A RESOLUTION REFERRING TO THE ELECTORS OF THE CITY OF OREGON CITY THE QUESTION OF BANNING MEDICAL MARIJUANA PROCESSING SITES, MEDICAL MARIJUANA DISPENSARIES, RECREATIONAL MARIJUANA PRODUCERS, RECREATIONAL MARIJUANA PROCESSORS, RECREATIONAL MARIJUANA WHOLESALERS, AND RECREATIONAL MARIJUANA RETAILERS WITHIN THE CITY OF OREGON CITY

WHEREAS, section 134 of HB 3400 provides that the governing body of a city may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of certain state-registered and state-licensed marijuana businesses in the area subject to the jurisdiction of the city; and

WHEREAS, the Oregon City Commission adopted Ordinance No. 15-1017 prohibiting the establishment of medical marijuana processors, medical marijuana dispensaries, recreational marijuana producers, processors, wholesalers, and retailers in the city; and

WHEREAS, HB 3400 requires any such ordinance prohibiting such activities to be submitted to the voters of the City.

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

Section 1 – Election. A regular City election is called in and for the City of Oregon City, to be held Tuesday, November 8, 2016. The Clackamas County Clerk shall conduct the election according to the procedures adopted by the Oregon Secretary of State.

Section 2 – Measure. At that election a measure shall be submitted to the voters of Oregon City to prohibit the establishment of certain marijuana activities in the area subject to the jurisdiction of the city. A copy of that measure is attached hereto as Exhibit 1, and incorporated herein by reference.

Section 3 – Delegation. The City Commission authorizes the City Manager and the City Recorder to act on behalf of the city and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

Section 4 – Ballot Title. The City Commission adopts the following ballot title to describe the measure to be placed before the voters at the May 17, 2016 regular City election. The City Manager is directed to file the following ballot title with the City Recorder:

Measure No. ____:

CAPTION: Prohibits certain marijuana registrants and licensees in Oregon City.

QUESTION: Shall Oregon City prohibit medical marijuana processors, medical marijuana dispensaries, recreational marijuana producers, processors, wholesalers, and retailers in Oregon City?

Resolution No. 16-10 Effective Date: May 18, 2016 Page 1 of 2 SUMMARY: State law allows operation of registered medical marijuana processors, medical marijuana dispensaries and licensed recreational marijuana producers, processors, wholesalers, and retailers. State law provides that a city council may adopt an ordinance to be referred to the voters to prohibit the establishment of any of those registered or licensed activities.

> Approval of this measure would prohibit the establishment and operation of medical marijuana processors, medical marijuana dispensaries, recreational marijuana producers, processors, wholesalers, and retailers within the area subject to the jurisdiction of the city. However, state law would allow the continued operation of processors and dispensaries already registered - or in some cases, that have applied to be registered --that have successfully completed a land use review. This measure will not affect personal recreational and medical use of marijuana.

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

Section 5 - Notice. Upon receiving the ballot title for this measure, the City Recorder shall publish in the next available edition of a newspaper of general circulation in the city a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

Section 6 - Filing. The City Recorder shall deliver the Notice of Measure Election to the County Clerk for Clackamas County for inclusion on the ballot for the November 8, 2016, election.

Approved and adopted at a regular meeting of the City Commission held on the 18th day of May 2016.

> Commission DAN HOLLADAY, Mayor Rocky Smith, Jr.

Attested to this 18th day of May 2016:

Approved as to legal sufficiency:

Kattu Riggs Kattie Riggs, City Recorder

City Attorney

Resolution No. 16-10 Effective Date: May 18, 2016 Page 2 of 2