



FILE NO.: LE-16-0001

APPLICATION TYPE: Legislative

HEARING DATES: Planning Commission
7:00 p.m., July 28th, 2016
Commission Chambers, 625 Center St, Oregon City, OR 97045

City Commission
7:00 p.m., August 17th, 2016
Commission Chambers, 625 Center St, Oregon City, OR 97045

APPLICANT: Oregon City Community Development Department
Tony Konkol, City Manager

REQUEST: Approval of Time, Place, and Manner Regulations for Marijuana Businesses,
amending Title 17 (Zoning – various chapters) of the Oregon City Municipal Code,

LOCATION: City-Wide

REVIEWERS: Pete Walter, AICP, Planner
Laura Terway, AICP, Community Development Director

RECOMMENDATION: Staff recommends approval of this application based on the satisfaction of all
required criteria for a Legislative action.

PROCESS: OCMC 17.50.170.

- A. *Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use must begin with a public hearing before the planning commission.*
- B. *Planning Commission Review.*
 - 1. *Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.*

2. *The community development director's Report. Once the planning commission hearing has been scheduled and noticed in accordance with Section 17.50.090(C) and any other applicable laws, the community development director shall prepare and make available a report on the legislative proposal at least seven days prior to the hearing.*
3. *Planning Commission Recommendation. At the conclusion of the hearing, the planning commission shall adopt a recommendation on the proposal to the city commission. The planning commission shall make a report and recommendation to the city commission on all legislative proposals. If the planning commission recommends adoption of some form of the proposal, the planning commission shall prepare and forward to the city commission a report and recommendation to that effect.*

C. City Commission Review.

1. *City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.*
2. *Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).*

IF YOU HAVE ANY QUESTIONS ABOUT THIS APPLICATION, PLEASE CONTACT PETE WALTER IN THE PLANNING DIVISION OFFICE AT 657-0891.

I. PROPOSAL

Staff has completed the enclosed draft of time, place and manner regulations for marijuana businesses. The proposed code revisions are based on extensive public outreach, staff research, and input from a variety of sources including the Oregon Liquor Control Commission, League of Oregon Cities, reviews of various other municipal regulations, and legal analysis.

The City Commission passed Ordinance 15-1017 on November 4, 2015 to ban marijuana businesses. The City Commission will refer the question of whether to prohibit recreational marijuana producers, processors, wholesalers and retailers, as well as medical marijuana processors and medical marijuana dispensaries to the voters of Oregon City. This shall be referred to the electors of the City of Oregon City at the next statewide general election on Tuesday, November 8, 2016.

If the citizens of Oregon City vote in favor of these types of businesses, the City will need to have in place “time place and manner” regulations so as to provide a legal process for permitting and regulating them. If the voters elect not allow these businesses in the city, these regulations will not go into effect.

According to state law, Cities may impose reasonable regulations on the following:

- The hours of operation of retail licensees and medical marijuana grow sites, processing sites and dispensaries;
- The location of all four types of recreational licensees, as well as medical marijuana grow sites, processing sites and dispensaries, except that a city may not impose more than a 1,000-foot buffer between retail licensees;
- The manner of operation of all four types of recreational licensees, as well as medical marijuana processors and dispensaries; and
- The public’s access to the premises of all four types of recreational licenses, as well as medical marijuana grow sites, processing sites and dispensaries.

The law also provides that time, place and manner regulations imposed on recreational licensees must be consistent with city and county comprehensive plans, zoning ordinances, and public health and safety laws, which would be true of any ordinance imposed by a city.

II. FACTS

A. AREA AFFECTED: CITY WIDE

Please refer to the Marijuana Business Zoning Quick Reference Table for a summary of how each of the five types of marijuana businesses will be regulated in the various zone districts. A copy of the official zoning map of Oregon City is attached for reference.

The principal new code section that contains operational and site standards will be OCMC 17.54.110. The proposed code will treat medical and recreational marijuana businesses similarly. The language also prohibits personal outdoor cultivation.

B. PUBLIC NOTICE

Public Notice was provided 20 days prior to the first evidentiary hearing via email to affected agencies, neighborhood associations and Oregon City boards and committees, and published in the Oregon City News / Clackamas Review.

A Measure 56 Notice was not required since the proposal does not restrict an existing allowable uses of land or change zone districts.

Notice of the proposed amendment was provided to the Department of the Land Conservation and Development.

