

# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

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**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
- Medium Density Residential (RM) Zone: MCC 18.55.030 (4);
- High Density Residential (RH) Zone: MCC 18.60.030 (6); and
- Mixed Density Residential (MX) Zone: MCC18.65.040 (3).

Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
- Main Street District (MSD) Zone: MCC 18.90.030 (4)(f) - Medical and dental offices, clinics and laboratories and MCC 18.90.030 (4)(j) - Graphic arts, printing, blueprinting, photo processing or reproduction labs, publishing and book binding services, and testing laboratories and facilities, provided no operation shall be conducted or equipment used that would create hazards and/or noxious or offensive conditions.
- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.

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In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

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In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

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Processing is not allowed in the Light Industrial (IL) Zone.

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**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

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**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

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These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

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**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.



# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
- Medium Density Residential (RM) Zone: MCC 18.55.030 (4);
- High Density Residential (RH) Zone: MCC 18.60.030 (6); and
- Mixed Density Residential (MX) Zone: MCC18.65.040 (3).

Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
- Main Street District (MSD) Zone: MCC 18.90.030 (4)(f) - Medical and dental offices, clinics and laboratories and MCC 18.90.030 (4)(j) - Graphic arts, printing, blueprinting, photo processing or reproduction labs, publishing and book binding services, and testing laboratories and facilities, provided no operation shall be conducted or equipment used that would create hazards and/or noxious or offensive conditions.
- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.

# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
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Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
- Main Street District (MSD) Zone: MCC 18.90.030 (4)(f) - Medical and dental offices, clinics and laboratories and MCC 18.90.030 (4)(j) - Graphic arts, printing, blueprinting, photo processing or reproduction labs, publishing and book binding services, and testing laboratories and facilities, provided no operation shall be conducted or equipment used that would create hazards and/or noxious or offensive conditions.
- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

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**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.



# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

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Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

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Marijuana production in industrial zones is allowed as follows:

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- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

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Processing is not allowed in the Light Industrial (IL) Zone.

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- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
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**Proposed amendments to MCC Section 18.10.120 – Design Review.**

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**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

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**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

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These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

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**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.

# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
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Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

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- Medium Density Residential (RM) Zone: MCC 18.55.030 (4);
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Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
- Main Street District (MSD) Zone: MCC 18.90.030 (4)(f) - Medical and dental offices, clinics and laboratories and MCC 18.90.030 (4)(j) - Graphic arts, printing, blueprinting, photo processing or reproduction labs, publishing and book binding services, and testing laboratories and facilities, provided no operation shall be conducted or equipment used that would create hazards and/or noxious or offensive conditions.
- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.



# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
- Medium Density Residential (RM) Zone: MCC 18.55.030 (4);
- High Density Residential (RH) Zone: MCC 18.60.030 (6); and
- Mixed Density Residential (MX) Zone: MCC18.65.040 (3).

Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
- Main Street District (MSD) Zone: MCC 18.90.030 (4)(f) - Medical and dental offices, clinics and laboratories and MCC 18.90.030 (4)(j) - Graphic arts, printing, blueprinting, photo processing or reproduction labs, publishing and book binding services, and testing laboratories and facilities, provided no operation shall be conducted or equipment used that would create hazards and/or noxious or offensive conditions.
- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.

# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
- Medium Density Residential (RM) Zone: MCC 18.55.030 (4);
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- Mixed Density Residential (MX) Zone: MCC18.65.040 (3).

Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
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- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

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Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.



# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
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Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

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**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

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**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
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# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

- Main Street District (MSD) Zone: MCC 18.90.030 (4)(1) - Retail trade and services.
- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
- Medium Density Residential (RM) Zone: MCC 18.55.030 (4);
- High Density Residential (RH) Zone: MCC 18.60.030 (6); and
- Mixed Density Residential (MX) Zone: MCC18.65.040 (3).

Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
- Main Street District (MSD) Zone: MCC 18.90.030 (4)(f) - Medical and dental offices, clinics and laboratories and MCC 18.90.030 (4)(j) - Graphic arts, printing, blueprinting, photo processing or reproduction labs, publishing and book binding services, and testing laboratories and facilities, provided no operation shall be conducted or equipment used that would create hazards and/or noxious or offensive conditions.
- General Industrial (GI) Zone: MCC 18.105.020 (5) - Laboratories and research facilities.

Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
- Light Industrial (IL) Zone: MCC 18.95.020 (17) - Wholesale firm (not open to general public).
- General Industrial (GI) Zone: MCC 18.105.020 (8) - Wholesale businesses, and similar uses.

**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.



# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

---

**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Discussion:** Monmouth City Code (MCC) Title 18: Zoning does not specifically address marijuana retail sales, production, processing, testing laboratories, or wholesale facilities. Under current zoning standards marijuana retail sales and commercial production would be allowed in some zones as follows.

Retail sales of marijuana are a permitted use in the following zones:

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- Commercial Retail (CR) Zone: MCC 18.80.020 (1) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.
- Commercial Retail Transitional (CRT) Zone: MCC 18.85.030 (1) - Any commercial activity involving retail sales and service which is not listed as a conditional use in the CR zone or CRT zone.

In the Commercial Highway (CH) Zone, retail sales of marijuana is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.75.030 (12) - A commercial activity involving retail sales and service and which is not listed as a conditional use in the CR zone.

Retail sales are not allowed in the Commercial Office (CO) Zone.

Marijuana production is an agriculture use and is therefore currently permitted in the following residential zones as “garden or crop production:

- Low Density Residential (RS) Zone: MCC 18.50.030 (3);
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Agriculture uses are not permitted in any commercial zones.

Marijuana production in industrial zones is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (8)(j) – Greenhouse and MCC 18.100.020 (8)(l) - Outdoor Plant Nursery.
- Light Industrial (IL) Zone: MCC 18.95.020 (9)(g) - Garden, crop production, MCC 18.95.020 (9)(h) - Greenhouse, and MCC 18.95.020 (9)(j) - Outdoor Plant Nursery.

In the General Industrial (GI) Zone, production is allowed subject to Conditional Use approval by the Planning Commission under MCC 18.105.040 (6) - Other industrial uses not listed under MCC 18.105.020 or 18.105.030 may be permitted in accordance with the conditional use procedures specified in MCC 18.105.100.

Processing is allowed as follows:

- General Industrial (GI) Zone: MCC 18.105.020 (4) - Assembly, including light manufacturing, processing, packaging, treatment, and fabrication of goods or merchandise.

In the Industrial Park (IP) Zone, processing is allowed subject to Conditional Use approval by the Planning Commission under: MCC 18.100.040 (2) - Other industrial uses not permitted under MCC 18.100.020 or subsection (1) of this section may be permitted in accordance with the conditional use procedures specified in MCC 18.100.120.

Processing is not allowed in the Light Industrial (IL) Zone.

Testing laboratories are allowed as follows:

- Mixed Density Residential (MX) Zone: MCC18.65.060 (1)(v) - Medical and dental offices, clinics, laboratories.
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Testing laboratories are not allowed in the Industrial Park (IP) Zone.

Wholesaling is allowed as follows:

- Industrial Park (IP) Zone: MCC 18.100.020 (15) - Wholesale firm (not open to general public).
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**The following descriptions of the proposed amendments are listed in the same order shown on the attached draft amendments.**

**Proposed amendments to MCC Section 18.45.010 – Definitions.**

These amendments would add a definition of “marijuana” as well define the various recreational marijuana facilities.

The amendments would add definitions for “Drive-In or Drive-Through Facilities”, which are not currently defined in the Zoning Ordinance. As proposed, such facilities would not be allowed in conjunction with a retail sales facility.

**Proposed amendments adding MCC Section 18.05.215 – Recreational Marijuana Facilities.**

Section 18.05.215 is a new code section that provides standards for the various recreational marijuana facilities. Retail sales facilities would be subject to the specific standards in Section 18.02.215 (2) regarding access, hours of operation, security, with proximity restrictions provided by state law.

