Exhibit \_\_\_

~~Strikethrough~~ is language added

Double underlines is language deleted

ARTICLE 5-1 GENERAL PROVISIONS

…

[5-4.1.050 Type IV Procedure (Legislative)](https://johnday.municipalcodeonline.com/book?type=development#name=5-4.1.050_Type_IV_Procedure_(Legislative))

…

**D. Notice of Hearing.**

….

d. The Oregon Department of Land Conservation and Development (DLCD) shall be notified in writing of proposed comprehensive plan and development code amendments in accordance with OAR 660-018-0020.

…

ARTICLE 5-2 LAND USE DISTRICTS

…

5-2.3.020 Commercial Districts - Allowed Land Uses

Table 5-2.3.020 identifies the land uses that are allowed in the Commercial Districts. The specific land use categories are described and uses are defined in Chapter 5-1.3 and 5-1.4.

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| **Table 5-2.3.020 – Land Uses Allowed in Commercial Districts (D, GC)** |
| **Uses** | **Status of Use in District** |
|  | Downtown (D) | General Commercial (GC) | [Reserve] |
| Marijuana Retailer | CUS | CUS |  |
| Medical Marijuana Dispensary | CUS | CUS |  |
| Marijuana Wholesaler | CUS | CUS |  |
| Marijuana Testing Laboratory | CUS | CUS |  |
| Marijuana Production Facility | N | CUS |  |
| Marijuana Processing Facility | N | CUS |  |

Key:

P = Permitted, subject to site/development review

S = Permitted with standards (Section 5-2.3.100)

CU = Conditional Use permit required (Chapter 5-4.4)

N = Not permitted

CUS = Conditional use with standards (Section 5-2.3.100)

…

5-2.3.100 Commercial Districts - Special Use Standards

This section supplements the standards contained Sections 5-2.3.020 through 5-2.3.090. It provides standards for the following land uses to control the scale and compatibility of those uses:

…

B. Marijuana Businesses

1. Procedures.

a. Marijuana businesses, including new marijuana businesses located at the same location as a previously approved marijuana business, shall obtain Land Use Review or Site Design review, as applicable, under Land Use Review or Site Design Review, as applicable, under 5-4.2 Land Use Review And Site Design Review. Notwithstanding the foregoing, no site plan approval is required for:

i.  An existing medical marijuana dispensary converted to a marijuana retailer.

b. All applications for marijuana businesses shall be made in the name of the person and/or entity identified in any state licensing and the City business license.

c. A marijuana business cannot be approved as a home occupation.

2. Marijuana Business General Standards and Approval Criteria. In addition to any applicable approval criteria for site plan approval, and any other applicable standards in this Development Code, the applicant shall satisfy the following approval criteria:

a. Marijuana businesses can only be approved in the zones in which the specific type of marijuana business is expressly identified as a permitted use. Permissibility of one type of marijuana business in a particular zone cannot be the basis to allow a nonpermitted type of marijuana business as a similar use pursuant Chapter 5-4.8 Code Interpretations.

b. An applicant for a marijuana business must obtain a City business license and, as applicable, a recreational marijuana or dispensary permit pursuant to the time, place, and manner restrictions prior to initiating the use, but no later than six months after land use approval.

c. Applicant’s proposal must demonstrate compliance, or the ability to comply (with appropriate conditions of approval) with applicable provisions of the time, place, and manner Restrictions.

d. If there are any conflicting standards between state law, the time, place, and manner restrictions, and this Development Code, the most stringent standard shall apply.

e. All exterior lighting must comply with the outdoor lighting standards.

f. Co-location of marijuana businesses on the same property is permitted except as prohibited by state law, the time, place, and manner restrictions, and this Development Code.

g. All marijuana businesses will conduct operations inside secure, enclosed structures. Marijuana products may not be displayed in a manner that is externally visible to the public. No drive-through, curb-side, mobile, or other external sales methods are permitted.

h. The applicant shall demonstrate how the proposed marijuana business complies with all state security system requirements applicable to the proposed marijuana business.

i. The applicant must demonstrate how measures to control odors satisfy applicable requirements set forth in the time, place, and manner restrictions.

j. The structure within which the marijuana business will operate must meet applicable fire and building code requirements.

k. Applications for a specific type of marijuana business shall satisfy the additional standards applicable to that type of marijuana business set out in subsections (3) through (8) of this section.

