

EXPLANATORY STATEMENT FOR INITIATIVE ISHE2020-1

State law allows for the operation of licensed recreational marijuana producers, processors, wholesalers, and retailers. State law also allows cities to prohibit these types of facilities from operating within city limits, subject to voter approval. In January 2016, the Sherwood City Council referred a measure to the November 2016 election to put in place a ban on all such facilities. By doing so, the City Council also enacted a moratorium on the establishment of these facilities until that election. In November 2016, Sherwood voters approved the ballot measure prohibiting all of these categories of recreational marijuana facilities from operating within city limits. That prohibition is currently in effect in Sherwood.

A citizen ballot initiative was initiated to repeal that prohibition, resulting in this measure now appearing on the ballot. Approval of this measure would repeal the existing prohibition of recreational marijuana producers, processors, wholesalers, and retailers within the city that was adopted by Sherwood voters in November 2016.

The effect of approval of this measure would therefore be to allow recreational marijuana producers, processors, wholesalers, and retailers to operate within the city.

Approval of this measure would also result in the adoption of certain land use regulations, including but not limited to the following:

1. Recreational marijuana facilities would only be permitted in General Industrial zones. An exception would allow recreational marijuana facilities on one property zoned Light Industrial where a medical marijuana facility is located as of 4/1/2020.
2. Retail sales would be permitted only from 10:00 a.m. to 8:00 p.m. Sunday through Thursday and 10:00 a.m. to 10:00 p.m. Friday and Saturday.
3. Production, processing, testing, and wholesale facilities would be prohibited within 1,000 feet of any single- or multi-family residential zone.
4. Retail facilities would be prohibited within 1,000 feet of:
 - a. public or private elementary or secondary schools attended primarily by children;
 - b. other retail recreational marijuana facilities and medical marijuana dispensaries; and
 - c. public plazas and active use parks.
5. Recreational marijuana facilities would be prohibited within the Old Town Overlay District.
6. Certain security and odor mitigation measures would be required.

In addition, this measure has revenue implications and includes provisions relating to recreational marijuana taxes. Due to the prohibition on recreational marijuana facilities currently in effect in the city, Sherwood is not eligible to receive an allocation of state taxes on retail sales of recreational marijuana items. Approval of this measure would result in the city becoming eligible to receive those funds under current state law. Approval of this measure would also allow the city to begin collecting a 3% local tax on retail sales of recreational marijuana items, and this measure would require that the revenue from this local recreational marijuana tax be used by the city exclusively for public safety purposes.