etc. that I can grow.

Topic 4: Production sites: 1000' Setback from Schools, Daycares and Parks

Shirley: Require a 1000' setback on all production sites from schools, daycares, preschools or any other professional academic school or parochial schools, public parks or areas where children locate.

Kim's Rebuttal: Keeping children safe is a priority for everyone in the industry. The 1000' setback from schools was the only criterion, even though much time went into researching the other items such as parks, daycares, and other areas where children locate. The County had the chance to add a "safe zone" from these other areas, but chose not to do so. The problem with changing this now is that there could be medical or OLCC licensed businesses that could be negatively impacted if this was to change now. Should the County decide to change this at any time in the future, I suggest "grandfathering" existing licensed businesses. Additionally, nothing prevents a person from, for example, opening an in-home licensed daycare close to a cannabis business.

Topic 5: Minimum Lot Size in FF-10 and RRFF-5

Shirley: Five acres unless <u>all</u> abutting properties are two or more acres.

Kim's Rebuttal: Again, the County put much thought into this and to change it would again be micro-managing each parcel in said zones.

Topic 6: Fencing Requirements

Shirley: Fencing in muted earth tone not constructed with temporary materials. Razor wire obscured from view or colored earth tone. Tree cover screening.

Kim: Even though there are currently no County rues in this regard, OLCC has set standards to this effect. My question is: What is the purpose of the fence? Is it to keep people out, to obscure the cannabis area from public view, or something else? There would be multiple solutions depending on what issue or problem is being addressed. In my opinion, any piece of property that has to build an 8' fence to meet criterion to keep it out of public view is automatically an eye sore and a target because it announces what is going on to others instead of perhaps, putting up a tree hedge that would be more in keeping with the landscape.

Topic 7: Odor Control

Shirley: Carbon filters changed every three months which is a federal safety standard.

Kim: Currently, the County has established very strict odor control guidelines which I will share some additional information about next. However, to Shirley's point, I would be happy to comply with changing carbon filters every three months, but there is so much more to the "odor control" topic than she is stating. Due to her simplified and understated odor control measurements, her proposed solution is also an oversimplification.

In my opinion, and with the factual information provided by Sean Murray, Engineering Manager at Alliant Systems and Nathan Elliott, Electrical Contractor and owner of B and E Contracting, who together have installed several odor control systems in Clackamas County, the current standards are, in most cases, too strict. I have attached a separate document from Alliant Systems with the hope of demonstrating that the County's standard of the frequency of air exchange for cannabis production is too narrow and doesn't take into consideration the method by which cannabis is being produced. My hope is that this standard could be adjusted, and at the same time, address the need for odor control.

The County specifies a 5 acre minimum parcel size to be able to produce outdoors. With that said, I would like to bring your attention to another odor control issue where a producer who has applied for a "mixed use" production license. This means both indoor and outdoor (with no additional lighting) are in production, sometimes at the same time. Given the nature of "outdoor", there is no way to control the odor. Conversely, indoor production is contained inside a structure so should be less offensive as far as odor is concerned. When a producer is required to install an odor control system in their indoor facility to the tune of tens of thousands of dollars, but can't do anything about controlling the odor from the outdoor plants that grow 25 feet away, to me it seems like an extra expense that is unnecessary.

I would be the first person to agree that odor control should be reasonably addressed and that cannabis producers in Clackamas County should want to be good neighbors. After all, none of us want to have to deal with the County Codes Enforcement Division for odor control complaints, especially since there is nothing that can be done about it. One suggestion I could offer is that outdoor production (where you cannot control the odor) should be grown in areas that have a larger parcel size.

For producers who are growing outdoor under cover in greenhouses (with light assistance), they also have to comply with same odor control as those growing indoor, but this too seems pointless. Greenhouses by design have fans that are constantly circulating air, doors that open, sides that can roll up and/or vents at the top that can be opened. Greenhouses and hoop houses are not built as sealed structures and

therefore odor control is impossible. Again, this seems like an additional expense with little to no impact on controlling the odor.