3. Additional Criteria for Medical Marijuana Dispensaries.

a. A medical marijuana dispensary must not be located:

i. At the same address as a marijuana grow site registered under ORS 475B.420;

ii. Within 1,000 feet of real property comprising a public or private elementary, secondary, and/or career school attended primarily by minors;

iii. Within 1,000 feet of another medical marijuana dispensary; and/or

iv. Within 1,000 feet of a marijuana retailer.

“Within 1,000 feet” means a straight-line measurement in a radius extending for 1,000 feet or less in every direction from closest point on the boundary line of the real property or premises, as applicable, of the applicable conflicting use identified in this subsection 3(a) to the premises of the applicable Marijuana Business (i.e. the area defined in applicable state licensures/registrations).

b. Medical marijuana dispensaries are considered “retail” for purposes of parking requirements.

4. Additional Criteria for Marijuana Retailers.

a. Marijuana retailers must not be located:

i. At the same address as another marijuana business except as permitted under state law, the time, place, and manner restrictions, and this Development Code; or

ii. Within 1,000 feet of real property comprising a public or private elementary, secondary, and/or career school attended primarily by minors;

iii. Within 1,000 feet of a medical marijuana dispensary; and/or

iv. Within 1,000 feet of another marijuana retailer.

“Within 1,000 feet” means a straight-line measurement in a radius extending for 1,000 feet or less in every direction from closest point on the boundary line of the real property or premises, as applicable, of the applicable conflicting use identified in this subsection 4(a) to the premises of the applicable Marijuana Business (i.e. the area defined in applicable state licensures/registrations).

b. Marijuana retailers are considered “retail” for purposes of parking requirements.

5. Additional Criteria for Marijuana Production Facilities.

a. Marijuana production facilities shall only be approved if the growing activities occur exclusively within permanent, fully enclosed, rigid, nontranslucent structures that require a building permit. All lighting used for growing purposes must be contained completely inside the structure. No hoop-houses, sheds, shipping containers, trailers, or similar structures are permitted.

b. Under no circumstances, and notwithstanding anything in this Development Code to the contrary, may retail sales of marijuana products occur at the same location as a marijuana production facility in the Industrial (I) Zone.

6. Additional Criteria for Marijuana Processing Facilities.

a. Marijuana processing operations shall only occur in permanent, fully enclosed, rigid, nontranslucent structures requiring a building permit.

7. Conditions of Approval. In addition to any conditions of approval imposed as part of site plan or zoning application approval, the following shall be mandatory conditions of approval for all marijuana businesses:

a. The applicant for a marijuana business shall obtain and present documentation of all applicable state approvals, registrations, licensing, and permitting to the City within six months of site plan or zoning application approval.

b. Marijuana businesses shall keep all required state registrations, licensing, and permitting current at all times.

c. Marijuana businesses shall keep all required City business licenses, permits, or other required approvals current at all times.

d. At all times, marijuana businesses shall remain compliant with applicable provisions of the time, place, and manner restrictions and applicable state laws governing marijuana businesses, all as they may be amended from time to time.

e. At all times, the operator of a marijuana business shall be the same person or entity holding the corresponding City business license, recreational marijuana or dispensary permit, and applicable state registrations, licensing, and/or permitting. The operator shall provide the City notice and appropriate documentation from the state of any changes in ownership or the suspension, loss, or forfeiture of any state approval, registration, licensing, or permitting.

f. Notwithstanding anything to the contrary in this Development Code, any approval for a marijuana business shall be void if any condition of approval is violated and not cured within thirty (30) days of the City’s delivery of a notice identifying the violation. The Community Development Director may prescribe a longer cure period provided such period does not exceed ninety (90) days.

g. Notwithstanding anything to the contrary in this Development Code, any approval for a marijuana business shall be deemed abandoned, and thus void, if the marijuana business ceases to operate for any period of one hundred eighty (180) or more consecutive days.

