



MEMORANDUM

TO: Deschutes County Board of Commissioners

FROM: Peter Gutowsky, AICP, Planning Manager

DATE: September 29, 2021

SUBJECT: House Bill 3295 / Marijuana Tax Revenue / Cannabis Advisory Panel

The purpose of this memorandum is to consider appointing members to the Cannabis Advisory Panel (CAP) and reviewing a draft order, charter, and meeting agenda. The first meeting of the CAP is scheduled for Monday, October 18, 2021 from 6:00 to 8:00 p.m. in the Deschutes Services Center.

I. CAP Appointments

On July 14, 2021, the Board of County Commissioners (Board) agreed to convene a CAP as authorized under House Bill (HB) 3295.¹ On August 14, 2021, the Board directed staff to initiate a recruitment for a member of the public.² The recruitment period opened on August 23 and closed on September 13. Six candidates applied. The Board revisited all of the candidates noted below in Table 1 on September 27. They expressed support for all the candidates with the exception of the members at large and marijuana retail license positions. The Board expressed a desire to reach out to those two subgroups for follow-up conversations. Formal appointments are expected on October 6.

Table 1 – CAP / Consideration of Appointment

Name	Representation	Board Selection(s)
Hunter Neubauer	A person who holds a license issued under ORS 475B.070 for a premises located in the county (i.e. marijuana production license).	Hunter Neubauer
Matt Hurt Joseph Stapleton ³	A person who holds a license issued under ORS 475B.105 for a premises located in the county (i.e. marijuana retail license).	TBD
Dustin Miller, Detective	A designee of the county sheriff.	Dustin Miller
Tony DeBone, Chair Phil Chang, Vice Chair Patti Adair, Commissioner	A designee of the county commission.	Tony DeBone, Chair Phil Chang, Vice Chair Patti Adair, Commissioner

¹ <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB3295>. Section 3

² Ibid. See 1(e).

³ Matt Hurt and Joe Stapleton both expressed interest. They represent the two marijuana dispensaries operating in rural Deschutes County.

Name	Representation	Board Selection(s)
Andrew Aasen Jeremy Dickman Mary Fleischmann Dustin Kallberg Liz Lotochinski Haley Rose Stinson	A member of the public.	TBD
Kyle Gorman (or designee from Oregon Water Resources Department)	A watermaster, as described in ORS 540.020, who is appointed for a water district in, partially in or near the county.	Kyle Gorman
Gary Bracelin ⁴	A representative of the county who is knowledgeable about economic development in the county.	Gary Bracelin

II. Draft Order and Charter

A draft order and charter are attached for the Board's consideration (Attachments 1 and 2). Both have been revised to reflect the Board's recent conversations relating to:

- Ex-officio role and annual representation by the Board
- Staggered terms
- Election of a CAP chair
- Establishing CAP quarterly agendas.

The order lists the panelists and their terms, while the charter defines their roles and responsibilities, as well as the mission, composition, and standard protocols. Based on Board input, staff can, if directed, return on October 6 under other Agenda Items, to finalize both documents.

III. Draft CAP Agenda

A draft CAP agenda for October 18 is attached for the Board's consideration (Attachment 3). Similar to the draft order and charter, staff can, if directed, return on October 6 under other Agenda Items if revisions are necessary.

Attachments:

1. Draft Order No. 2021-045
2. Draft CAP Charter
3. Draft CAP Agenda

⁴ The Bend Chamber of Commerce in coordination with Economic Development of Central Oregon (EDCO) recommended Gary Bracelin. Mr. Bracelin is affiliated with Tokyo Starfish, a marijuana dispensary in Bend.

REVIEWED

LEGAL COUNSEL

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Approving the Appointment of a
Cannabis Advisory Panel

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ORDER NO. 2021-045

WHEREAS, the Oregon Legislature on June 26, 2021, adopted House Bill (“HB”) 3295 to ensure that counties that participate in Oregon’s marijuana economy receive a share of marijuana revenue; and

WHEREAS, Marijuana tax revenue has not been paid to Deschutes County by the Oregon Department of Revenue since 2019, when the Board of County Commissioners (“Board”) passed Ordinance 2019-014, prohibiting the establishment of future (new) marijuana production and processing businesses in unincorporated Deschutes County (commonly referred to as an Opt Out); and

WHEREAS, HB 3295 requires the Board to appoint a Cannabis Advisory Panel (“CAP”) as a precondition to receive marijuana tax revenue; now, therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDERS as follows:

Section 1. The following persons are appointed to the County’s Cannabis Advisory Panel:

- | | |
|----------------------------------|------------------------------|
| 1. Hunter Neubauer | 6. Patti Adair |
| 2. TBD, Marijuana retail license | 7. TBD, Member of the public |
| 3. Dustin Miller | 8. Kyle Gorman |
| 4. Tony DeBone | 9. Gary Bracelin |
| 5. Phil Chang | |

Section 2. The Board’s role on the CAP is as an ex-officio member because the CAP provides recommendations to the county commission per HB 3295. County commission representation on the CAP will be determined annually by the Board.