Comments from Open House #2 which was held after the public notice was published, are provided in Exhibits.

C. BACKGROUND

On November 4, 2014, Oregon voters approved Ballot Measure 91, which legalized personal possession of certain amounts of marijuana for people 21 years of age or older. The measure also creates a regulatory system for the production, distribution and sale of recreational marijuana and marijuana products. Most provisions of Measure 91 became operative on July 1, 2015. As cities prepare for the implementation of Measure 91 in the coming months, it is important for us all to understand the contours of the measure, including the provisions that directly involve and effect cities.

During the 2015 legislative session, the Oregon Legislature passed four laws relating to medical and recreational marijuana:

- HB 3400, the omnibus bill that amended the Oregon Medical Marijuana Act (OMMA) and Measure 91, which the voters passed in November 2014 legalizing recreational marijuana use in Oregon;
- HB 2041, which revised the state tax structure for recreational marijuana;
- SB 460, which authorized early sales of recreational marijuana by medical marijuana dispensaries; and
- SB 844, which contains miscellaneous provisions.

There is a lot of good official public information on the internet about legalized recreational marijuana in Oregon and what it means for the public, businesses, and Oregon Cities and Counties. The following useful website links have been posted on the City's project webpage since April 2016.

- Information about personal marijuana use: <http://whatslegaloregon.com/>
- Marijuana Businesses: [Oregon Liquor Control Commission \(Marijuana Information\)](#)
- Local Government Regulations: [League of Oregon Cities \(Marijuana Information\)](#)
- Clackamas County Regulations outside the UGB: [Clackamas County \(Marijuana Information\)](#)

D. PUBLIC OUTREACH PROCESS

During the process of developing regulations for marijuana business regulations, staff has employed a variety of methods to engage and educate the public about the process, including:

- Presentations to the Citizen Involvement Council, Police Chief's Advisory Committee,
- Work sessions with the Planning Commission and City Commission
- Two Public Open Houses with assistance from OLCC staff
- Presentations to Oregon City businesses interest groups, including the Oregon City Chamber of Commerce, Oregon City Business Alliance, and Oregon City Downtown Business Association.
- Three Web-Based Surveys
- A project Web-site with frequent updates

- Posts on the city Facebook page
- Public Notices
- Development of Maps and on-line GIS Application

E. DRAFT CODE

Copies of the draft code can be found in the Exhibits. Please refer to the Marijuana Business Zoning Quick Reference Table for a summary of how each of the five types of marijuana businesses will be regulated in the various zone districts. A copy of the official zoning map of Oregon City is attached for reference.

The principal new code section that contains operational and site standards will be OCMC 17.54.110. The proposed code will treat medical and recreational marijuana businesses similarly.

F. MAPS

Maps indicating where Marijuana Business will be permitted based on the proposed regulations can be found in Exhibits.

Marijuana Business Regulation (Public) Web Mapping Application

The Planning and GIS staff developed a very useful on-line mapping application which indicates where the four main types of marijuana businesses (retailer, producer, processor and warehousing) could be restricted or permitted, based on the proposed zoning amendments. The "App" also shows the locations and required separation distances from public and private elementary and secondary schools (1000'), and public parks, licensed child care and daycare facilities, and transit centers (250'). The site was launched on July 11, 2016.

<https://webmaps.orcity.org/galleries/appsPublic/index.html>

III. DECISION-MAKING CRITERIA:

CHAPTER 17.68 ZONING CHANGES AND AMENDMENTS

17.68.010 *Initiation of the amendment.*

A text amendment to this title or the comprehensive plan, or an amendment to the zoning map or the comprehensive plan map, may be initiated by:

A. A resolution by the commission;

B. An official proposal by the planning commission;

C. An application to the planning division presented on forms and accompanied by information prescribed by the planning commission.

All requests for amendment or change in this title shall be referred to the planning commission.

Finding: This request is for text amendments to the Oregon City Municipal Code and was initiated by the Planning Division. **Staff finds that the proposal is consistent with 17.68.010.**

Note: The City Commission referred the question of whether to continue the local ban on marijuana businesses to the voters of Oregon City by Resolution 16-10 (See Exhibits). If the voters decide to continue the current ban on the November Ballot, these proposed regulations would not be effective.

