

ORDINANCE No. 188178 As Amended

*Amend City's marijuana business regulations (Ordinance; amend Code Chapter 14B.130, Portland Policy Document ADM-20.01)

The City of Portland ordains:

Section 1. The Council finds:

1. The Oregon voters approved Measure 91 in November, 2014, legalizing the sale and consumption of marijuana, and allowing local governments to adopt time, place and manner regulations for businesses that grow, produce, sell, and transfer marijuana and marijuana items.
2. HB 3400 was enacted by the 2015 Oregon Legislature, and was signed into law by the Governor on June 30, amending Measure 91 to significantly revise the authority of local governments to adopt regulations for marijuana businesses.
3. In November, 2014, the City Council initiated the Portland Marijuana Policy Program in the Office of Neighborhood Involvement (ONI) to manage complaints, community expectations, and respond with authorized enforcement mechanisms as appropriate.
4. On September 30, 2015, the Council adopted Ordinance No. 187359, added license procedures and requirements for marijuana businesses to Portland City Code Chapter 14B.130. As adopted, the definition of Marijuana Businesses licensed and regulated by the City of Portland included Medical Dispensaries, Marijuana Retailers, Marijuana Producers, Marijuana Processors, and Marijuana Wholesalers.
5. The Oregon Liquor Control Commission (the OLCC) is adding three new license types of businesses not currently reflected in the City Code definitions for Marijuana Businesses. Staff recommends amending the City Code to add three categories of marijuana-related businesses to Chapter 14B.130: Micro-Producer Tier I, Micro-Producer Tier II, Micro-Wholesaler. This will allow the City's regulations to work in tandem with the OLCC's, including the ability to respond to requests for information from the OLCC about zoning and siting of these operations, as with other types of Marijuana Businesses, through the Marijuana Land Use Compatibility Statement form.
6. The regulated marijuana industry has not been accessible to microbusiness entrepreneurs because of the capital investment required to start a business. To increase the opportunity for market entry for microbusiness entrepreneurs, staff recommends adding a new category type for marijuana businesses: Marijuana Retail Courier. This license category would allow marijuana retailers who want to make marijuana and marijuana items available for purchase solely through delivery to establish delivery businesses in the City. Creating this new category requires lifting the existing City restriction of the delivery of recreational marijuana to consumers in the City. Concurrently, the fee schedule will need to be revised as set forth below, to allow the City to recover the administrative costs of processing of these applications and regulating these additional license categories.

7. A number of minor technical fixes will help align the City Code more closely with the State's regulations, including: amending the hours of operation for marijuana businesses to 7 a.m. – 10 p.m.; striking the requirement that video data from medical dispensaries and marijuana businesses be stored off-site; and other technical fixes that correct grammatical errors and clarify terms.

NOW, THEREFORE, the Council Directs:

- a. City Code Chapter 14B.130 is amended as set forth in Exhibit A attached to this ordinance.
- b. Portland Policy Document ADM-20.01, Marijuana Regulatory License Fees, is amended as set forth in Exhibit B attached to this ordinance.

Section 2. The Council declares that an emergency exists so the permit process can be expedited; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: DEC 21 2016

Commissioner Amanda Fritz
Prepared by: Víctor Salinas
Date Prepared: December 5, 2016

Mary Hull Caballero
Auditor of the City of Portland

By



Deputy

~~1416~~ 1445

Agenda No. **188178** As Amended
ORDINANCE NO.
Title

***Amend City's marijuana business regulations (Ordinance; amend Code Chapter 14B.130, Portland Policy Document ADM-20.01)**

INTRODUCED BY Commissioner/Auditor: Commissioner Fritz	CLERK USE: DATE FILED <u>DEC 06 2016</u>
COMMISSIONER APPROVAL	Mary Hull Caballero Auditor of the City of Portland
Mayor—Finance and Administration - Hales	By: <u><i>fritz</i></u> <u>12-12-16</u> Deputy
Position 1/Utilities - Fritz <i>Amalia Fritz</i>	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Novick	
BUREAU APPROVAL	ACTION TAKEN:
Bureau: Office of Neighborhood Involvement Bureau Head: Amalia Alarcon de Morris	DEC 14 2016 PASSED TO SECOND READING As Amended DEC 21 2016 9:30 A.M.
Prepared by: Victor Salinas Date Prepared: 12/05/16	
Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>Amalia Alarcon de Morris</i>	
Council Meeting Date 12-14-16	

AGENDA
TIME CERTAIN Start time: 3:00 PM
Total amount of time needed: 3 hours (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR Total amount of time needed: (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	✓	
2. Fish	✓	
3. Saltzman	✓	
4. Novick	✓	
Hales	✓	