

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

March 23, 2021

The minutes of the proceedings of a special meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 5:30 pm in the City Hall Council Chambers, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Drew Farmer, Stephanie Kilmer, Phil Marler, and Carmen Matthews. Councilor Lucinda DiNovo attended remotely by teleconference. Councilor Rob Miles was absent. City staff present were City Manager Rodger Craddock, Finance Director Nichole Rutherford, Deputy Finance Director Melissa Olson, Public Works and Community Development Director Jim Hossley, City Engineer Jennifer Wirsing, and Deputy Police Chief Chris Chapana.

Flag Salute

Mayor Benetti opened the meeting and led the council and assembly in the salute to the flag.

Approval of Waiver Request to New Marijuana Business Moratorium

City Manager Rodger Craddock stated prior to the enactment of Ordinance 103 on October 6, 2016, a marijuana dispensary business could not obtain a city business license based on existing municipal code language which required the business activity had to comply with federal law. Enactment of Ordinance 103 amended the city's business license requirements by the inclusion of the following language: "... unless the business is a state registered and/or licensed medical or recreational business that is in compliance with local land use ordinances, despite federal law prohibiting the use and sale of marijuana." At the time when Ordinance 103 was enacted, the Council chose not to require additional business siting restrictions above what was required by state law.

On August 3, 2018, city staff provided a Land Use Compatibility Statement (LUCS) to MNG Holding, LLC, dba Mr. Nice Guy, for a marijuana retail business to be located at 275 South Broadway Street. Locating and operating a marijuana retail business in Oregon requires an OLCC license. A requirement of the state's license application process is to obtain a LUCS from the jurisdiction having land use authority to confirm that the proposed business location is allowable under existing codes. After receiving the LUCS from the city, the business applied for an OLCC license. On average, obtaining an OLCC license takes eighteen months.

While marijuana dispensaries (medical and retail) were allowed to obtain business licenses, marijuana related businesses including commercial marijuana growing operations were precluded from operating in the city until Ordinance 513 was enacted by the Council on June 4, 2019. The ordinance established requirements related to where the businesses could operate within the city. While the staff report related to Ordinance 513 listed the agenda matter as "A Public Hearing will be Held to Consider Approval on a Proposed Ordinance Regulating Indoor Marijuana Processing Businesses", the ordinance restriction was broadly applied to all marijuana related businesses, including marijuana retail businesses. This occurred as marijuana businesses which include retail, growing, processing, and manufacturing were all lumped together and not specifically defined.

Upon reviewing the existing development code related to marijuana-related businesses, the Council initiated a moratorium on issuance of business licenses for new marijuana businesses on November 17, 2020, and the moratorium was extended into September 2021 to allow time for the Planning Commission to review, better define marijuana related business uses, and to propose changes to the allowances / restrictions. When the moratorium was put in place the Council was told there were no known pending or upcoming marijuana-related business license applications. Early March, after receiving their OLCC license to operate a marijuana retail business at 275 South Broadway Street, a representative from Mr. Nice Guy applied for their city business license. Their plan was to open the business at 275 South Broadway Street, after which they would close their existing marijuana retail business at 852 South Broadway Street within a month. Their request for a business license was denied due to the current moratorium.

The applicants, Larry and Sharon Sinclair, stated they were ready to move into the location and had been paying rent at the location during the process. Attorney Logan Leichtman stated the applicant had applied with OLCC in 2018 and it took until December 2020 to receive their license. The applicant was seeking a waiver as they believed they were in essence “grandfathered” under the previous code as was evidenced by the LUCS which was issued by the city in 2018. City Attorney Nate McClintock previously stated as the application had been in process it could be grandfathered in.

Councilor Marler moved to approve the waiver request. Councilor Farmer seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Matthews. Absent: Miles.

Adjourn

There being no further business to come before the council, Mayor Benetti adjourned the meeting. The next regular council meeting was scheduled for April 6, 2021 in the council chambers at city hall. These minutes were approved as presented by City Council on April 6, 2021.



Joe Benetti, Mayor



Attest: _____
Nichole Rutherford, City Recorder