17.68.020 Criteria.

The criteria for a zone change are set forth as follows:

A. The proposal shall be consistent with the goals and policies of the comprehensive plan.

Statewide Planning Goals are also shown to indicate how the Oregon City Comprehensive Plan (OCCP) Goals and Policies implement the applicable Statewide Planning Goal.

STATEWIDE PLANNING GOAL 1 – CITIZEN INVOLVEMENT

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

OCCP Goal 1.1 Citizen Involvement Program

Implement a Citizen Involvement Program that will provide an active and systematic process for citizen participation in all phases of the land-use decision making process to enable citizens to consider and act upon a broad range of issues affecting the livability, community sustainability, and quality of neighborhoods and the community as a whole.

OCCP Policy 1.1.1

Utilize neighborhood associations as the vehicle for neighborhood-based input to meet the requirements of the Land Conservation and Development Commission (LCDC) Statewide Planning Goal 1, Citizen Involvement. The Citizen Involvement Committee (CIC) shall serve as the officially recognized citizen committee needed to meet LCDC Statewide Planning Goal 1.

OCCP Goal 1.2 Community and Comprehensive Planning

Ensure that citizens, neighborhood groups, and affected property owners are involved in all phases of the comprehensive planning program.

OCCP Policy 1.2.1

Encourage citizens to participate in appropriate government functions and land-use planning.

OCCP Policy 1.2.1

Encourage development and refinement of CIC and neighborhood association bylaws that will govern the groups' formation and operations.

OCCP Goal 1.3 Community Education

Provide education for individuals, groups, and communities to ensure effective participation in decision-making processes that affect the livability of neighborhoods.

OCCP Goal 1.4 Community Involvement

Provide complete information for individuals, groups, and communities to participate in public policy planning and implementation of policies.

OCCP Policy 1.4.1

Notify citizens about community involvement opportunities when they occur.

Finding: the following meetings, work sessions and open houses were held to provide information about the impact of Measure 91 and legalization, educate citizens about Oregon City's temporary ban, and gather input from the public about the proposed regulations.

Month	Task	Meeting	Date
March			
	Launch Website and Poll#1		Friday March 11, 2016
	Meet w/ Chief's Advisory Group (1)OCPD Advisory Group Meeting	OCPD Advisory Group Meeting	Tuesday, March 15, 2016
	Meet with Main Street (1)	Main Street Meeting	Thursday, March 24, 2016
	Poll#1 Close		Thursday, March 31, 2016
April			
	Poll #2 open		Monday, April 04, 2016
	CIC meeting	Citizen Involvement Council	Monday, April 04, 2016
	Meet with Chamber of Commerce (1)	OC Chamber - GEAC 3:30-5 pm	Thursday, April 07, 2016
	Open House #1	Open House	Thursday, April 28, 2016
	Poll #2 close		Friday, April 29, 2016
May			
	Poll #3 open		Friday, May 20, 2016
June			
	Poll #3 close		Friday, June 3, 2016
	CC Work Session	City Commission	Tuesday, June 7, 2016
July			
	Open House #2 and Work Session to review Draft Regulations	Planning Commission	Monday, July 11, 2016
	Planning Commission Hearing #1		Monday, July 25, 2016
August			
	City Commission Hearing #1		Wednesday, August 17, 2016

September	Hearings may be continued.		
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Additionally, the City maintained a project website (<http://www.orcity.org/planning/marijuana-regulation-oregon-city>) as a primary source of on-line information. The website was used a source of information related to recreational and medical marijuana legalization, and included an on-line survey site for the three on-line surveys (and results of those surveys), as well as a way to notify the public about latest news and upcoming meetings and events.

Notice of the Planning Commission and City Commission hearings was provided in the Clackamas Review / Oregon City News. Notice was provided to affected agencies and DLCD in accordance with OCMC 17.50. All packets were made available on the City's website and links given to all Neighborhood Association Land Use chairs via email.

A summary of the meetings and public outreach is provided in the Exhibits.

Staff finds that the proposal is consistent with OCCP Goals 1.1, 1.2, 1.3 and 1.4.

STATEWIDE PLANNING GOAL 2 – LAND USE PLANNING

To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

OCCP Goal 2.1 Efficient Use of Land

Ensure that property planned for residential, commercial, office, and industrial uses is used efficiently and that land is developed following principles of sustainable development.

Finding: The goal of the proposed code changes is to ensure that marijuana businesses are compatible with adjacent property uses, and that such businesses comply with the City's separation and operational standards for marijuana businesses.