…

5-2.4 Industrial (I) Districts

…

5-2.4.020 Industrial Districts - Allowed Land Uses

Table 5-2.4.020 identifies the land uses that are allowed in the Industrial Districts. The specific land use categories are described and uses are defined in Chapter 5-1.3 and 5-1.4.

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| **Table 5-2.4.020 – Land Uses Allowed in Industrial Districts** |
| **Uses** | **Status of Use in District** |
|  | General Industrial (GI) | Light Industrial (LI) | Airport Industrial Park (AIP) |
| Agriculture – Nurseries and similar horticulture (See also, Wholesale and Retail Uses) | S | S | S |
| Agricultural Processing | S | S | S |
| Marijuana Wholesaler | S | S | S |
| Marijuana Testing Laboratory | S | S | S |
| Marijuana Production Facility | CUS | CUS | CUS |
| Marijuana Processing Facility | CUS | CUS | CUS |

Key:

P = Permitted, subject to site/development review

S = Permitted with standards (5-2.4.070)

CU = Conditional Use permit required (Chapter 5-4.4)

N = Not permitted

CUS = Conditional Use with standards (5-2.4.070)

…

5-2.4.070 Industrial Districts - Special Use Standards

This section supplements the standards contained Sections 5-2.4.020 through 5-2.4.060. It provides standards for the following land uses to control the scale and compatibility of those uses:

A. Marijuana Businesses

1. Procedures.

a. Marijuana businesses, including new marijuana businesses located at the same location as a previously approved marijuana business, shall obtain Land Use Review or Site Design Review, as applicable, under 5-4.2 Land Use Review And Site Design Review.

b. All applications for marijuana businesses shall be made in the name of the person and/or entity identified in any state licensing and the City business license.

c. A marijuana business cannot be approved as a home occupation.

2. Marijuana Business General Standards and Approval Criteria. In addition to any applicable approval criteria for site plan approval, and any other applicable standards in this Development Code, the applicant shall satisfy the following approval criteria:

a. Marijuana businesses can only be approved in the zones in which the specific type of marijuana business is expressly identified as a permitted use. Permissibility of one type of marijuana business in a particular zone cannot be the basis to allow a nonpermitted type of marijuana business as a similar use pursuant Chapter 5-4.8 Code Interpretations.

b. An applicant for a marijuana business must obtain a City business license and, as applicable, a recreational marijuana or dispensary permit pursuant to the time, place, and manner restrictions prior to initiating the use, but no later than six months after land use approval.

c. Applicant’s proposal must demonstrate compliance, or the ability to comply (with appropriate conditions of approval) with applicable provisions of the time, place, and manner Restrictions.

d. If there are any conflicting standards between state law, the time, place, and manner restrictions, and this Development Code, the most stringent standard shall apply.

e. All exterior lighting must comply with the outdoor lighting standards.

f. Co-location of marijuana businesses on the same property is permitted except as prohibited by state law, the time, place, and manner restrictions, and this Development Code.

g. All marijuana businesses will conduct operations inside secure, enclosed structures. Marijuana products may not be displayed in a manner that is externally visible to the public. No drive-through, curb-side, mobile, or other external sales methods are permitted.

h. The applicant shall demonstrate how the proposed marijuana business complies with all state security system requirements applicable to the proposed marijuana business.

i. The applicant must demonstrate how measures to control odors satisfy applicable requirements set forth in the time, place, and manner restrictions.

j. The structure within which the marijuana business will operate must meet applicable fire and building code requirements.

k. Applications for a specific type of marijuana business shall satisfy the additional standards applicable to that type of marijuana business set out in subsections (3) through (8) of this section.

