



MEMORANDUM

TO: Deschutes County Board of Commissioners

FROM: Tanya Saltzman, AICP, Senior Planner

DATE: September 2, 2021

SUBJECT: Deliberations: Marijuana Annual Reporting Text Amendments

The Board of County Commissioners (Board) will continue deliberations on proposed text amendments to modify marijuana annual reporting requirements. The Board held a public hearing on August 25 concerning Ordinance No. 2021-011, legislative amendments to 1) extend the permitted hours for marijuana retail businesses and 2) modify marijuana annual reporting requirements.¹

During deliberations, the Board chose to decouple the two components of Ordinance No. 2021-011. The amendments addressing the extension of marijuana retail hours were maintained in Ordinance No. 2021-011 (provided to the Board as a separate agenda item). The other half of the original text amendment package concerning marijuana annual reporting has been repackaged into a new ordinance (Ordinance No. 2021-012) for the Board's separate consideration here.

Staff submitted a 35-day Post-Acknowledgement Plan Amendment (PAPA) notice to the Department of Land Conservation and Development (DLCD) on June 9, 2021. Staff initially brought these issues to the Planning Commission for a preliminary discussion on May 13,² and had a subsequent discussion with the Board of County Commissioners on May 24,³ at which time the Board directed staff to initiate the text amendment process. Staff held a public hearing before the Planning Commission on July 22, 2021, at which time the Planning Commission recommended approval with minor clarifications to the annual reporting language that were noted in the public hearing memorandum. A summary of the proposed amendments and background information was provided to the Board in the packet submitted for its August 18, 2021 work session.⁴

¹ <https://www.deschutes.org/bcc/page/board-county-commissioners-meeting-4>

² https://deschutescountyor.iqm2.com/Citizens/Detail_Meeting.aspx?ID=2770

³ https://deschutescountyor.iqm2.com/Citizens/Detail_Meeting.aspx?ID=2701

⁴ <https://www.deschutes.org/bcc/page/board-county-commissioners-meeting-40>

I. PROPOSAL

The proposed text amendments, which have been modified per the Board's request during deliberations, now read as follows:

- DCC 18.116.330(D)(1): Adds text to state **"An annual report is required unless the approved applicant has (a) secured a license from OLCC; (b) operated through at least one growing season, and (c) obtained a passing inspection from the Community Development Department. Thereafter, mandated annual reporting is not applicable unless the license is modified, in which case annual reporting is required until (a), (b), and (c) are once again satisfied.** An annual report shall be submitted to the Community Development Department..." (new text indicated in bold type).
- For reference, the language originally presented for the public hearing read **"If directed by the Board of County Commissioners,** an annual report shall be submitted..." Reasons for the proposed language change are provided below.

II. BOARD OF COUNTY COMMISSIONERS PUBLIC HEARING – PUBLIC TESTIMONY

Three individuals provided written testimony concerning annual reporting:

- Bracelin
- Hayes
- Pate

Their testimony is part of the record that has been provided to the Board and available to the public. All testimony was in favor of changing annual reporting requirements—and in some cases, removing the requirement entirely—and providing more specificity, largely for the following reasons:

- Need for predictability – "Either you should have to file an annual report or you shouldn't." (Bracelin)
- Redundancy with OLCC inspections – "I think the big takeaway is that those of us that are OLCC licensed are following the rules, and OLCC is holding us accountable. It seems redundant to put additional requirements on the County and business owners for annual inspections." (Pate)
- Record of 100 percent compliance – "Like all other license holders, I have met and exceeded the expectations of the county." (Hayes)
- Existing complain-driven model applies to other land uses in the County.

III. BOARD OF COUNTY COMMISSIONERS DELIBERATIONS

After receiving public testimony, the Board began deliberations. During this process, the Board discussed the option of removing annual reporting requirements entirely; the Board also considered requiring annual reports/site visits just once following initial licensure. Staff, in coordination with legal counsel, has provided the new language summarized above and included as Exhibit A for the Board's consideration during continued deliberations.

Attachments:

1. Draft Ordinance No. 2021-012
2. Corresponding Exhibits to Ordinance No. 2021-012:
 - Exhibit A – DCC Chapter 18.116, Supplementary Provisions
 - Exhibit B – Findings