



PLANNING DEPARTMENT
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Marijuana Regulations

The purpose of this handout is to provide business information, key definitions, and identify the zoning districts where marijuana business activities are permitted. Applicable zoning code references for additional standards are included. Please refer to the Milwaukie Municipal Code (MMC) Title 19 zoning code for detailed information, found here: www.qcode.us/codes/milwaukie/.

License and Taxes

Recreational marijuana facilities require licensing through the Oregon Liquor Control Commission (OLCC). Please visit the State of Oregon's Recreational Marijuana website for more information: www.oregon.gov/olcc/marijuana. The state licensing process requires that the City sign-off on a Land Use Compatibility Statement (LUCS) to ensure that the business is allowed in the proposed location. The City requires payment of \$25 to process the LUCS form.

The City of Milwaukie requires that all business operating in the City register annually with the City Finance Department. A fee is required for registration and it depends on the number of employees who are based in the City. For more information go to: www.milwaukieoregon.gov/finance/business-registration-1.

The City of Milwaukie imposes a 3% tax upon the retail sale of recreational marijuana items by marijuana retailers by Ordinance 2127. See Chapter 5.65 Recreational Marijuana Tax in the MMC, here: www.qcode.us/codes/milwaukie/.

Environmental Impacts

Some marijuana businesses can have a significant impact on the natural environment. Depending on the type of business you are starting, there may be additional wastewater or storm water pre-treatment improvements required for your business. Please check with the City Engineering Department to determine if additional improvements are necessary at 503.786.7606 or engineering@milwaukieoregon.gov.

Zoning

Title 19 of the MMC contains the zoning requirements for the City. These include definitions, specific development standards for marijuana businesses, and the list of zoning districts where specific uses are permitted. Some of the requirements related to marijuana businesses are provided below.

Development Standards for Marijuana Businesses:

MMC 19.509.1 Standards for Marijuana Retailers

- A. A marijuana retailer shall not be located within 1,000 ft of the real property comprising a public or private elementary, secondary, or career school attended primarily by minors. In addition, a marijuana retailer shall not be located within 1,000 ft of the Wichita and Hector Campbell school sites nor within 1,000 ft of another marijuana retailer.
- B. A marijuana retailer shall not be collocated with another business except when collocated with another state-licensed marijuana business as permitted by state laws.
- C. Display of marijuana or marijuana products that are visible from outside of the retail facility is prohibited.
- D. The hours of operation for a marijuana retailer shall be limited to the hours between 8:00 a.m. and 10:00 p.m.
- E. No drive-through sales are permitted.

MMC 19.509.2 Security and Odor Control for Certain Marijuana Businesses

- A. The operation shall be entirely indoors, within a fully-enclosed, secure building meeting building codes adopted by the City of Milwaukie and all other applicable state regulations.
- B. Odor shall be managed for all production, processing, testing, research, and warehousing uses. A marijuana business shall use an air filtration and ventilation system that ensures that all odors associated with the marijuana are confined to the licensed premises to the extent practicable.

MMC 19.509.3 Marijuana Production Limitations

The following limitations apply to marijuana production in the M-Manufacturing, NME-North Milwaukie Employment, and MUTSA-Tacoma Station Area Mixed Use zones:

- A. Within a building utilized for production, multiple producers may operate but no single producer shall operate in a manner where the mature marijuana plant grow canopy associated with that producer's operation exceeds 10,000 sq ft.
- B. A marijuana producer shall not be located in a building that is within 1,500 ft of another building that is utilized for marijuana production.

Zoning Districts Where Marijuana Businesses Are Permitted:

Zoning Districts	Retail ¹	Testing & Research Facilities ²	Processing Facilities ²	Warehousing ²	Production & Growing ²
Mixed Use Zones					
GMU and NMU	P	P	C	N	N
DMU	C	P	P	N	N
Commercial Zones					
C-L	P	P	N	N	N
C-G	P	P	N	N	N
C-CS	P	P	N	N	N
Manufacturing/Industrial					
B-I	N	P	C	P	C
M	P ³	P	P	P	L
NME	N	P	P	P	C
MUTSA	C ⁴	P	P	P	C
P – Permitted Outright; L – Limited; C – Conditional Use; N – Not Permitted/Prohibited					

¹ Marijuana retailers are subject to the standards of Subsection 19.509.1.

² Marijuana testing, research, processing, warehousing, and production are subject to the security and odor control standards of Subsection 19.509.2.

³ Marijuana retailers are permitted in the M zone when any combination of manufacturing, office, and/or commercial uses are allowed when at least 25% of the total project involves an industrial use under Subsection 19.509.2.B and subject to special development under Subsection 19.509.1.

⁴ Marijuana retailers are subject to the standards of Subsection 19.312.6.B.