



Bureau of
Development
Services

2023 Cannabis Annual Report

CANNABIS POLICY OVERSIGHT TEAM

TABLE OF CONTENTS

Introduction	3
Executive Summary	4
CHEM Pillars Description.	6
Community Impact Subcommittee	
Recommendation #1	7
Recommendation #2	9
Local Business Subcommittee	
Recommendation #1	11
Recommendation #2	13
Recommendation #3	14
Cannabis Safety Subcommittee	
Recommendation #1	15
Recommendation #2	16
Recommendation #3	17
Recommendation #4	19
Conclusion	20
References	21

Introduction

Over the course of 2023, the Cannabis Policy Oversight Team (CPOT) embraced a number of changes and opportunities. Most notably, the Cannabis Program transitioned out of the Office of Community & Civic Life and into the Bureau of Development Services (BDS). Along with the addition of new program staff, CPOT welcomed new members and said goodbye to former volunteers. In 2023, CPOT held fourteen public meetings over Zoom. Under the guidance of CPOT in 2022, the advisory body created three subcommittees which focused on priority issues; Community Impact, Local Business, and Cannabis Safety Subcommittees which all met monthly or more, and frequently hosted guest appearances from researchers, law enforcement officials, experts in public safety, advocates for youth, and cannabis industry workers. These groups brainstormed, conducted research, and asked the questions that led to the creation of the recommendations contained in this annual report.

The 2022 Annual Cannabis Policy Report has been presented on a roadshow and earned healthy engagement at each opportunity including, Portland City Council, Multnomah County Public Health and the Oregon Liquor and Cannabis Commission (OLCC). Notably, the four recommendations from the 2022 report are all making strides toward enactment.

In the first recommendation of last year's report, CPOT advocated for amending and modifying the License Fee Reduction Program. Currently, efforts are in motion to expand the program, aiming to provide crucial support to small cannabis businesses. This aligns with the second report recommendation, calling for the introduction of a

new category of License Fee Reduction which incentivizes more sustainable practices in licensed cannabis businesses. The envisaged outcomes are to engender positive environmental stewardship, which will resonate widely through the industry, ultimately establishing a new benchmark for environmentally conscious business practices in the expanding market of cannabis cultivation and distribution.

Another significant recommendation involves the review and update of OLCC educational materials for the Marijuana Workers' Permit Card. CPOT presented this to the OLCC, receiving general agreement on the need for updates and a request for more diverse support from cannabis stakeholders across the State. Collaborative initiatives with the Cannabis Industry Alliance of Oregon and the Oregon Cannabis Commission are underway to define the optimal approach for updating OLCC education and testing requirements.

CPOT's concluding 2022 recommendation urged the City of Portland to establish a policy soliciting public feedback on youth and the cannabis industry every 3-5 years. Internal conversations and collaborations within BDS and Prosper Portland are continuing to shed light on this important issue.

As CPOT remains steadfast in its commitment to positive change, these updates symbolize collective progress to shape policies resonating with the needs and aspirations of the Portland community. The journey towards a more inclusive, sustainable, and socially responsible cannabis industry persists, with each recommendation marking a pivotal step forward in this ongoing effort.



Executive Summary

The 2023 Annual Cannabis Policy Report of the Cannabis Policy Oversight Team (CPOT) presents a comprehensive analysis of the current state and emerging challenges within Portland's cannabis industry. This report serves as a vital instrument for policymakers, offering a detailed overview of the industry's dynamics, particularly focusing on the issues of equity, public safety, and economic viability. At its core, the report is a call to action for the City of Portland and its stakeholders, emphasizing the need to address systemic inequities and to foster a cannabis industry that is equitable, safe, and sustainable.

In this report, CPOT executed a methodical aggregation and in-depth synthesis of a wealth of data, insights, and perspectives harvested from its triad of specialized subcommittees—namely, Community Impact, Local Business, and Cannabis Safety. Each subcommittee has delved into specific aspects of the cannabis industry, identifying key areas where policy intervention is crucial. The report, underpinned by the CHEM Pillars of Health Equity™, articulates a vision for a cannabis industry that ensures the well-being and prosperity of all community members. It particularly focuses on communities that have been historically impacted by cannabis prohibition, advocating for equitable opportunities and a fair distribution of the benefits derived from the cannabis industry.

The recommendations put forth in this report are designed to guide the City of Portland and other agencies in crafting policies that effectively address the identified challenges. These recommendations are not only a reflection of the current state of affairs but also a proactive approach towards shaping a more inclusive and responsible cannabis industry. By aligning with the CHEM Pillars of Health Equity™, the report emphasizes the importance of a holistic approach to policymaking, one that considers the economic, environmental, human, and social impacts of the cannabis industry. The 2023 CPOT Annual Cannabis Policy Report stands as a roadmap for policymakers, offering strategic insights and action plans to ensure the cannabis industry's growth is aligned with the values of equity, community health, and sustainability.

Economic Pillar

▪ From the Community Impact Subcommittee:

- Maintain current funding levels and further prioritize spending for economic equity initiatives like Social Equity & Economic Development (SEED), Reimagine Oregon, and NuProject.
- Increase transparency in the allocation of state cannabis tax dollars.