Section 3. The Board shall appoint and reappoint members to the CAP. Terms are staggered in two and three year terms as follows:

1. Hunter Neubauer, October 18, 2021 to October 17, 2023
2. TBD, Marijuana retail license, October 18, 2021 to October 17, 2023
3. Dustin Miller, October 18, 2021 to October 17, 2023
4. TBD, Member of the public, October 18, 2021 to October 17, 2024
5. Kyle Gorman, October 18, 2021 to October 17, 2024
6. Gary Bracelin, October 18, 2021 to October 17, 2024

Section 4. This Order is effective upon signing.

Dated this _____ of October, 2021

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DeBONE, Chair

PHIL CHANG, Vice Chair

ATTEST:

Recording Secretary

PATTI ADAIR, Commissioner

DRAFT

CANNIBIS ADVISORY PANEL

October 2021

I. Background

Introduced by Representative Jason Kropf (D, Bend), sponsored by Representative Jack Zika (R, Redmond), and ultimately adopted by the Oregon Legislature on June 26, 2021, House Bill (HB) 3295 ensures that counties that participate in Oregon's marijuana economy receive a share of marijuana revenue. For Deschutes County, to receive marijuana tax revenue, the Board of County Commissioners (Board) must appoint a Cannabis Advisory Panel (CAP).

Marijuana tax revenue has not been paid to Deschutes County by the Oregon Department of Revenue since 2019, when the Board passed Ordinance 2019-014, prohibiting the establishment of future (new) marijuana production and processing businesses in unincorporated Deschutes County (commonly referred to as an Opt Out). Ordinance No. 2019-015, adopted on October 16, 2019, further clarified that Ordinance No. 2019-014 has no impact on the County's past marijuana production land use decisions and does not preclude those applicants from moving forward in the licensure process with the Oregon Liquor Control Commission (OLCC). On November 3, 2020, Ballot Measure 9-134 asked voters if they wanted to repeal the opt-out ordinances—a "yes" vote would once again allow new marijuana production and processing businesses in Deschutes County, and a "no" vote would continue to prohibit new marijuana production and processing businesses in Deschutes County. Ultimately, Deschutes County residents voted "no" to Measure 9-134, thereby upholding the opt-out and prohibiting future/new recreational marijuana production and processing businesses from being established in the unincorporated county.

II. Purpose

The Board appointed the CAP in October 2021 to meet quarterly and provide at least three recommendations:

1. The use of moneys transferred to the county under ORS 475B.759;
2. Increases in public safety measures related to marijuana use and marijuana entitles in the county; and
3. Issues presented by the production, processing, wholesaling and distribution of marijuana in the unincorporated area subject to the jurisdiction of the county.

III. Structure and Membership

The CAP consists of ~~x~~ voting members appointed by the Board. Appointments and reappointments shall be made by the Board. Terms are staggered for two or three years. The Board's role on the CAP is as an

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ex-officio member because the CAP provides recommendations to the county commission per HB 3295. County commission representation on the CAP will be determined annually by the Board.

A Project Management Team consisting of county staff will support the CAP in the following areas:

- Meeting facilitation and communications
- Website updates and maintenance
- Provide an overview of public meeting laws and ethics, education (i.e., applicable laws and rules), technical information and memorandums, and options for decision making
- Meeting minutes

IV. Meeting Agendas

The Board will establish and/or delegate the quarterly CAP meeting agendas.

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V. Record Keeping and Transparency

As an official public body, meeting minutes will be taken and posted on a designated website. They will be shared via email with all members prior to the meeting for review, and be approved as drafted or modified by the CAP at a subsequent meeting. All opinions, perspectives, and views will be captured in meeting minutes. This Charter also will be posted to the project website and remain a publically available document.

VI. Membership

The CAP is comprised of x members listed in the table below.