This proposal does not change the City's adopted zoning map, it only allows a new use and specifies restrictions for those potential new marijuana businesses as well as personal outdoor cultivation. If legalized, marijuana businesses will be subject to the same standards for Site Plan and Design Review that already apply to any other type of development proposal or change of use. The City's adopted zoning maps, code and standards as well as public infrastructure requirements ensure that land will be used efficiently.

Staff finds that the proposal is consistent with Goal 2.1

OCCP Goal 2.3 Corridors

Focus transit-oriented, higher intensity, mixed-use development along selected transit corridors.

Finding: Marijuana retail businesses will be a permitted use in mixed use corridor zones provided that the specified separation requirements from schools, childcare and daycare facilities, public parks and transit centers are observed. The code amendments state that marijuana businesses are prohibited abutting any “R” residentially zoned area, except that this provision shall not apply where the subject property abuts a road that has a freeway, expressway, major arterial, minor arterial, or collector functional classification as shown on Figure 8, Multi-Modal Street System, of the Oregon City Transportation System Plan. This exception will allow marijuana businesses to locate along transit-oriented, higher intensity.

The City’s existing code provisions in OCMC 17.62 Site Plan and Design Review and OCMC 07.52 - Off Street Parking and loading provide additional flexibility and minimum design threshold of buildings to ensure that the new developments and additions along transit corridors produce buildings that are well designed, promote multi-modal travel and have a long lifespan.

Staff finds that the proposal is consistent with Goal 2.3

OCCP Goal 2.4 Neighborhood Livability

Provide a sense of place and identity for residents and visitors by protecting and maintaining neighborhoods as the basic unit of community life in Oregon City while implementing the goals and policies of the other sections of the Comprehensive Plan.

Finding: In Oregon, we have made a commitment to accommodate growth within the urban growth boundary, rather than develop outside the urban growth boundary with low- density homes and businesses. Land inside the urban growth boundary includes cities and services such as water and sewer systems, parks, schools and fire and police protection while land outside the boundary is primarily farm and forest use. Prior to the series of Planning Commission and City Commission hearings, staff worked extensively with the public to determine adequate time, place and manner regulations.

Under the proposed regulations, marijuana businesses would be prohibited in any “R” Residential Zone. Also, marijuana businesses would be prohibited abutting any “R” residentially zoned area, except that this provision would not be applied where the subject property abuts a road that has a freeway, expressway, major arterial, minor arterial, or collector functional classification as shown on Figure 8, Multi-Modal Street System, of the Oregon City Transportation System Plan. In all cases, marijuana retail would not be permitted within 250 feet of any public parks, licensed child care and day care facilities, and public transit centers, or within 1000 feet of a public, private or parochial elementary and secondary school.

In response to the concerns from the public, the proposed code additionally includes a requirement for personal cultivation to be conducted indoors.

These requirements, along with the proposed standards of operation for marijuana businesses, in addition to the Oregon Liquor Control Commission’s licensing regulations, will ensure that neighborhoods remain protected and maintained as the basic unit of community life in Oregon City, while also implementing the goals and policies of the other sections of the Comprehensive Plan.

Staff finds that the proposal is consistent with Goal 2.4

OCCP Goal 2.6 Industrial Land Development

Ensure an adequate supply of land for major industrial employers with family-wage jobs.

OCCP Policy 2.6.2

Ensure that land zoned or planned for industrial use is used for industrial purposes, and that exceptions are allowed only where some other use supports industrial development. New non-industrial uses should specially be restricted in already developed, active industrial sites.

Finding: The proposed code changes will not materially affect the existing inventory of industrially designated lands. The proposed code amendments would permit marijuana production only in the GI - General Industrial Zone. Marijuana processing, and warehousing would be permitted in the GI - General Industrial, CI- Campus Industrial, and MUE - Mixed Use Employment zone similar to other processing and warehousing uses. A limited amount of retail use is already permitted within the GI, CI and MUE zones so that these lands remain available for, and supportive of industrial development.

Staff finds that the proposal is consistent with Goal 2.6.