- Collaborate with state and federal policymakers to advance cannabis equity legislation.
- **From the Local Business Subcommittee**
 - Advocate for new legislation that allows the sale and consumption of cannabis at events.
 - Amend the licensing code to include business and permit advising services information.
 - Initiate an economic viability forecast of Portland's cannabis ecosystem.
- **From the Cannabis Safety Subcommittee**
 - Implement a grant-funded program to encourage the adoption of proactive video monitoring (PVM) systems in cannabis businesses.

Human Pillar

- **From the Community Impact Subcommittee**
 - Partner with Oregon state agencies to research the impact of cannabis legalization on youth.
 - Establish a collaborative working group for in-depth investigation and strategy development regarding

teen cannabis use.

- Fund behavioral research to understand the behavioral drivers of teen cannabis use.
- Enhance regulatory efforts to minimize youth access to cannabis through dispensaries.
- **From the Cannabis Safety Subcommittee**
 - Develop a voluntary occupational safety curriculum for cannabis business owners and supervisory employees.
 - Create educational materials about potential industry-related crimes for inclusion in the Marijuana Worker Permit Education by the OLCC.
 - Lobby the OLCC to develop additional training modules focusing on safety issues like robberies, burglaries, and vandalism.

Social/Environmental Equity Pillar

From the Cannabis Safety Subcommittee

- Partner with the Safe Blocks program to enhance access to Crime Prevention Through Environmental Design (CPTED) resources for cannabis businesses.

CHEM Pillars Description

For this 2023 Annual Report, the Cannabis Policy Oversight Team (CPOT) has adopted the equity-centered framework for measuring policy impact developed by the Cannabis Health Equity Movement (CHEM). CHEM's goal is to inform and analyze policy for *creating total equity*. The specific policy recommendations and relevant action items from CPOT to the City of Portland are presented within the context of these pillars, in this report.

CHEM defines "health equity" as the assuredness of access to full health and well-being for every person. CHEM

states that social ecosystems create and sustain healthy people, communities, and society by optimizing the "four determinants of well-being," which fall into the following categories: economic, environmental, human, and social. These categories are defined as The CHEM Pillars of Health Equity®. To achieve health equity, all four pillars must be achieved and optimized in order to holistically support our communities. A deficiency in any pillar creates instability for individuals within the greater context of their social ecosystem.

CHEM Pillar Descriptions

- **Economic Equity:** The assuredness of **1)** economic reciprocity and **2)** fair access to opportunities and services that **a)** secure and grow economic resources such as income, savings, assets, and capital, and **b)** bring personal and collective agency over the flow of economic resources through a household or community.
- **Environmental Equity:** The assuredness of access to and maintenance of **1)** clean air, water, land, and soil, **2)** clean, natural, and safe outdoor spaces, **3)** clean and safe indoor spaces, and **4)** clean, safe, and consistent housing options.
- **Human Equity:** The assuredness of access to experiences, opportunities, and resources that optimize **1)** an individual's knowledge, skills, ability, capability, adaptability, introspection, empathy, enlightenment, self-regard, and self-actualization, and **2)** their physical, mental, and spiritual fitness.
- **Social Equity:** The assuredness of fairness in policy, regulation, and in the distribution of social resources and services to ensure that policy, social constructs, and institutional practices **1)** assure economic, environmental, and human equity, **2)** demonstrate cultural respect and preservation, and **3)** facilitate the social belonging, cooperation, cohesion, trust, participation, protection, and productivity of all people.

Healthy equity depends on maximizing each pillar across all demographics of all people within a society, and the CHEM Pillars of Health Equity®™ is a rubric through which our progress toward prosperity can be assessed, tended, monitored, measured, scaled, and assured.

Community Impact Subcommittee

Recommendation #1

CHEM Pillar:

Human Equity

Recommendation:

Partner with Oregon state agencies to research the impact of cannabis legalization on youth and expand education to minimize negative consequences.

RECOMMENDATION OVERVIEW:

In 2019 researchers at the Oregon Health Authority (OHA) estimated that approximately 8% of 8th graders and 20% of 11th graders in Oregon used cannabis.² A more recent study from August 2023 by Oregon State University found that young adults (18-20 years old) who are not in college saw an increase in cannabis consumption from 23% prior to legalization to 28% after legalization.

While these statewide studies provide some insight to examine current use rates and changes in youth consumption of cannabis, gaps still persist, and the lack of localized research means there is currently little to no available data specific to the Portland area. This data is vital to assessing the current education needs and potential risks of cannabis consumption in youth (those under the age of 18).⁴

The lack of data regarding youth cannabis consumption comes at the same time that youth attitudes towards cannabis are changing rapidly. Today, fewer than 50% of 11th graders believe that using cannabis once or twice a week is harmful, compared to 84.5% who think heavy cigarette smoking is harmful, 76.6% who think that use of e-cigarettes is harmful, and 72.2% who think that having five or more drinks of alcohol once or twice a week is harmful.⁵ The ways in which youth consume cannabis is also evolving,⁶ as one national report found that 6% of 8th graders, 15% of 10th graders, and 20.6% of 12th graders vape cannabis products.⁷

States such as Colorado⁸, Washington⁹, and California,^{10,11} are taking the risk of youth cannabis use much more seriously than Oregon. These states are developing programs to understand not only the risks of underage use but also the behavioral drivers and type of leverage that can be used to reduce teen use. Simply put, Oregon is far behind our contemporaries in taking action to educate our youth about the potential harms of early cannabis use. To address the growing concern of teen cannabis use in Oregon, a comprehensive approach is proposed.

