ORDINANCE NO. 882

AN ORDINANCE APPROVING A BAN ON ADDITIONAL RECREATIONAL MARIJUANA RETAILERS AND REFERRING THE ORDINANCE TO THE ELECTORS OF THE CITY, DECLARING AN EMERGENCY

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

- 1. ORS 475C.005 to 475C.525 directs the Oregon Liquor and Cannabis Commission to license the production, processing, wholesale, and retail sale of recreational marijuana;
- 2. ORS 475C.950 provides that a city council may adopt an ordinance, which is then referred to the electors of the city, prohibiting the establishment of certain state-registered and state-licensed marijuana businesses in the area subject to the jurisdiction of the city;
- 3. This ordinance being necessary for the immediate preservation of the public peace, health and safety, an emergency exists;
- 4. The city council wants to prohibit certain businesses, and refer the question of whether to prohibit additional recreational marijuana retailers to the voters of Troutdale

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. The Following Ordinance is hereby adopted, and referred to the electors of the City, as described in ORS 475C.950:

Definition. "Marijuana Retailer" or "Recreational Marijuana Retailer" means a person licensed by the Oregon Liquor and Cannabis Commission (OLCC) to sell marijuana items to a consumer as described in ORS 475C.097.

Ban Declared. As described in section ORS 475C.950, the City of Troutdale hereby prohibits the establishment of additional recreational marijuana retailers in the area subject to the jurisdiction of the City

The prohibition on additional recreational marijuana retailers set out in this ordinance does not apply to any recreational marijuana retailer that continuously satisfies the conditions of the OLCC and is licensed to operate by the OLCC as a recreational marijuana retailer for premises located in the City on March 14, 2023.

Emergency. This ordinance being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this ordinance shall be in full force and effect on passage.

Ordinance #882 Page 1 of 4

Section 2. Referral. The ordinance set forth above is hereby referred to the electors of the city of Troutdale at the next statewide general election, to be held in November 2024.

Section 3. Ballot Title. The City Attorney has prepared the ballot title for the measure attached as Attachment A which is hereby approved and adopted

Section 4. Explanatory Statement. The explanatory statement for the measure, which is attached hereto as "Attachment B," and incorporated herein by reference, is hereby approved for publication in the Voters Pamphlet.

Section 5. Notice of Ballot Title and Right to appeal. Upon receiving the ballot title for this measure, the city elections officer shall publish in a timely fashion, and in a newspaper of general circulation in the city, a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

Section 6. Filing with County Elections Officer. The City elections officer shall deliver a Notice of Measure Election to the county clerk for Multnomah County for inclusion on the ballot for the next statewide general election in November, 2024.

Section 7. Filing with Oregon Liquor Cannabis Commission. The city elections officer shall promptly deliver the notice of prohibition to the OLCC, including the text of this referred Ordinance and the date of the next general election as set forth in ORS 475C.950(3)(b).

Section 8. Emergency. This ordinance being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this ordinance shall be in full force and effect upon its passage.

YEAS: 6 NAYS: 0 ABSTAINED: 0

Randy Lauer, Mayor Date: March 15, 2023

Sarah Skroch, City Recorder Adopted: March 14, 2023

Ordinance #882 Page 2 of 4

BALLOT TITLE

A caption which reasonably identifies the subject of the measure 10-word limit under ORS 250.035(1)(a)

10 Words

Prohibits additional recreational marijuana retailers in Troutdale, allows existing retailers.

QUESTION

A question which plainly phrases the chief purpose of the measure so that an affirmative response to the question corresponds to an affirmative vote on the measure

20-word limit under ORS 250.035(1)(b)

19 Words

Shall Troutdale prohibit additional recreational marijuana retailers in the city, and allow existing retailers and other types of marijuana businesses?

SUMMARY

A concise and impartial statement summarizing the measure and its major effect 175- word limit under ORS 250.035(1)(c) 166 Words

State law regulates both recreational and medical marijuana operations, including and retailers.

State law allows a city council to adopt ordinances to be referred to the voters that prohibit the establishment of any of registered or licensed marijuana activities, while allowing existing activities to continue.

Approval of this measure will prohibit the establishment of additional recreational marijuana retailers within the city. Existing recreational marijuana retailers all producers, processors and wholesalers as well as medical marijuana registrants will not be affected by this ordinance.

If this measure is approved, the city will be ineligible to receive distributions of state marijuana tax revenues and will be unable to impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated.

Existing recreational marijuana retailers in the City may continue to offer for sale marijuana and marijuana products such as concentrates, extracts, edible products, and other products intended for human consumption and use in compliance with state law.

Ordinance #882 Page 3 of 4

EXPLANATORY STATEMENT

An impartial, simple and understandable statement explaining the measure and its effect for use in the county voters' pamphlet

500-word limit under ORS 251.345 and OAR 165-022-0040(3) 405 Words

Approval of this measure would prohibit the establishment and operation of additional recreational marijuana retailers within the city.

This measure will <u>not</u> apply to existing licensed recreational marijuana retailers in the City. It will <u>not</u> apply to any medical marijuana businesses or dispensaries. It will prohibit additional recreational marijuana retailers from locating in the city.

ORS chapter 475C directs the Oregon Liquor and Cannabis Commission to license recreational marijuana producers (those who manufacture, plant, cultivate, grow or harvest marijuana), processors, wholesalers, and retailers.

A city council may adopt an ordinance prohibiting the establishment of any of those entities within the city, but the council must refer the ordinance to the voters at a statewide general election. The City Council of Troutdale has adopted the text of this ordinance prohibiting the establishment of additional recreational marijuana retailers within the city and has referred this measure to the voters.

If approved, this measure would prohibit recreational marijuana retailers from establishing new retail sales stores after Marcy 14, 2023, within the city. Recreational Marijuana Retailers that were licensed to operate in the City prior to March 14, 2023 may continue to operate under those licenses. Medical marijuana processors and medical marijuana dispensaries that were registered with the state before the city council adopted the ordinance, and medical marijuana dispensaries that had applied to be registered on or before July 1, 2015, can continue operating in the city even if this measure is approved.

Approval of this measure has revenue impacts. Currently, approximately \$20, 000 to \$25,000 of state marijuana tax revenues will be distributed annually to the City of Troutdale under ORS chapter 475C. If approved, this measure would make the city ineligible to receive distributions of state marijuana tax revenues.

Currently, a city may impose up to a 3% tax on the sale of marijuana items by marijuana retailers in the city. The City does not currently collect such a tax. However, a city that adopts an ordinance prohibiting the establishment of any recreational marijuana retailers may not impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. Approval of this measure would therefore prevent the City from imposing a local tax on those activities.

Ordinance #882 Page 4 of 4