Topic 8: Guest Accommodations

Shirley: Prohibit overnight guest accommodations and facilities for large group gatherings on land with county-permitted marijuana operations. Examples: Guest lodges, dude ranches, bed and breakfasts, private parks and event venues.

Kim: There are two points I would like to make under this topic.

First, this is like saying I can't have a graduation party, birthday party, backyard bash, political fundraiser, or other gathering where live music is being played, alcohol is served AND have the invited guests stay overnight (even if they were out of town guests) because I have a licensed cannabis business at the same address I live. I regularly have "large group gatherings" where guests stay overnight. If Shirley has her way, this would not be allowed, even if they were out of town relatives because I have a licensed cannabis business. This is absolutely out of line and unnecessary.

Second, the County already establishes whether or not guest lodges, dude ranches, bed and breakfasts or event venues are allowed in each zone. If I am allowed to have a bed and breakfast on the same property I have a licensed cannabis business, who is to say I can't have cannabis guests stay at my bed and breakfast? You may be actually seeing this in the near future since many people are interested in cannabis tourism, and it should be allowed in zones where it can be done. With that being said, there are a number of rules through the OLCC that discuss visitors touring or visiting OLCC licensed businesses and, if the rules are not followed in this regard, violations could be issued or even result in loss of license.



ENGINEERING / CONSTRUCTION / SERVICE

November 7, 2016

Clackamas County Planning Commission 150 Beavercreek Road Oregon City, OR 97045

RE: Engineering Commentary on CC Zoning and Development Ordinance Section 840

To Whom It May Concern,

We would like to offer the following suggestions for consideration in revising the Clackamas County Zoning and Development Ordinance Section 840. These suggestions have been developed in our recent work as Licensed Professional Engineers commissioned by Marijuana Producers to design and implement odor filtration systems for grow and processing facilities.

While in general, we have found review and enforcement of the ordinances developed to date to be reasonable, we believe that expanding language to include strategies below should result in more consistent and effective systems for odor control

Section 841.03(G) Odor

- 1. **Differentiate Odor Control Strategy by Building Activity:** Consider language which differentiates between enclosed grow rooms intended to create a sealed micro-climate with controlled ventilation (minimal air exchange) and open Work/Processing and Utility Spaces with traditional ventilation.
- 2. **"Odor Control for Sealed Grow Rooms"** For enclosed grow rooms identify requirements for circulating fans with carbon filtration to "scrub" odors from environment to minimize generation at source. Consider "scrubbing" fan/filter assemblies sized to circulate airflow CFM equal to 1/3 of the enclosed space volume.
- 3. **"Odor Control for Open Work/Processing Areas"** For Work/Processing and Utility Spaces identify requirements for exhaust fans with carbon filtration to "scrub" odors from environment to contain odors within building. Consider "scrubbing" fan/filter assemblies sized to circulate airflow CFM equal to 1/3 of the enclosed space volume.
- 4. **"Building Pressure Regulation**" Expand detail of requirements to maintain building at "negative" pressure relative to exterior. Consider language calling for exhaust fans with carbon filtration to provide minimum exhaust cfm equal to 1/10 of the enclosed Work/Processing Space volume.

Thank you for your consideration in these matters.

Sean Murray, PE Engineering Manager

351 NW 12th Ave, Portland, OR 97209 / **T** 503.619.4000 / www.alliant-systems.com / **CCB** 153420

ADDITIONAL INFORMATION FOR THE COMMISSIONERS

1. Number of OLCC Licenses in Clackamas County as of November 4, 2016 (see attached).

To summarize the attached document, the following OLCC licenses have been approved in Clackamas County:

- 33 Producer
- 1 Retail
- 1 Wholesale
- 2 Laboratory

2. Statistics provided by Andrea Hall, Clackamas County Code Enforcement Officer:

Question: From Jan 1st to date, how many alleged violations in all? Answer: To the best of my knowledge the County opened 661 violation files since Jan 1, 2016.

Question: What percent or actual number is cannabis related? Answer: 46 were marijuana related.

Question: Of the 46 alleged violations, can you tell me how many of those were related to OLCC licensed facilities, medical grows or just recreational personal grows (the 4 plants allowed per household for personal use)?