CALL TO ACTION:

- 1) Establish a Working Group:** Create a joint group including the City of Portland, Multnomah County Health Department, OLCC, Oregon Health Authority, and other authorities to investigate teen cannabis use, understand local impacts, learn best practices from other states, and create harm reduction strategies that can be implemented swiftly.
- 2) Fund Behavioral Research:** Partner with state and county agencies to allocate funds for research to better understand the behavioral drivers of teen cannabis use in Oregon. This research should examine not only teens' knowledge, attitudes, motives, and practices but also those of parents, teachers, and healthcare providers.

¹ [Alliance, 2022, CHEM Manifesto](#)

² [State of Oregon, 2019, Oregon Healthy Teens Survey](#)

³ [Mehreen, 2021, Alcohol use by college students falls during pandemic, but marijuana use increases](#)

⁴ [Jacobus & Tapert, 2014, Effects of Cannabis on the Adolescent Mind](#)

⁵ [State of Oregon, 2022, Student Health Survey](#)

⁶ [Columbia University Irving Medical Center, 2022, Major Uptick Reported in Cannabis Vaping for All Adolescents](#)



3) Regulate Dispensaries to Minimize Youth Access: Work with OLCC to bolster the agency's minor decoy operations and ensure that every dispensary in Portland is visited on an adequate basis. Also, encourage OLCC to explore further methods to reduce youth access to dispensary-sold cannabis, such as advanced ID verification technologies and monitoring purchasing patterns to identify potential resellers.

4) Diversify Funding Sources & Allocation: Urge entities like the Drug Policy Alliance to monitor legalization effects and impacts on youth. The city should also advocate that a small portion of the state cannabis tax revenue allocated under Measure 110 be directed to the OHA Public Health's Alcohol and Drug Prevention Education Program to be utilized for upstream prevention strategies that can minimize harmful youth cannabis use.

BUDGETARY CONSIDERATIONS:

Allocation of cannabis tax revenue, and grant-funded public health outreach may be considered.

TIMING: TBD

⁷ National Institute of Drug Abuse, 2023, *Monitoring the Future*

⁸ Colorado, Department of Public Health & Environment, *Monitoring Health Concerns Related to Marijuana*

⁹ University of Washington, 2023, *Cannabis Education & Research Program*

¹⁰ California Department of Public Health, 2023, *Youth Cannabis Prevention Initiative*

¹¹ Public Health Institute, 2022, *Cannabis*

Community Impact Subcommittee

Recommendation #2

CHEM Pillar:

Economic Equity

Recommendation:

Retain City of Portland's current level of funding for economic equity investments and increase transparency of how cannabis tax dollars received from the State of Oregon are allocated.

RECOMMENDATION OVERVIEW:

The City of Portland stands as a trailblazing exemplar in the realm of cannabis equity policy on a national scale, demonstrating a steadfast commitment to cultivating diversity within its local cannabis marketplace. This dynamic approach has distinguished Portland as a benchmark for municipalities nationwide, showcasing an unyielding dedication to nurturing an industry where inclusivity and representation stand front and center. The initiative heralds a profound shift towards a more accessible and representative local cannabis economy, providing a template for systemic change across the entire sector.

Further amplifying Portland's leadership status, the city concurrently channels significant effort and resources toward the restitution and rejuvenation of communities that were historically and disproportionately devastated by the draconian measures of the War on Drugs. Through substantial community investments, Portland methodically works to mend the socioeconomic and cultural fabric of these affected neighborhoods, seeking to repair, rebuild, and restore equity and justice for those who have suffered the most.

Spearheading these restorative efforts is Prosper Portland, the city's economic development bureau, which is intricately woven into the very framework of community reinvestment strategies. Serving as a powerful instrument of the city's vision, Prosper Portland stands out as a paragon

of civic innovation and economic empowerment. Through its strategic deployment of resources and development programs, Prosper Portland aids in propelling Portland's mission, addressing past harms, and fostering economic vitality in a manner that prioritizes inclusivity, supports local entrepreneurship, and champions a balanced and fair distribution of opportunities and benefits across all strata of the community.

Portland is a national leader in cannabis equity policy both in terms of efforts to increase diversity in the local cannabis marketplace¹² and through community investments to repair communities most impacted by the War on Drugs. The City advances its community reinvestment efforts primarily through its economic development bureau, Prosper Portland.