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Name	Organization / Background	Terms
Hunter Neubauer	A person who holds a license issued under ORS 475B.070 for a premises located in the county (i.e. MJ production license)	October 18, 2021 to October 17, 2023
TBD, Marijuana Retail License	A person who holds a license issued under ORS 475B.105 for a premises located in the county (i.e. MJ retail license)	October 18, 2021 to October 17, 2023
Dustin Miller, Detective	A designee of the county sheriff	October 18, 2021 to October 17, 2023
Tony DeBone, Chair Phil Chang, Vice Chair Patti Adair, Commissioner	A designee of the county commission	N/A
TBD, Member of the Public	A member of the public	October 18, 2021 to October 17, 2024
Kyle Gorman or designee from Oregon Water Resources Department	A watermaster, as described in ORS 540.020, who is appointed for a water district in, partially in or near the county	October 18, 2021 to October 17, 2024

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Gary Bracelin	A representative of the county who is knowledgeable about economic development in the county	October 18, 2021 to October 17, 2024
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VII. CAP Chair

Starting on October 18, 2021, the CAP shall elect from among its membership a chair. No panelist shall be chair for more than two consecutive years.

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VIII. Ground Rules and Expectations

1. Attendance. The CAP strives for full attendance at every meeting.
2. Inclusivity and Civility. CAP members are expected to create space for diverse or contradictory opinions, and support collaboration in all meetings.

IX. Meeting Times, Quorum, Participation, Schedule

CAP meetings will be scheduled quarterly starting on October 18 from 6:00 to 8:00 p.m. at the Deschutes Services Center, 1300 NW Wall Street, Barnes and Sawyer rooms, Bend, OR. Meetings will be conducted in-person and electronically. Meeting agendas will be posted on the project website and provided to CAP members via email approximately one (1) week prior to each meeting.

Regular check-ins with the Board by the Project Management Team may occur monthly or more frequently if necessary. A quorum (majority) of the CAP members shall be required to make recommendations.

SCHEDULE

Date	Topics of Discussion
October 18, 2021	Introductions, Purpose/Charter, Ground Rules, HB 3295 recommendations, Electing a Chair, January CAP Meeting Date
January TBD	HB 3295 recommendations, other issues
April TBD	TBD
July TBD	TBD
The CAP will meet continue to meet quarterly in January, April, July, and October.	

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COMMUNITY DEVELOPMENT

Deschutes County Cannabis Advisory Panel

Meeting #1: Monday, October 18, 2021, 6:00-8:00 pm
Deschutes Services Building, Barnes and Sawyer Rooms, 1300 NW Wall Street, Bend

Zoom Link

TIME	TOPIC	DESIRED OUTCOME
6:00 (:15)	1. Welcome from Deschutes County: Tony DeBone, Phil Chang, and Patti Adair <i>See Packet: Charter</i> <ul style="list-style-type: none"> Purpose and desired outcomes of the Cannabis Advisory Panel (CAP) 	Welcome attendees, establish the purpose of the CAP
6:15 (:15)	2. Welcome from Oregon State Representatives Jason Kropf and Jack Zika <ul style="list-style-type: none"> Discuss legislative intent for HB 3295 	Overview of HB 3295
6:30 (:05)	3. Overview of agenda: TBD (facilitator)	Clarity on the agenda and housekeeping items.
6:35 (:25)	4. Check-in from Advisory Panel members <i>See Packet: Roster of members</i> Two minutes each: <ul style="list-style-type: none"> Name, where you live, why you chose to serve on the CAP Opportunity to suggest additional issues to be discussed What do you want to accomplish? 	List of best hopes for the group.
7:00 (:15)	5. Public meeting laws: County Legal Counsel <i>See packet: Meeting Laws / Quorum</i>	Common understanding of the law with regard to meetings of the CAP.
7:15 (:05)	Break	

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TIME	TOPIC	DESIRED OUTCOME
7:20 (:20)	6. Elect Chair <i>See Packet: Charter</i> <ul style="list-style-type: none"> Discuss, nominate and select a chair 	Select a chair.
7:40 (:10)	7. Public Comments Members of the public are welcome at every CAP meeting. There will be a short time at each meeting set aside for verbal public comment. Each person's time will be limited to allow time for everyone who wishes to speak. In addition, written comments will be accepted at any time, and will be posted to the County's website, where all CAP members will be expected to read them.	Opportunity to hear from members of the public who are present.
7:50 (:10)	8. Next steps <ul style="list-style-type: none"> Agenda and date for next meeting: January 2022. Date and time TBD. 	
8:00	9. Wrap up and Adjourn	

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