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to the standards in Section 18.02.215 (3). These uses would only be allowed within buildings subject to development standards addressing security and public access, odor mitigation, and waste security measures.

Note the phrase: “except as provided by state law” has been added to the age limitations under Section 18.02.215 (2) and (3). Oregon Administrative Rules provides several exemptions for persons less than 21 years to be allowed in a recreational marijuana facility, for example, a minor age plumber making a service call at a facility.

**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

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The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.

# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
To: Planning Commission  
From: Mark Fancey, Community Development Director  
Subject: Legislative Amendment 16-02 – Amendments to the Monmouth City Code Regarding Recreational Marijuana Facilities

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**Summary:** Legislative Amendment 16-02 would amend the Monmouth City Code regarding recreational marijuana facilities. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

**Background:** Oregon voters adopted Measure 91 in 2014, which legalized recreational marijuana under state law. In 2016, the Oregon Liquor Control Commission began licensing various recreational marijuana facilities. Legislative Amendment 16-02 would amend the Monmouth City Code regarding facilities allowed under Oregon Revised Statutes (ORS) 475B and Oregon Administrative Rules (OAR) Chapter 845, Division 25. These include recreational marijuana retail sales facilities, production and processing facilities, testing laboratories, and wholesale sales facilities.

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# STAFF REPORT

December 7, 2016 Planning Commission meeting

Date: November 30, 2016  
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**Proposed amendments to MCC Section 18.10.120 – Design Review.**

Recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities would be subject to Design Review approval, which would include compliance with the requirements of Section 18.02.215 (3).

**Proposed Amendments to the Commercial Highway (CH) Zone, Commercial Retail (CR) Zone, Commercial Retail Transitional (CRT) Zone, and the Main Street District (MSD) Zone**

The amendments to the commercial zones included on pages 4 and 5 of the attached text would add recreational marijuana retail facilities as a permitted use in each of these commercial zones subject to the requirements of Section 18.05.125. Recreational marijuana retail facilities would not be allowed in the Commercial Office (CO) Zone.

**Proposed Amendments to the Light Industrial (IL) Zone, Industrial Park (IP) Zone, and General Industrial (GI) Zone.**

The amendments to the industrial zones included on pages 5-6 of the attached text would add recreational marijuana production and processing facilities, testing laboratories, and wholesale sales facilities as permitted uses in each of these industrial zones subject to the requirements of Section 18.05.125.

**Proposed Amendments to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, High Density Residential (RH) Zone, and the Mixed Density Residential (MX) Zone.**

These amendments would prohibit commercial marijuana production and processing in residential zones. The amendments would add a “Prohibited uses” section to the Low Density Residential (RS) Zone, Medium Density Residential (RM) Zone, and High Density Residential (RH) Zone. The amendments would add similar language to the existing “Prohibited uses” section of the Mixed-Density Residential (MX) Zone.

**Proposed Amendments to MCC Chapter 18.30: Home Occupations:**

These amendments would add recreational marijuana retail facilities, and production and processing facilities to the list of prohibited home occupation uses.

Because the proposed amendments to the uses allowed in residential zones, including the amendments to Home Occupation uses, limit the use of residential property, public notice is required by ORS 227.186 (“Measure 56”). The attached notice was sent to 2,000 owners of residential-zoned property in Monmouth on November 1, 2016.

**Recommendation:** Staff recommends the Planning Commission recommend that the City Council adopt Legislative Amendment 16-02. The public hearing before the City Council is scheduled for January 17, 2017.

**Planning Commission Action:**

- A. Motion to recommend that the City Council adopt Legislative Amendment 16-02 as presented.
- B. Motion to recommend that the City Council adopt Legislative Amendment 16-02 with modifications. (The motion must include the modifications.)
- C. Motion to recommend that the City Council not adopt Legislative Amendment 16-02.