STATEWIDE PLANNING GOAL 3: AGRICULTURAL LANDS

Finding: Not applicable. Goal 3 states that only land that lies outside Urban Growth Boundaries can be classified as agricultural. Oregon City, which lies wholly within an Urban Growth Boundary, therefore contains no agricultural land according to this definition. However, Oregon City supports preserving designated farmlands in rural areas outside its city limits by encouraging compact growth within the city. The efficient use of urban land in Oregon City slows urban expansion into rural areas. Farm use zones exist outside of the UGB in Clackamas County. Marijuana producers seeking to locate grows on agricultural lands outside of the city limits in the County may seek approval through Clackamas County. Lands within the UGB that have not been annexed to the City have a county zoning of FU-10, which is a holding zone that prohibits land division until urban services can be provided.

STATEWIDE PLANNING GOAL 4: FOREST LANDS

Finding: Not applicable. Under Goal 4, land is considered forest land if it was acknowledged as such when the goal was adopted. Oregon City has not identified any forest lands within its city limits and has therefore not adopted any goals or policies related to commercial forestry. Furthermore, the regulation of marijuana businesses within the city will have no impact on forest lands.

STATEWIDE PLANNING GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES

Statewide Planning Goal 5 requires that open spaces and natural, scenic, and historic resources be protected.

OCCP Goal 5.1 Open Space

Establish an open space system that conserves fish and wildlife habitat and provides recreational opportunities, scenic vistas, access to nature and other community benefits.

Finding: The proposed marijuana business regulations will not affect the amount or quality of existing or proposed open spaces. Existing open spaces, water resources and habitat areas have been identified in the comprehensive plan and the various concept plans that have been adopted within the UGB, and the city protects these resources through the administration of the various overlay districts:

- Natural Resources Overlay District
- Geologic Hazards Overlay District
- Willamette River Overlay District
- Flood Management Overlay District
- Historic Resources Overlay District

The City and Metro has mapped the locations of known open space, habitat, and water resource areas, and established buffer areas within which additional analysis and review is required to assure that these areas received proper protection under applicable laws. These reviews are triggered in addition to any applicable underlying zoning and building codes that apply.

Staff finds that the proposal is consistent with Goal 5.1.

OCCP Goal 5.2 Scenic Views and Scenic Sites

Protect the scenic qualities of Oregon City and scenic views of the surrounding landscape.

Finding: The natural resource overlay district in OCMC 17.49, along with the existing overlay zones protecting the Willamette River Greenway, assures that the municipal code continues to protect scenic views.

Staff finds that the proposal is consistent with Goal 5.2.

OCCP Goal 5.4 Natural Resources

Identify and seek strategies to conserve and restore Oregon City's natural resources, including air, surface and subsurface water, geologic features, soils, vegetation, and fish and wildlife, in order to sustain quality of life for current and future citizens and visitors, and the long-term viability of the ecological systems.

Finding: In accordance with Metro Title 3, Water Quality, and Metro Title 13, Nature in the Neighborhoods, adoption of the revised chapter 17.49, Natural Resource Overlay District, assures that key habitat fish and wildlife habitat areas throughout the city are protected as one contiguous system. The mapping of these areas has been refined and improved using more accurate slope data. Along with the city's park and trail system, these areas provide recreational opportunities, access to nature and other community benefits.

Staff finds that the proposal is consistent with Goal 5.4.

OCCP Goal 5.3 Historic Resources

Encourage the preservation and rehabilitation of homes and other buildings of historic or architectural significance in Oregon City.

OCCP Policy 5.3.8

Preserve and accentuate historic resources as part of an urban environment that is being reshaped by new development projects.

Finding: New construction subject to the City's adopted guidelines, and adaptive re-use and rehabilitation of existing historic structures helps to encourage the preservation and rehabilitation of buildings of historic or architectural significance in Oregon City. GIS mapping indicates that due to the proposed separation requirements from existing schools, parks and daycare facilities within the McLoughlin Conservation District Boundary, it is very unlikely that marijuana businesses could be located there. There is the potential that such businesses could be located in the Historic Commercial zoned areas of the Canemah Conservation District Boundary.

Staff finds that the proposal is consistent with Goal 5.3.

STATEWIDE PLANNING GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS

To protect people and property from natural hazards.

OCCP Goal 7.1 Natural Hazards

Protect life and reduce property loss from the destruction associated with natural hazards

Finding: Not applicable. The City's Geology Hazards code, maps, and GIS system ensures greater City review over additions and new construction in identified geologic hazard areas. This proposal will not affect the review process within geologic hazard areas.