Answer: I can't tell you for sure without reading each file but my experience has been the bulk of the complaints pertain to medical grows.

We don't regulate personal grows and most retailers are in compliance with 841. I haven't heard of many recreational grows being in violation.

Question: Are there currently any open cases that are cannabis related? If so, how many?

Answer: 17 have been resolved, 29 are pending.

Question: Of those, what percent or actual number were unresolved that led to a citation and fine?

Answer: I don't know of any citations being issued related to marijuana.

Question: Of those, what percent or actual number has been referred to the County Code Enforcement Hearings Officer?

Answer: I don't know of any citations being issued related to marijuana, nor have we referred any cases to the Code Enforcement Hearings Officer.

- 3. As you can see from the points above, the cannabis industry is taking off in Clackamas County and the licensees are NOT the problem. A lot of time, energy, effort and a significant amount of investments have been made on the part of these licensees (and the many who are still in the process of applying) to be part of a legalized cannabis industry. The benefits are many which include:
 - Taxes that come back to Clackamas County
 - Jobs: this industry employs many people
 - Tracking which keeps products from being diverted to the black market
 - Laboratory Testing for all products
 - All the ancillary businesses that we are hiring or doing business with: contractors of all kinds, logo and website designers, packaging manufacturers, agricultural supply stores, lawyers, accountants, security services, etc.

To be sure, there is still a lot of work to do at all levels: legislatively, State agencies such as OLCC and OHA, and at the County and cities. There are also problems to solve, discussions to have, meetings to attend, and so on.

I have to say the many County employees I have had the pleasure to work with going through this process has been a real eye-opener to me from how knowledgeable and professional they are on every level from returning phone calls and meeting in person when necessary, to actually being a part of helping me solve problems all along the way.

It is my hope that we as a community and County can set up some kind of Advisory Committee made up of cannabis industry people (producers, processors, dispensary owners, laboratories, wholesalers and researchers), Shirley Morgan's organization and the like, law enforcement, and community members so together we can have discussions and make recommendations to the Commissioners. The goal would be to have a place to bring complaints, suggestions, problems, and solutions while having continuous dialog to help create the cannabis industry we want in Clackamas County.

Respectfully,

newfella

Kim Trewhella Producer



OREGON LIQUOR CONTROL COMMISSION

Marijuana Business Licenses Approved as of 11/4/2016

| LICENSE NUMBER | LICENSEE NAME | BUSINESS NAME | LICENSE TYPE | ACTIVE | COUNTY |
|------------------|---------------------------------------|-----------------------------------|------------------------------|--------|-----------|
| 050 100037147CC | Hotbox Farms LLC | Hotbox Farms | Recreational Retailer | Yes | Baker |
| 020 10017768FC7 | Burnt River Farms, LLC | Burnt River Farms LLC. | Recreational Producer | Yes | Baker |
| 020 10001223B25 | Fire Creek Farms LLC. | Fire Creek Farms | Recreational Producer | Yes | Benton |
| 020 100013554D9 | Country Grow, Inc. | Country Grow | Recreational Producer | Yes | Benton |
| 020 1000140D286 | Bosmere Farms, Inc. | Bosmere Farms, Inc. | Recreational Producer | Yes | Benton |
| 020 10004312ECD | Half Moon Bend Farm | Cascade Valley Cannabis | Recreational Producer | Yes | Benton |
| 020 1001124042C | Apollo Grown Inc. | Apollo Grown Inc. | Recreational Producer | Yes | Benton |
| 020 1001135132A | Next Generation Nurseries | Next Generation Nurseries | Recreational Producer | Yes | Benton |
| 020 10015121 400 | | | | | |
| 020 100151214C6 | Archer Farms LLC | Amber Creek | Recreational Producer | Yes | Benton |
| 020 1002275C27E | Nicely Grown | Nicely Grown | Recreational Producer | Yes | Benton |
| 020 10025289776 | Luckey Farms, Inc. | Luckey Farms, Inc. | Recreational Producer | | Benton |
| 050 1000061F6D2 | Puregon LLC | Mt Hood Rec Center | Recreational Retailer | Yes | Clackamas |
| 020 100010499D8 | Solar Fresh, LLC dba sofresh farms | sofresh farms | Recreational Producer | Yes | Clackamas |
| 020 1000124228F | B-cubed, LLC | B-Cubed | | | |
| 020 1000139BC13 | Evergreen Harvest LLC | | Recreational Producer | Yes | Clackamas |
| 020 1000141D7D2 | PWCC, LLC | Evergreen Harvest | Recreational Producer | Yes | Clackamas |
| 02010001410702 | | Pacific Wonderland Craft Cannabis | Recreational Producer | Yes | Clackamas |
| 020 1000193BA66 | High Noon Farm LLC | High Noon Cultivation | Recreational Producer | Yes | Clackamas |
| 020 10002976C07 | Frost Factory LLC | Frost Factory | Recreational Producer | Yes | Clackamas |
| 020 10003270D7B | Black Crow Grow | Black Crow | Recreational Producer | Yes | |
| | Company | | | 163 | Clackamas |
| 020 10003386D5B | Bogart Gardens LLC | Bogart Gardens | Recreational Producer | Yes | Clackamas |