Housed within Prosper Portland is the Social Equity & Economic Development (SEED) Fund, which receives \$1 million per year in Portland cannabis tax revenue for investments into: (1) education, (2) entrepreneurship and economic development, and (3) social justice.¹³ Prosper Portland also uses cannabis tax revenue to support economic justice organizations including NuProject and Reimagine Oregon.

Community trust that the City is making good on its promise to equitably redistribute cannabis tax revenue reached a low point last spring when the Portland City Council nearly divested funding set aside for Reimagine Oregon.¹⁴

¹²[The City of Portland, 2019, Social Equity Program Details](#)

¹³[City of Portland, SEED Initiatives](#)

¹⁴[Zielinski, 2023, Portland City Council Blocks plan to Retract Money Promised to Racial Equity Organization](#)

Retraction of this divestment effort occurred only after significant public backlash and calls from prominent Black leaders.¹⁵

The City of Portland is currently experiencing a shortfall in expected cannabis tax revenue.¹⁶ At the July 20, 2023, meeting of the Community Impact Subcommittee, a City economist joined our discussion and explained that the City and its Budget Office currently plans to offset the budget shortfall by decreasing the funding that bureaus receive from local cannabis tax revenue by 5% across the board.¹⁷

In addition to local cannabis tax revenue, Portland receives approximately \$1.2 million per year in cannabis tax revenue generated by the state of Oregon. Cannabis tax revenue received from the state goes into the City's general fund account without an itemized accounting for what bureaus or programs receive this funding.

To uphold the principles of economic equity in the cannabis industry, the City of Portland is urged to maintain current funding levels for Economic Equity Initiatives, acknowledging the historical injustices caused by the War on Drugs and the city's past denial of wealth creation opportunities for communities of color. Rather than implementing across-the-board budget cuts for bureaus funded by cannabis tax dollars, a shift is recommended towards prioritizing investments in programs like SEED, Reimagine Oregon, and NuProject, ensuring allocations remain at or above their current service level. Furthermore, to foster transparency and trust, the city should provide a detailed account in its annual budget report, outlining which bureaus and programs receive funding from the state cannabis tax revenue account. This measure aims to demonstrate responsible stewardship of public funds in alignment with the intent of Measure 26-180. Additionally, collaboration with state and federal policymakers is proposed to advance equity-centric policies. It is encouraged, the Cannabis Program collaborate further with the City's Office of Government Relations to engage with state policymakers, cannabis trade organizations, and the OLCC to advocate for equity-focused legislation at the state level.

Considering the evolving landscape of cannabis legalization nationally, proactive engagement with Oregon's federal delegation is advised to position the city for economic opportunities and interstate commerce.

CALL TO ACTION:

- 1) Keep Funding of Economic Equity Initiatives at Current Service Level:** When making budget decisions, the City should change course from enacting equal budget cuts to all bureaus receiving cannabis tax dollars, and emphasize the significance of the SEED, Reimagine Oregon, and NuProject investments by keeping allocations to those programs at or above their current service level.
- 2) Account How Portland Allocates Cannabis Tax Dollars Received from the State Government:** The City should provide an accounting in its annual budget report of what bureaus and programs the City funds from contributions it receives from the state cannabis tax revenue account.
- 3) Partner with State and Federal Policymakers to Advance Equity Policy:** The City of Portland must urgently collaborate with state policymakers, cannabis trade organizations, and the OLCC to champion cannabis equity legislation at the state level. Simultaneously, it should engage with Oregon's federal delegation to proactively position the city for economic opportunities and interstate commerce amid the slow but advancing momentum toward national cannabis legalization.

BUDGETARY CONSIDERATIONS:

Retaining economic equity investments will require changes to the City's current budgetary considerations.

TIMING: Immediate and ongoing

¹⁵ *Ibid.*, (para. 18) "Mayor Ted Wheeler commented on the situation, "[t]he bigger point here is people don't trust us. And this is one more reason why. We stumbled and we had an opportunity to show the community we trusted them, and through last week's actions, the council went in a different direction. And I'm saddened by that. I'm asking that we as a council aspire to do better by the people that we serve."

¹⁶ [City of Portland Budget Office, 2022, Local Cannabis Fund Forecast](#)

¹⁷ [Ibid.](#), Appendix, pg. 3; Cannabis tax revenue currently goes toward: Community & Civic Life, Bureau of Transportation, Bureau of Housing, Portland Fire and Rescue, Prosper Portland, and the City Budget Office.

Local Business Subcommittee Recommendation #1

CHEM Pillar:

Economic and Social Equity

Recommendation:

Advocate for a legislative priority through the Office of Government Relations that prioritizes and advances the creation of a new license type for cannabis businesses that permits the sale of cannabis at an event and allows the consumption of cannabis on-site.

RECOMMENDATION OVERVIEW:

According to OLCC data,¹⁸ the cost of cannabis has been steadily declining, putting pressure on existing businesses,¹⁹ from producers down to retailers. The addition of a new revenue stream can provide many benefits, including reduced risk of revenue loss, increased stability during economic downturns, the ability to pivot quickly in response to market changes, access to new customer segments, increased competitiveness within the market, more resources to invest in growth and innovation, and enhanced long-term financial health of a business. Additionally, it opens up a way for residents to legally consume cannabis, which to this day remains a grey legal area.

