



MARIJUANA SUBCOMMITTEE MEETING
February 4, 2016 1:00 pm
Newberg City Hall, 414 East First St
Permit Center Conference Room

Chair Tony Rourke called the meeting to order at 1:02 p.m.

ROLL CALL:

Members Present: Councilor Denise Bacon Councilor Tony Rourke (Chair)
 Councilor Stephen McKinney

Staff Present: Mayor Bob Andrews, Doug Rux, Community Development Director
 Bobbie Morgan, Planning Secretary Truman Stone, City Attorney

APPROVAL OF MINUTES:

MOTION: Bacon/McKinney moved to approve the January 12, 2016, minutes. Motion carried (3 Yes/ 0 No).

POTENTIAL DEVELOPMENT CODE REGULATIONS FOR RECREATONAL MARIJUANA WHOLESALEERS, LABORATORIES, RESEARCH CERTIFICATES AND RETAILERS:

Community Development Director Doug Rux said the Council had adopted a resolution initiating the Development Code amendment process for recreational marijuana provisions. Retail recreational marijuana facilities were not to be located greater than 1,000 feet apart from one another. There could be a separation up to 1,000 feet, but not 1,001. There was no separation requirement between a retail recreational facility and a medical marijuana dispensary. There was a required 1,000 foot separation from schools. He discussed the definitions of laboratory, marijuana retailer, and marijuana wholesaler. Regarding regulation of place, retailers were to be no greater than 1,000 feet from another retailer. For wholesaler, they may not be located in an area zoned exclusively residential. The term exclusively was not defined. The City's residential districts allowed for a variety of uses and were not exclusively residential. A wholesale operation could operate in a residential district likely as a home occupation. However, he suggested no storage or warehousing be allowed. Retailers were not allowed in exclusively residential areas, could not be located within a 1,000 feet of public, private, or parochial school, and if a retail operation was established and then a school came in later that was within the 1,000 foot buffer, the retail operation did not have to be closed. It would be monitored and the license might or might not be revoked. If the School District owned a property, but it was not yet developed, a retail operation could go in next to the property.

Councilor McKinney asked if they needed to come up with a definition for exclusively residential. CDD Rux said there were not many cities that had exclusively residential zones and he was not sure why it was written like that.

City Attorney Truman Stone said a definition could be created in the Code that defined residential areas as exclusively residential. He did not know if that would satisfy the State's code interpretation.



CDD Rux said if one of the categories was banned, the City would not receive the State shared revenue from recreational marijuana. They could regulate where these activities would occur. He continued with his presentation by discussing the required Land Use Compatibility Statement. The City had received several of these forms from production and retail applicants, and staff told them they were waiting for Council to finalize the regulations. He explained the criteria for denial of a wholesale or retail application. They could not be located on federal property and could not be in the same physical location or address as a medical marijuana grow site, medical marijuana processing site, or medical marijuana dispensary. A retail operation could not be located where there were sales of alcohol licensed through OLCC.

CA Stone clarified people could not have a marijuana license and a liquor license for the same site.

CDD Rux discussed laboratories, which had to be registered by the Oregon Health Authority. Laboratories were for the purpose of testing marijuana products from producers, processors, wholesalers, and retailers. They would have to have a tracking system, dispose of waste per regulations, and could not give marijuana to consumers. They would be testing for pesticides and mold. They could test both medical and recreational if they were accredited to do both. Regarding research certificates, these were for qualifying public and private researchers. There was a process through OLCC to justify the research and certificates were only good for three years. They could not do testing on humans. There were no distance provisions for research or laboratories. He discussed the definition of retail sales, wholesale operation, warehouse, and storage and the Zoning Table that showed where the uses were permitted. For retail operations, there was language regarding hours of operation. They could sell to consumers between 7 am and 10 pm. Medical marijuana dispensaries were allowed to sell from 8 am to 9 pm. There was nothing specific about regulating the manner of operation. Retailers had to have a marijuana Handlers Permit. He explained the maps showing the 1,000 foot buffers around schools in the City, 1,000 foot buffers around parks in the City, and one map with both school and park buffers combined.

Chair Rourke asked the committee's opinion about retail and wholesale in residential areas.

Councilor Bacon thought wholesalers should be allowed as long as there was no warehousing.

Councilor McKinney asked what kind of shipping and receiving these types of businesses would have and how it would affect neighbors.