* Applicants on this list have been approved for a recreational marijuana license, but will not be issued a license until the license fee is paid. 1 of 19

| 020 100038132C4 | Jennifer Speer-Harvey, Antonio Harvey, Daniel Speer | Terra Mater | Recreational Producer | Yes | Clackamas |
|-----------------|---|--------------------------------|------------------------------|------|-------------|
| 020 1000491B80D | DNA SUPPLY, LLC | DNA Supply | Recreational Producer | Yes | Clackamas |
| 020 1000535FBA4 | Connoisseur Collective LLC | C Connoisseur Collective LLC | Recreational Producer | Yes | Clackamas |
| 020 1000634CFB2 | Workingman's Bud LLC | Workingman's Bud | Recreational Producer | Yes | Clackamas |
| 020 10007025389 | GMG, LLC | Troutman Farms | Recreational Producer | | Clackamas |
| 020 100071239F4 | Oregon Girl LLC | Oregon Girl LLC | Recreational Producer | Yes | Clackamas |
| 020 10007450C46 | G and M Manufacturing LLC | Nelson and Company Organics | Recreational Producer | 100 | Clackamas |
| 020 100095900D3 | GEFES, LLC | GEFES | Recreational Producer | Yes | Clackamas |
| 020 1000972D0CA | Smokey Mountain High | Smokey Mountain High | Recreational Producer | Yes | Clackamas |
| 020 10010495C5F | GREEN CHOICE FARMS, LLC & JASON TINSLEY | Green Choice Farms | Recreational Producer | Yes | Clackamas |
| 020 1001172AB3B | Green Mountain Canna | Green Mountain Canna | Recreational Producer | Ma a | |
| 020 1001226D450 | Skyprize Farm LLC | Skyprize Farm | Recreational Producer | Yes | Clackamas |
| 020 100140402E1 | Oregon Blissful Botanicals | Oregon Blissful Botanicals | | Yes | Clackamas |
| | LLC | oregon bissial botalicals | Recreational Producer | Yes | Clackamas |
| 010 10014503A36 | pH Laboratories LLC | pH Labs | Laboratory | Yes | Clackamas |
| 060 1001514EAB6 | Christopher Barry | Mountain Express | Recreational Wholesaler | Yes | Clackamas |
| 020 1001709DB77 | Wyld Farms IIc | Wyld Craft | Recreational Producer | Yes | Clackamas |
| 020 10017353A90 | TMW | TMW | Recreational Producer | Yes | Clackamas |
| 020 1001920381A | Sandy River Organics LLC | Sandy River Organics | Recreational Producer | Yes | Clackamas |
| 020 1001966648F | T & M Trading | T & M Trading | Recreational Producer | Yes | Clackamas |
| 010 1002015CA5E | Chemhistory LLC/ Alex Hoggan | Chemhistory | Laboratory | Yes | Clackamas |
| 020 1002017A034 | UBC, LLC | UBC, LLC | Recreational Producer | Yes | Clackamas |
| 020 100207137EB | Skunk Valley Farm, LLC | Skunk Valley Farm, LLC | Recreational Producer | Yes | Clackamas |
| 020 1002250AD7C | The Clone Brothers LLC | The Clone Brothers | Recreational Producer | Yes | Clackamas |
| 020 1002299A014 | Red Wing Enterprise | Red Wing Enterprise Farms, Inc | Recreational Producer | Yes | Clackamas |
| | Farms, Inc | | | 105 | CIGUNAIIIAS |
| 020 10025042247 | Geiger Industries LLC | Panda Farms | Recreational Producer | Yes | Clackamas |