While the consumption of cannabis may be legal, there are few options for Portlanders (who do not own their homes) to partake in adult-use cannabis equitably and legally. According to a 2020 report, nearly 47% of Portland residents are renters. In 2018,²¹ reports show more than 70% of Black and Hawaiian-Pacific Islander residents and around 60% of Hispanics and Native Americans are renters. While outdoor consumption remains illegal, it continues to stratify the differences between different racial groups, particularly those most harmed by racially inequitable enforcement of laws.²² This change in permitting would

facilitate more equitable consumption opportunities while aiding local businesses.

Other states and municipalities have made strides in permitting social consumption of cannabis. In New York,²³ adults may smoke or vape cannabis wherever smoking tobacco is allowed under the smoke-free air laws.²⁴ Cannabis use is not allowed in motor vehicles (while in use or parked), nor in outdoor dining areas at restaurants, and violating the law could result in a civil summons and fine. In California,²⁵ the Department of Cannabis Control issues permits to licensed cannabis businesses for temporary cannabis events. These events range from music festivals, and sports to food events. Michigan²⁶ has a similar licensing system for temporary events; in both California and Michigan, consumption of cannabis is permitted in a designated area of the event.

The OLCC²⁷ and the City of Portland offer temporary liquor sales licenses for special events. The cost of an OLCC temporary license is \$10 for each day of the event, and the city has a \$35 fee. If the state takes action to allow the OLCC and municipal governments the authority to create a similar system for existing cannabis license holders to obtain a temporary event sales permit, additional revenue could

¹⁸ [Oregon.Gov \(n.d.\) Harvest, Price, Market Data](#)

¹⁹ [Arden \(2019\) A Tough Road: Several Factors Drag Down Oregon Cannabis Sales](#)

²⁰ [Portland Housing Bureau, 2020, State of Housing in Portland Report](#)

²¹ *Ibid.*,

²² [Sheehan, Grucza, and Plunk, 2019, Association of Racial Disparity of Cannabis Possession Arrests Among Adults and Youths With Statewide Cannabis Decriminalization and Legalization](#)

²³ [City of New York \(n.d.\) Cannabis \(Marijuana\)](#)

²⁴ *Ibid.*,

²⁵ [State of California \(n.d.\) Department of Cannabis Control](#)

²⁶ [Michigan Cannabis Information Portal \(n.d.\), Michigan Marijuana Event Organizer License](#)

²⁷ [Oregon Liquor and Cannabis Commission \(n.d.\) Oregon Liquor and Cannabis Commission: Liquor Licensing](#)



support staffing needs (licensing, compliance, community outreach efforts, etc.).

The City's Cannabis Program is urged to collaborate with the Office of Government Relations in advocating for a legislative priority, focusing on advancing legislation in 2025 that introduces a new license type for cannabis businesses. This proposed license, under municipal administration, would authorize licensed retailers to sell cannabis at events and permit on-site consumption in designated areas ensuring the public's right to clean air.

These recommendations should accompany the implementation of the new license, allowing consumers aged 21 and above to purchase and consume cannabis through smoking, vaping, and ingestion at registered events. Temporary permits should be restricted to holders of valid retail licenses, and transportation of cannabis to and from permitted event spaces should be permitted. Access to sales and consumption should be confined to outdoor spaces unless explicitly designated as a private event space where indoor smoking is allowed.

CALL TO ACTION:

- 1. Create a New License Type for Cannabis Consumption at Events:** Ask the City's Cannabis Program to advocate for a legislative priority through their work with the Office of Government Relations; the priority should be to advance legislation in 2025 that creates a new license type for cannabis businesses. This license type, administered by municipalities, would permit the sale of cannabis by a licensed retailer at an event and allow the consumption of cannabis on-site in an area that protects the public's right to clean air.

BUDGETARY CONSIDERATIONS:

Creation of a new license type would generate revenue for local businesses, new application and permit fees for the Cannabis Program, and the economic impact of cannabis events could create additional cannabis tax revenue for the City.

TIMING: 2024-25

Local Business Subcommittee Recommendation #2

CHEM Pillar:

Economic and Social Equity

Recommendation:

The City of Portland Cannabis Program should provide applicants contact information for business and permit advising services during their license application or renewal process.

RECOMMENDATION OVERVIEW:

While access to business technical advising services is available to cannabis business owners, some entrepreneurs and workers are unaware of the resources accessible through the city.

Although most traditional lending institutions and business advising service providers will not help cannabis businesses, several states have created programs to close the financial gap. In recent years, states with legal cannabis programs have created measures to assist small businesses or social equity licensees. Prosper Portland's Inclusive Business Resource Network provides services for small business owners through a network for entrepreneurs and serves cannabis businesses. The City's Bureau of Development Services has a Small Business Empowerment Program that assists small business owners in the permitting process. The awareness level of these services could be raised to a level that the City's Cannabis Program licensing team shares these resources and contact information with applicants early in the application phase or during renewal.