3. Additional Criteria for Marijuana Production Facilities.

a. Marijuana production facilities shall only be approved if the growing activities occur exclusively within permanent, fully enclosed, rigid, nontranslucent structures that require a building permit. All lighting used for growing purposes must be contained completely inside the structure. No hoop-houses, sheds, shipping containers, trailers, or similar structures are permitted.

b. Under no circumstances, and notwithstanding anything in this Development Code to the contrary, may retail sales of marijuana products occur at the same location as a marijuana production facility in the Industrial (I) Zone.

4. Additional Criteria for Marijuana Processing Facilities.

a. Marijuana processing operations shall only occur in permanent, fully enclosed, rigid, nontranslucent structures requiring a building permit.

5. Conditions of Approval. In addition to any conditions of approval imposed as part of site plan or zoning application approval, the following shall be mandatory conditions of approval for all marijuana businesses:

a. The applicant for a marijuana business shall obtain and present documentation of all applicable state approvals, registrations, licensing, and permitting to the City within six months of site plan or zoning application approval.

b. Marijuana businesses shall keep all required state registrations, licensing, and permitting current at all times.

c. Marijuana businesses shall keep all required City business licenses, permits, or other required approvals current at all times.

d. At all times, marijuana businesses shall remain compliant with applicable provisions of the time, place, and manner restrictions and applicable state laws governing marijuana businesses, all as they may be amended from time to time.

e. At all times, the operator of a marijuana business shall be the same person or entity holding the corresponding City business license, recreational marijuana or dispensary permit, and applicable state registrations, licensing, and/or permitting. The operator shall provide the City notice and appropriate documentation from the state of any changes in ownership or the suspension, loss, or forfeiture of any state approval, registration, licensing, or permitting.

f. Notwithstanding anything to the contrary in this Development Code, any approval for a marijuana business shall be void if any condition of approval is violated and not cured within thirty (30) days of the City’s delivery of a notice identifying the violation. The Community Development Director may prescribe a longer cure period provided such period does not exceed ninety (90) days.

g. Notwithstanding anything to the contrary in this Development Code, any approval for a marijuana business shall be deemed abandoned, and thus void, if the marijuana business ceases to operate for any period of one hundred eighty (180) or more consecutive days.

B. Industrial hemp.

1. Industrial Hemp General Standards and Approval Criteria. In addition to any applicable approval criteria, the applicant shall satisfy the following approval criteria:

a. Industrial hemp uses can only be approved in the zones in which the specific type of industrial hemp use is expressly identified as a permitted use. Permissibility of one type of industrial hemp use in a particular zone cannot be the basis to allow a nonpermitted type of industrial hemp use.

b. A industrial hemp use cannot be approved as a home occupation.

c. All exterior lighting must comply with the outdoor lighting standards.

d. The applicant must obtain all required state licenses and registrations and operate the industrial hemp use in accordance with state law.

e. Applications for a specific type of industrial hemp use shall satisfy the additional standards applicable to that type of industrial hemp use set out in subsections (2) through (3) of this section.

2. Additional Criteria for Industrial Hemp Production Facilities.

a. Industrial hemp production facilities shall only be approved if the growing activities occur exclusively within permanent, fully enclosed, rigid, nontranslucent structures that require a building permit. All lighting used for growing purposes must be contained completely inside the structure. No hoop-houses, sheds, shipping containers, trailers, or similar structures are permitted.

b. In the Mixed-Use Employment (MUE) Zone, odors from industrial hemp production shall not be detectable at the property line.

c. Retail sales of industrial hemp products may occur at the same location as an industrial hemp production facility in the Industrial (I) Zone as an ancillary use provided, and notwithstanding anything herein to the contrary, such retail sales occupy less than ten percent (10%) of the total square footage of the structures in which industrial hemp production occurs. Retail sales need not be primarily for the use and convenience of the employees who work in the industrial area.

3. Additional Criteria for Industrial Hemp Processing Facilities.

a. Industrial hemp processing operations shall only occur in permanent, fully enclosed, rigid, nontranslucent structures requiring a building permit.

b. In the Mixed-Use Employment (MUE) Zone, odors from industrial hemp processing shall not be detectable at the property line.

c. Retail sales of industrial hemp products may occur at the same location as an industrial hemp processing facility in the Industrial (I) Zone as an ancillary use provided, and notwithstanding anything herein to the contrary, such retail sales occupy less than ten percent (10%) of the total square footage of the structures in which industrial hemp processing occurs. Retail sales need not be primarily for the use and convenience of the employees who work in the industrial area.