STATEWIDE PLANNING GOAL 8: RECREATIONAL NEEDS

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

OCCP Goal 8.1 Developing Oregon City's Park and Recreation System

Maintain and enhance the existing park and recreation system while planning for future expansion to meet residential growth.

Policy 8.1.12

Identify and protect land for parks and recreation within the Urban Growth Boundary.

Finding: The proposed code amendments include a requirement that would not permit a marijuana retailer or dispensary within 250 feet of a public park. The intent of this provision is to provide a clear physical separation between marijuana retail uses and users of parks which are primarily families, youth and children.

Additionally, under the proposed regulations, marijuana businesses would be prohibited in any “R” Residential Zone. Also, marijuana businesses would be prohibited abutting any “R” residentially zoned area, except that this provision would not be applied where the subject property abuts a road that has a freeway, expressway, major arterial, minor arterial, or collector functional classification as shown on Figure 8, Multi-Modal Street System, of the Oregon City Transportation System Plan. In all cases, marijuana retail would not be permitted within 250 feet of any public parks, licensed child care and day care facilities, and public transit centers, or within 1000 feet of a public, private or parochial elementary and secondary school.

These requirements, along with the proposed standards of operation for marijuana businesses, in addition to the Oregon Liquor Control Commission’s licensing regulations, will ensure that neighborhoods with public parks remain protected, while also implementing the goals and policies of the other sections of the Comprehensive Plan.

With respect to recreational needs under Statewide Goal 8’s promotion of recreational opportunities, there is some indication that the legalization of recreational marijuana could have a positive direct and indirect impact on tourism activities within Oregon and for cities that allow recreational marijuana retail.

Staff finds that the proposal is consistent with Goal 8.1.

STATEWIDE GOAL 9: ECONOMIC DEVELOPMENT

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

OCCP Goal 9.1 Improve Oregon City’s Economic Health

Provide a vital, diversified, innovative economy including an adequate supply of goods and services and employment opportunities to work toward an economically reasonable, ecologically sound and socially equitable economy.

Finding: The proposed code amendments, along with existing zoning regulations, are intended to assure that marijuana businesses are compatible with existing mixed use, commercially and industrially zoned land in appropriate locations throughout the city. Additional economic and work opportunities could be provided through the adoption of the amended provisions. If legalized, Oregon City will be permitted to apply a 3% local tax to any recreational marijuana business that locates within the city limit.

Staff finds that the proposal is consistent with Goal 9.1.

*STATEWIDE PLANNING GOAL 10: HOUSING**To provide for the housing needs of citizens of the state.**OCCP Goal 10.1 Diverse Housing Opportunities**Provide for the planning, development and preservation of a variety of housing types and lot sizes.*

Finding: The proposed code amendments will not affect existing policies for the planning, development and preservation of a variety of housing types and lot sizes.

Under the proposed regulations, marijuana businesses would be prohibited in any “R” Residential Zone. Also, marijuana businesses would be prohibited abutting any “R” residentially zoned area, except that this provision would not be applied where the subject property abuts a road that has a freeway, expressway, major arterial, minor arterial, or collector functional classification as shown on Figure 8, Multi-Modal Street System, of the Oregon City Transportation System Plan. In all cases, marijuana retail would not be permitted within 250 feet of any public parks, licensed child care and day care facilities, and public transit centers, or within 1000 feet of a public, private or parochial elementary and secondary school.

These requirements, along with the proposed standards of operation for marijuana businesses, in addition to the Oregon Liquor Control Commission’s licensing regulations, will ensure that neighborhoods remain protected and maintained as the basic unit of community life in Oregon City, while also implementing the goals and policies of the other sections of the Comprehensive Plan.

Staff finds that the proposal is consistent with Goal 10.1.

*STATEWIDE PLANNING GOAL 11: PUBLIC FACILITIES AND SERVICES**To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.**OCCP Goal 11.1 Provision of Public Facilities**Serve the health, safety, education, welfare, and recreational needs of all Oregon City residents through the planning and provision of adequate public facilities.*

Finding: The code changes being proposed encourage development adjacent to existing developed areas, thereby reducing costly public facilities extensions. Marijuana businesses will require provision of public facilities including sewer, water and storm water management, police and emergency services, similar to any other type of business. In some cases, particularly for indoor marijuana production, water and electricity demands may be significant. In addition to OLCC licensing requirements, the City’s various public facilities requirements, system development charges, and building codes will ensure that adequate public facilities are provide for new marijuana businesses without unduly burdening city residents.