* Applicants on this list have been approved for a recreational marijuana license, but will not be issued a license until the license fee is paid. 2 of 19

| 020 10025979B73 020 100385838D6 | Noble Farms LLC Botanical Innovations | Noble Farms Botanical Innovations | Recreational Producer Recreational Producer | Yes Yes | Clackamas Clackamas |
|------------------------------------|--|--|--|------------|------------------------|
| 020 100158612C3 | Deep Creek Gardens LLC. | Deep Creek Gardens LLC | Recreational Producer | Yes | Clackamas |
| 020 100056600F3 | AJC Greenworks LLC | GREENWORKS FARMS | Recreational Producer | Yes | Clatsop |
| 020 10008518133 | Hempsters Holistic Garden LLC. | Hempsters Holistic Garden | Recreational Producer | Yes | Clatsop |
| 050 1002050670F | The Farmacy, LLC | The Farmacy | Recreational Retailer | Yes | Clatsop |
| 050 10001263A2F | Vernonia's Natural Choice LLC | Vernonia's Natural Choice | Recreational Retailer | Yes | Columbia |
| 020 1000732E2C9 | The Mash Tun, LLC | Beauvert Industries | Recreational Producer | Yes | Columbia |
| 020 1001630230E | Vincent Aszman, Jesse Aszman, Wanda Aszman. | The Stoney Point | Recreational Producer | Yes | Columbia |
| | | | | | |
| 020 1002399DAFE | Commodious Farms LLC | Commodious Farms LLC | Recreational Producer | Yes | Columbia |
| 050 10029505EC7 | SCAPPOOSE21PLUS LLC | Scappoose21plus | Recreational Retailer | Yes | Columbia |
| 020 10010428B2A | Rainwater Garden, LLC | Rainwater Garden, LLC | Recreational Producer | | Coos |
| 020 1001162B96B | Mast Farms, Inc. | Mast Farms, Inc. | Recreational Producer | | Coos |
| 020 10012818020 | Farm Grove, LLC | Farm Grove, LLC | | | Coos |
| 020 10021107CF0 | The Coos Academy LLC | Coos Academy | Recreational Producer | | Coos |
| 050 10011855BAC | High Tide Wellness Center, | High Tide Wellness Center | Recreational Retailer | | Curry |
| | LLC | | | | |
| 020 1001638A2AE | Club Sockeye LLC | Club Sockeye | Recreational Producer | Yes | Curry |
| 050 1003493E0C7 | Club Sockeye LLC | Club Sockeye | Recreational Retailer | | Curry |
| 050 10000921324 | Bend Consulting Inc DBA : Cannacopia | Cannacopia | | | Deschutes |
| 020 10001818A8B | • | Croop Croce Crocelabia | | | |
| 050 100033994A3 | | Green Cross Specialties Dr. Jolly's | | | Deschutes |
| 010 10012439773 | | , | Recreational Retailer | | Deschutes |
| 010 10012433/12 | Labs Bend | EVIO Labs Bend | Laboratory | Yes | Deschutes |
| 050 10015185A66 | High Grade Organics | High Grade Organics | Recreational Retailer | Yes | Deschutes |
| 060 10029823482 | Phantom Distribution, LLC | Phantom Farms | | | Deschutes |
| | | | | | |

* Applicants on this list have been approved for a recreational marijuana license, but will not be issued a license until the license fee is paid. 3 of 19