4. Conditions of Approval. In addition to any conditions of approval imposed as part of site plan or zoning application approval, the following shall be mandatory conditions of approval for all industrial hemp uses:

a. The applicant for an industrial hemp use shall obtain and present documentation of all applicable state approvals, registrations, licensing, and permitting to the City within six months of site plan or zoning application approval.

b. Industrial hemp uses shall keep all required state registrations, licensing, and permitting current.

c. At all times, industrial hemp uses shall remain compliant with applicable provisions of state laws governing industrial hemp, all as they may be amended from time to time.

d. No outdoor storage or display of industrial hemp or industrial hemp products.

…

ARTICLE 5-6 DEFINITIONS AND RULES OF MEASUREMENT

5-6.1 Definitions

5-6.1.030 Definitions

…

“Industrial hemp” means all nonseed parts and varieties of the Cannabis plant, whether growing or not, that contain an average tetrahydrocannabinol concentration that does not exceed 0.3 percent on a dry weight basis. Any Cannabis seed: (a) that is part of a crop; (b) that is retained by a grower for future planting; (c) that is agricultural hemp seed; (d) that is for processing into or for use as agricultural hemp seed; or (e) that has been processed in a manner or to an extent that the Cannabis seed is incapable of germination. Production of industrial hemp generally refers to cultivating seeds and/or plants for industrial hemp and industrial hemp processing generally refers to converting raw industrial hemp into an industrial hemp product. Production and processing of industrial hemp is considered an agricultural use. Sales of industrial hemp products is considered a retail use and does not require any special approvals. Notwithstanding anything herein to the contrary, Industrial Hemp is only permitted within the Industrial Districts as specified in Table 5-2.4.020.

…

“Marijuana” means all parts of the plant Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin. “Marijuana” does not include industrial hemp and is not considered an agricultural use.

“Marijuana business” means any establishment operated by any person or entity who is or must be appropriately licensed by the Oregon Health Authority or the Oregon Liquor Control Commission which sells, produces, cultivates, grows, wholesales, processes, researches, develops, or tests any form of marijuana or marijuana derivatives including, but not limited to, marijuana production facilities, marijuana processing facilities, marijuana testing laboratories, medical marijuana dispensaries, marijuana wholesalers, and marijuana retailers.

“Marijuana processing facility” means any establishment in, or premises on, which a person or entity required to be licensed under ORS 475B.090 or 475B.435 operates.

“Marijuana production facility” means any establishment in, or premises on, which a person or entity required to be licensed under ORS 475B.070 or ORS 475B.420 operates.

“Marijuana products” includes marijuana and any item, good, or product made from or including marijuana.

“Marijuana retailer” means any establishment in, or premises on, which a person or entity required to be licensed under ORS 475B.110 operates.

“Marijuana testing laboratory” means a facility that conducts testing of marijuana products as required by ORS 475B.555 and is required to be licensed under ORS 475B.560.

“Marijuana wholesaler” means any establishment in, or premises on, which a person or entity required to be licensed under ORS 475B.100 operates.

“Medical marijuana dispensary” means any structure or use of property subject to registration through the Oregon Health Authority under ORS 475.300 through 475.346, as may be amended from time to time, involving the sale, distribution, transmittal, gift, dispensing, and/or otherwise providing medical marijuana or medical marijuana products to medical marijuana qualifying patients, excluding the wholesaling or production of medical marijuana or medical marijuana products.

…

“Time, place, and manner restrictions” means regulations to establish certain time, place, and manner regulations concerning medical marijuana dispensaries and recreational marijuana producers, processors, wholesalers, laboratories, and retailers adopted under Chapters 5.35 and 5.40 MMC, all as may be amended from time to time and any successor or replacement ordinances.