CALL TO ACTION:

- 1. Cannabis Program staff bring awareness of business services:** City licensing staff share contact information for business and permit advising services with cannabis business applicants during initial application or at their annual renewal.

BUDGETARY CONSIDERATIONS: N/A

TIMING: FY 2023-24

²⁹ Title, S., & Barcott, B. (2023). *The Role of Small Business In The Evolving Cannabis Industry*. | Social Science Research Network.

³⁰ Title, S. (2021). *Fair and Square: How to Effectively Incorporate social equity into cannabis laws and Regulations*. | Social Science Research Network.

³¹ Prosper Portland. (n.d.) *Inclusive Business Resource Network*.

³² *Empowerment Communities Program (n.d.) Small Business Empowerment Program*. | Portland.gov

Local Business Subcommittee

Recommendation #3

CHEM Pillar:

Economic and Social Equity

Recommendation:

Commence a third-party economic viability forecast of the City of Portland's current cannabis ecosystem.

RECOMMENDATION OVERVIEW:

CPOT has previously recommended the drafting and funding of an economic viability forecast of the City of Portland's current cannabis ecosystem. This forecast would examine the Oregon cannabis market, including sales, prices, and consumption, and would be used to inform changes to cannabis licensing and fees. The Cannabis Program previously budgeted \$50,000 from cannabis licensing to fund this project. The project was anticipated to roll out in June or July of 2023. However, this study was postponed and was set to align with the end of the OLCC's licensing moratorium in March 2024.

We recommend that the study commences as soon as possible, regardless of the moratorium. If policy concerning the viability of the cannabis industry is being changed, it should be informed with the most current data sets possible.

CALL TO ACTION:

- 1. Commence Economic Viability Forecast for Portland Cannabis Industry:** Use currently allocated funds to commence the economic viability forecast recommended in the 2021 Annual Cannabis Policy Report.

BUDGETARY CONSIDERATIONS: None

TIMING: ASAP

Cannabis Safety Subcommittee

Recommendation #1

CHEM Pillar:

Human Equity

Recommendation:

To adopt a voluntary occupational safety curriculum for cannabis business owners and their supervisory employees.

RECOMMENDATION OVERVIEW:

Cannabis workers face a host of occupational safety hazards, including chemical hazards (solvents, adhesives, paints, toxic dust, etc.), physical hazards (noise, radiation, heat, etc.), biological hazards (infectious diseases), and ergonomic risk factors (heavy lifting, repetitive motions, vibration). Currently, there is no required workplace training for cannabis business owners concerning these safety hazards in Oregon,³⁴ but a training course specific to cannabis licensees (the standard is a 30-hour course) does not supplement this guide, nor is it tied to licensure. We recommend that the City's Bureau of Development Services work with the Oregon Cannabis Worker's Coalition to develop a training module, in tandem with OSHA that covers common cannabis workplace safety issues.

Developing cannabis-specific training programs and ensuring their widespread availability will empower cannabis businesses to establish safer workplaces for their employees. This program can significantly reduce job-related injuries and subsequently lower the operational costs for these businesses.

It is also recommended that the Portland Bureau of Development Services advocate to Oregon OSHA to expand outreach that increases awareness of the consultation services they offer to businesses³⁵ to address their workplace safety issues. These consultations are technically free to businesses, this service is paid with funds allocated from Oregon's mandatory worker's compensation insurance. In these confidential assessments, a consultant for Oregon OSHA evaluates a business's occupational hazards on the job site areas

in the job site areas the owner chooses - during the consultation and for 60 days after, the business is immune to any violations (except if an accident or death occurs at the job site, which requires OSHA inspection). The consultant who performs the assessment provides the employer with a list of all mandatory improvements needed for the business to come into compliance and also provides a list of suggested workplace safety changes that would improve job site safety. This service is underutilized, and the cannabis industry would significantly benefit from this free service. It is recommended that OR OSHA increase its outreach about this free service by pursuing direct messaging to licensed cannabis businesses through established government channels.

CALL TO ACTION:

- 1. Portland Bureau of Development Services to develop a Cannabis Workplace Safety Course**, in partnership with OSHA and the Oregon Cannabis Worker's Coalition.
- 2. Increase outreach and awareness of Oregon OSHA's free business consultation** and assessment program.

BUDGETARY CONSIDERATIONS: Unknown

TIMING: FY 24/25

³⁴ Oregon OSHA (n.d.) *Seed to Shatter: A Safety and Health Guide for Cannabis Growers, Processors, and Retailer*

³⁵ Oregon OSHA (n.d.) *Consultation Services*

Cannabis Safety Subcommittee

Recommendation #2

CHEM Pillar:

Human Equity

Recommendation:

Create educational materials that inform and prepare cannabis employees for potential crimes that may impact their experience in the cannabis industry. These materials should be included in the Marijuana Worker Permit Education offered by the OLCC.