Chair Rourke did not think retail should be allowed in residential districts and sub-districts. For wholesale, it would be allowed as long as there was no warehousing and there was a question regarding shipping and receiving activities.

CA Stone suggested a motion be made on the retail.

MOTION: Rourke/Bacon moved to not allow retail as a permitted use in residential districts R1, R2, R3, R4, AR, RP, and all residential sub-districts. Motion carried (3 Yes /0 No).

Chair Rourke asked about sending and receiving product in residential areas.

Councilor Bacon did not have a problem with it.

There was discussion regarding the definition of warehousing and how long someone could hold the product.

CA Stone said other wholesale businesses were not allowed in residential zones.



Chair Rourke suggested saying no product was allowed on the premises.

CDD Rux said it would then be like a home occupation which would require a business license.

MOTION: Rourke/Bacon moved to allow wholesale as a permitted use in all residential categories including the sub-districts with no product allowed on the premises. Motion passed (2 Yes/ 1 No [McKinney]).

Chair Rourke thought retail should be permitted in all commercial zones.

CDD Rux referred to the zone map and explained where the commercial zones were located.

MOTION: Rourke/Bacon moved to allow retail as a permitted use in all commercial zones except Civic Corridor with a footnote regarding the 1,000 foot buffer from schools and parks as noted on the third map in the packet.

There was discussion regarding what was located in the CC zone.

CDD Rux explained what areas would be available if there was a 1,000 foot buffer from schools and parks.

The motion carried (3 Yes/ 0 No).

Chair Rourke asked about wholesale in commercial districts. Other wholesale uses were conditional use in C2 with a footnote that it was indoor use only.

Councilor Bacon thought they should stay consistent with other wholesale industries.

MOTION: Rourke/Bacon moved to allow wholesale as a conditional use in C2 only with a footnote regarding indoor use only and new footnote regarding the 1,000 foot buffer from schools and parks.

CDD Rux discussed the C2 sub-districts and how the motion did not include the sub-districts. Wholesale would only be allowed by conditional use in the general C2.

The motion carried (3 Yes/ 0 No).

MOTION: Rourke/McKinney moved to not allow wholesale or retail in community facilities and institutional. Motion carried (3 Yes/ 0 No).

Chair Rourke asked about retail in industrial zones. M2 allowed for second hand stores, which did not apply.

MOTION: Bacon/Rourke moved to not allow retail in industrial districts and sub-districts. Motion carried (3 Yes/ 0 No).

Councilor Rourke asked about wholesale in industrial zones. He thought wholesale belonged in industrial.



MOTION: Rourke/Bacon moved to allow wholesale as a permitted use in all industrial districts and sub-districts except Airport Industrial with a footnote regarding the 1,000 foot buffer from schools and parks. Motion carried (3 Yes/ 0 No).

MOTION: Rourke/Bacon moved to not allow retail or wholesale in the other sub-districts. Motion carried (3 Yes/ 0 No).

Chair Rourke thought research and laboratories made sense in industrial. CDD Rux said there were institutional uses in the City, such as the university or hospital. He explained what types of organizations could receive a research certificate.

MOTION: Rourke/Bacon moved to allow laboratories and research in all commercial districts and sub-districts, institutional districts, and all industrial districts and sub-districts except AI. They were not allowed in all other districts, such as residential, community facilities, and other. Motion carried (3 Yes/ 0 No).

Councilor Rourke continued with a discussion on time issues on retail. Medical marijuana dispensaries were allowed to be open from 8 am to 9 pm.

MOTION: Rourke/Bacon moved to change the hours of operation for retail to 8 am to 9 pm. Motion carried (3 Yes/ 0 No).

There were no additional regulations on manner.

PARAPHERNALIA REGULATIONS: This item was not discussed.

FUTURE MEETING SCHEDULE

CDD Rux said the next subcommittee meeting would be held on March 3rd to discuss paraphernalia and taxes. Ballot titles were due in June and the Council would have to take action in April to start the process for the November election.

Councilor Bacon had emailed the Fire Chief regarding how many house fires had been caused by marijuana grow lights in Newberg. The Fire Chief said there had been none.

ADJOURNMENT: Chair Rourke adjourned the meeting at 2:36 p.m.

Approved by the Marijuana Subcommittee this 3rd day of March, 2016.

Councilor Tony Rourke,
Marijuana Subcommittee Chair

Bobbie Morgan, Planning Secretary