Staff finds that the proposal is consistent with Goal 11.1.

Goal 11.4 Stormwater Management

Seek the most efficient and economical means available for constructing, operating, and maintaining the City's stormwater management system while protecting the environment and meeting regional, state, and federal standards for protection and restoration of water resources and fish and wildlife habitat.

Finding: The locations for potential marijuana business would typically locate in areas where existing public facilities and services can be efficiently extended, thereby reducing costly public facilities extensions in including the stormwater conveyance system. The geologic hazards code OCMC 17.44 will continue to review how stormwater is addressed in steep slope areas. The city has recently adopted new stormwater management engineering design standards, which implement a Low Impact Development (LID) and green street approach to infrastructure improvements.

Staff finds that the proposal is consistent with Goal 11.4.

OCCP Goal 11.6 Transportation Infrastructure

Optimize the City's investment in transportation infrastructure.

Finding: The proposed code amendments would allow marijuana retailers to locate adjacent along existing transportation corridors, thereby reducing costly public facilities extensions.

Staff finds that the proposal is consistent with Goal 11.6.

STATEWIDE PLANNING GOAL 12: TRANSPORTATION

To provide and encourage a safe, convenient and economic transportation system.

OCCP Goal 12.1 Land Use-Transportation Connection

Ensure that the mutually supportive nature of land use and transportation is recognized in planning for the future of Oregon City.

Finding: The proposed code amendments are consistent with the 2014 adopted Transportation System Plan. The land use and transportation hierarchy remains the same.

Staff finds that the proposal is consistent with Goal 12.1.

Staff finds that the proposal meets criterion A for a zoning amendment, consistent with the applicable Goals and Policies of the Oregon City Comprehensive Plan.

Criteria for a zoning amendment – continued:

B. That public facilities and services (water, sewer, storm drainage, transportation, schools, police and fire protection) are presently capable of supporting the uses allowed by the zone, or can be made available prior to issuing a certificate of occupancy. Service shall be sufficient to support the range of uses and development allowed by the zone.

Finding: The locations for potential marijuana businesses are typically in areas where existing public facilities and services can be efficiently extended to, and would be reviewed against all applicable public facilities requirements during the development process.

Staff finds that the proposal meets criterion B for a zoning amendment.

C. The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district.

Finding: The proposal does not change the zoning map. The locations for potential marijuana businesses are typically in areas where existing public facilities and services can be efficiently extended to, including the transportation system. Locations would be reviewed against all applicable public facilities requirements during the development process.

Staff finds that the proposal meets criterion C for a zoning amendment.

D. Statewide planning goals shall be addressed if the comprehensive plan does not contain specific policies or provisions which control the amendment.

Finding: Not applicable. The Oregon City Comprehensive Plan addresses the Statewide Planning Goals, as shown above under the findings for Criterion A.

IV. RECOMMENDATION

Staff recommends that the Planning Commission recommend approval of the Municipal Code text amendments, to the City Commission as included in the Exhibits for their consideration.

V. EXHIBITS

1. Proposed Marijuana Business Regulations – All Chapters
2. Marijuana Business Zoning Regulation Quick Reference Table
3. Oregon City Zoning Map
4. Retailer Permitted Zone Map
5. Producer Permitted Zone Map

6. Processor Permitted Zone Map
7. Wholesaler Permitted Zone Map
8. LE 16-01 Public Outreach Meeting Summary with Attachments
9. DLCD Notice
10. LE-16-0001 Emailed Public Notice
11. Clackamas Review / Oregon City News Newspaper Affidavit of Publication
12. 07.11.2016 Planning Commission Work Session Notes
13. Resolution 16-10: A RESOLUTION REFERRING TO THE ELECTORS OF THE CITY OF OREGON CITY
THE QUESTION OF BANNING MEDICAL MARIJUANA PROCESSING SITES, MEDICAL MARIJUANA
DISPENSARIES, RECREATIONAL MARIJUANA PRODUCERS, RECREATIONAL MARIJUANA
PROCESSORS, RECREATIONAL MARIJUANA WHOLESALERS, AND RECREATIONAL MARIJUANA
RETAILERS WITHIN THE CITY OF OREGON CITY.