RECOMMENDATION OVERVIEW:

We want to inform and prepare all employees who are entering the industry of the possible risks that are associated with working in the cannabis industry. These risks include, but are not limited to, burglary, robbery, and vandalism. Broadening accessible and free education is the best way to prepare employees who are entering a career in cannabis for the safety risks that are posed by working in this industry. The existing requirements and associated educational materials that accompany the mandatory Marijuana Worker Permit issued by the OLCC are an excellent resource to add education that is dedicated to the potential dangers of working in cannabis businesses, and these materials should also provide strategies for how to mitigate those dangers. The current training offered around alcohol service to prepare for the OLCC Alcohol Servers permit is far more robust than what is required for the Marijuana Worker Permit; this training presents many strategies for bartenders to protect their personal safety. There should be parity in the depth and breadth of education required amongst both these industries regulated by the OLCC.

It is recommended that the City of Portland coordinates with OLCC to write and publish additional training modules to equip employees with the knowledge of common threats as well as the recommended responses to these threats. These modules should include a safety-first protocol for responses to robberies and theft, examples of proper opening/closing procedures, the importance of personal attack alarms, and best practices for cash handling. The City of Portland can incorporate into its

Mandatory Procedures³⁶ and Cannabis Program Administrative Guidelines³⁷ language that requires confirmation of training completed by licensees' workers.

To help create this safety module, a partnership with the Cannabis Workers Coalition³⁸, a nonprofit that offers support and advocacy for those in the cannabis industry, should be formed. This group is actively working to improve the job site safety of cannabis workers in Oregon, and they have many resources that are readily adoptable, including safety assessments and SOPs that could be integrated by the OLCC and published through their existing channels.

CALL TO ACTION:

- 1. City of Portland to work with the OLCC to develop and implement additional training modules that address commonplace safety issues experienced by workers at cannabis facilities.** An emphasis will be placed on the safety issues posed by robberies, burglaries, and vandalism.
2. The City of Portland can incorporate into its Mandatory Procedures and Cannabis Program Administrative Guidelines⁴⁰ language that requires confirmation of training completed by licensees' workers.

BUDGETARY CONSIDERATIONS: Unknown

TIMING: One year to create a safety course and then immediate implantation of said course.

³⁶ Title 14 Public Order and Police | Portland.gov. (2023, April 1). Chapter 14B.130 Marijuana Regulatory License Procedure and Requirements

³⁷ Bureau of Development Services, City of Portland. (2023). Cannabis Program Administrative Guidelines

³⁸ Cannabis Workers Coalition (n.d.). We Strive for Unity, Equal Access to Opportunities and Rights, As Well Inclusionity

Cannabis Safety Subcommittee

Recommendation #3

CHEM Pillar:

Economic Equity

Recommendation:

The City of Portland should create a program that incentivizes adopting proactive video monitoring (PVM) security systems at cannabis businesses, which ensure quicker responses from law enforcement when crimes occur.

RECOMMENDATION OVERVIEW:

Based on a comprehensive report from the Portland Police Bureau, it is evident that cannabis businesses are facing a dire situation with a high incidence of theft, burglary, and robbery. Over the past five years, cannabis businesses have reported more incidents, totaling 573, and the cannabis industry experiences a concentrated surge in offenses during the early morning hours (1 a.m. to 4 a.m.). Saturdays consistently emerge as the day with the highest occurrence of incidents, indicating the need for reinforced security measures during weekends. In light of these findings, it is imperative to recognize the unique security challenges faced by cannabis businesses, necessitating tailored security protocols, such as adopting proactive video monitoring (PVM) technology solutions.

The cannabis sector saw a sharp increase in burglaries (152 incidents) and vandalism (40 incidents) in 2020, while the highest number of reported robberies (33 incidents) occurred in the first half of 2023. It is important to note that while robberies have increased in 2023, reports of vandalism and burglaries in cannabis businesses have decreased in the first half of 2023 over previous years.

PVM represents an advanced surveillance technique that leverages real-time analysis of security camera feeds to detect and respond to potential security threats before they escalate into criminal activities; a third party performs this monitoring and is not a function of the Portland Police Bureau. This innovative approach harnesses cutting-edge technologies like artificial intelligence and machine learning algorithms to identify suspicious behavior or events, enabling prompt intervention by security personnel

and allows businesses to alert law enforcement agencies of active incidents. By delivering immediate responses to unfolding incidents, proactive video monitoring acts as a formidable deterrent against criminal activities and presents a strategy that could significantly reduce crime in cannabis.

Furthermore, PVM drastically diminishes police response times, by providing the Portland Police Bureau with real-time information during an incident, thereby enhancing their response effectiveness. It is important to distinguish PVM from the standard technology mandated for cannabis businesses, known as Closed-Circuit Television (CCTV). While CCTV primarily records footage for subsequent review and relies on manual monitoring, PVM actively analyzes real-time video feeds, automatically alerting to potential threats, and serving as a proactive deterrent. Since PVM is technologically advanced, it carries a higher implementation cost than traditional CCTV systems. To support struggling cannabis businesses in Portland and bolster the safety and security of the entire community, financial support is needed for businesses to adopt PVM solutions. Such a program would not only safeguard monitored areas but also expedite the apprehension of offenders, thus proving invaluable in the fight to curb organized crime targeting cannabis establishments and other retail businesses in Portland.