CURRENT AND PROPOSED DISCRETIONARY AMENDMENTS AND RULES

BASED ON CASE STUDIES AND CITIZEN INPUT, WE REQUEST THE FOLLOWING AMENDMENTS INTO ZD0841 COUNTY CODE IN ORDER OF PRIORITY IN ALL ZONES THAT ALLOW MARIJUANA Medical and Commercial Production, Processing, Wholesaling and Retailing

| TOPIC | CURRENT | PROPOSED | RATIONALE |
|-------------------|--------------------|----------------------------|---|
| ANNUAL COMPLIANCE | Not required | Cubrait annual | |
| REPORTING | Not required | Submit annual report of | Encourage and enforce compliance with |
| REQUIREMENT | | compliance with | county ordinances. |
| NEQUIVERIENT | | all county | Encourage proactive compliance with |
| | | requirements, | county ordinances vs. current complaint- |
| | | including consent | driven system that rewards "do it now and |
| | | for county to | ask for forgiveness later" approach. |
| | | inspect premises | |
| | | for compliance | Eliminate the need to obtain administrative |
| | | and annual fee | warrant before conducting unscheduled |
| | | sufficient to fund | site visit. |
| | | inspection costs | Annual fee would pay for cost of inspection |
| | | | and administration. |
| | | | |
| | | | *Deschutes County has implemented an |
| | | | annual compliance reporting requirement |
| REQUIRE OLCC | Building permits | Require OLCC | Encourage industry participants to comply |
| LICENSE PRIOR TO | can be issued at | license prior to | with state law prior to doing business in |
| ISSUING ANY LAND | any time | issuing any land | the county. |
| USE BUILDING | | use building | |
| PERMITS | | permits | Reduce number of operations operating |
| | | · | without an OLLC license (and OLCC |
| | | | oversight). |
| | | | |
| | | | |
| LIMIT CANOPY SIZE | EFU-AGF-TBR | Limit canopy size | Eliminate "license stacking" - current |
| | Indoor production: | in all zones to: | state law limits canopy size per OLCC |
| | 5,000-10,000 sf | Parcels of 10 | license, not per property, so multiple OLCC |
| | | | license holders can grow on same |
| | | acres or less: | |



Proposed 9-12-16

Marijuana Land Use Regulation

| | | 2,500 sf | property, resulting in huge canopy sizes |
|---|--|--|--|
| | Outdoor production: 20,000-40,000 sf | Parcels of 10-20 acres: 5,000 sf, may be increased to 10,000 sf | Reduce small parcel grow operations' disproportionate impact on their neighbors. |
| | | Parcels of 20-40 acres: 10,000 sf | |
| | | Parcels of 40-60 acres: 20,000 sf | |
| PRODUCTION SITES: 1000' SETBACK FROM SCHOOLS, DAYCARES AND PARKS | Not required | Require a 1000' setback on all production sites from schools, daycares, | Reduce overall impact on county youth and avoid "normalizing" marijuana use by minors. |
| | | preschools or any other professional academic school or parochial schools, public parks or areas | |
| | | where children locate | |
| MINIMUM LOT SIZE IN FF-10 AND RRFF-5 | Five acres unless "majority of abutting properties" are two or more acres, and then it is two acres | Five acres unless <u>all</u> abutting properties are two or more acres | Reduce small parcel grow operations' disproportionate impact on their neighbors. |
| FENCING REQUIREMENTS | No requirements | Fencing in muted earth tone not constructed w/temporary materials | Reduce visual impact of "prison-like" fencing in rural areas. |
| | | Razor wire obscured from view or colored earth tone Tree cover | |
| ODOR CONTROL | Carbon filters changed once per year | Screening Carbon filters changed every three months which is a federal | Reduce odor impact on neighbors. |
| GUEST ACCOMMODATIONS | No requirements specific to marijuana operations | safety standard Prohibit overnight guest accommodations and facilities for | Reduce overall impact on neighbors and preserve peace and quiet in rural areas. |

| | large group gatherings on | |
|-----|---|--|
| | land with county- permitted marijuana | |
| · · | operations. Examples: Guest | |
| | lodges, dude ranches, bed and breakfasts, | |
| | | |

 b_{i}

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