In light of these findings, we recommend that the City of Portland consider establishing a dedicated grant program specifically designed to fund a pilot proactive video monitoring system for cannabis businesses initially focusing on neighborhoods with the highest crime rates⁴¹, this pilot program would be opt-in, and no business would

⁴¹ Strategic Services Division | Portland Police Bureau. (2023). [Monthly Neighborhood Offense Statistics](#)

⁴² Arden, A. (2023, May 24). [Oregon House Passes Bill Creating Harsher Penalties For Organized Retail Theft.](#) | KOIN News

⁴³ [Cannabis Program | Portland.gov.](#) (2023). [Cannabis Emergency Relief Fund](#)



be required to participate. This initiative would not only elevate security and safety within these establishments but also contribute to broader crime prevention efforts⁴² across Portland.

It is recommended that the funds needed for this pilot program be drawn from a new grant program similar to the Cannabis Emergency Relief Fund (CERF) created by Portland in 2021⁴³. Reengaging CERF and prioritizing the distribution of funds to businesses that will use the monies to create a pilot program that installs proactive video monitoring will ensure Portland businesses receive the funds necessary to implement this innovative technology.

CALL TO ACTION:

- 1. The City support crime reduction strategies for the cannabis industry**, including adopting proactive video monitoring (PVM) technology solutions through a funded pilot grant program.

- 2. Creation of a dedicated grant program to fund a pilot proactive video monitoring system** for cannabis businesses, prioritizing neighborhoods with high crime rates.

- 3. Use the data and insights from the pilot program to inform future grant funding decisions**, focusing on data-driven, proactive, and impactful initiatives to improve safety throughout Portland.

BUDGETARY CONSIDERATIONS: TBD. The city should evaluate the cost of the project.

TIMING: Six months to identify the pilot program areas and develop and disseminate information about the pilot program to cannabis businesses. One year to gather data and create a comprehensive report on the effectiveness of the pilot program.

Cannabis Safety Subcommittee

Recommendation #4

CHEM Pillar:

Social & Environmental Equity

Recommendation:

The City of Portland Cannabis Program should partner with the Safe Blocks program to expand knowledge of and access to existing CPTED resources and target communications about this service to cannabis licensees.

RECOMMENDATION OVERVIEW:

Crime Prevention Through Environmental Design (CPTED), is a method of assessing safety concerns and improving the design of existing spaces.

While CPTED is a universal framework to apply to any business, there are unique issues that persist in the cannabis industry, and some security companies offer unique solutions. CPTED assessments look at an existing business to understand public safety concerns; a business owner requests a free assessment from the City of Portland's Safe Blocks program, a coordinator from the Safe Blocks program⁴⁴ meets with the business owner to tour their facility and understand conditions on-site and in the surrounding community. An analysis of safety concerns is created by the City's Community Safety Division and shared with the business owner with advice on how to take action to prevent or deter crime (for example, adding lighting, addressing entry/exit points of a building, changing practices). A follow-up meeting is held between the coordinator and the business owner who requested services, to see if there are changes in instances of crime or if additional layers of protection can be implemented at a particular location.

CALL TO ACTION:

- 1. The Cannabis Program should partner with Safe Blocks** to create a strategic communication plan geared at advertising CPTED assessments to cannabis license holders.
- 2. Safe Blocks staff are trained on the particular issues facing the cannabis industry** and have some experience or exposure to the cannabis industry prior to CPTED assessments.
- 3. Cannabis Program** to identify funding sources available to cannabis businesses for security upgrades.

BUDGETARY CONSIDERATIONS: TBD

TIMING: FY 23/24

⁴⁴ [Community Safety Division | Portland.gov \(n.d.\). Request a Training, Security Assessment, or Help with Community Building Ideas](https://www.portland.gov/community-safety/division)



Conclusion

As we enter 2024, the Cannabis Policy Oversight Team continues to shape future cannabis policies that support equitable access and outcomes for all City of Portland residents and businesses. It is imperative that, as a community, we develop a comprehensive and shared understanding of what equity is and collectively chart a nuanced path for how we will achieve true equity within the cannabis industry.

Building on CPOT's established framework, this year's Annual Cannabis Policy Report outlines key findings and recommendations centered on CHEM's four pillars of equity: economic, environmental, human, and social. With multi-faceted adoption of equity approaches across bureaus and agencies, the City of Portland progresses toward developing the tools and insights required to drive positive impacts for Portland communities. By providing accurate and transparent data-driven analysis, the city ensures some of the work to redress the negative impacts of cannabis prohibition felt by Portlanders has a measurable impact.

This remains a time of significant change for the City of Portland, the Cannabis Program, the cannabis industry and surrounding community. The City of Portland must continue to support and uplift its critical cannabis business community with urgency and priority. To this end, CPOT will continue educating, informing, and advising the Bureau of Development Services on policies that ensure the legal cannabis industry grows in a more diverse, equitable, accessible, and sustainable fashion in 2024 and beyond.

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