

ADMINISTRATIVE HEARINGS DIVISION  
May 26, 2021

**STIPULATED SETTLEMENT AGREEMENT FOR MARIJUANA LICENSE APPLICANT**

1. Jef Farms, LLC  
Jordan Orozco, Mng Member  
Luke Kerns, Member  
dba **JEF FARMS**

(Application for a Marijuana  
Producer License)

ORS 475B.045(2) states, in relevant part:

The Commission may refuse to issue a license or may issue a restricted license to an applicant under the provisions of ORS 475B.010 to 475B.545 if the Commission makes a finding that the applicant:

- (f) Does not have a good record of compliance with ORS 475B.010 to 475B.545 or any rule adopted under ORS 475B.010 to 475B.545.

OAR 845-025-1115 states, in relevant part:

- (2) The Commission may deny an initial or renewal application, unless the applicant shows good cause to overcome the denial criteria, if the Commission has reasonable cause to believe that:

- (a) The applicant:

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- (E) Does not have a good record of compliance with ORS 475B.010 to 475B.545, or these rules, prior to or after licensure...

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- (3) The Commission may refuse to issue a license to any license applicant or refuse to renew the license of any licensee when conditions exist in relation to any person having a financial interest in the business or in the place of business which would constitute grounds for refusing to issue a license or for revocation or suspension of a license if such person were the license applicant or licensee.

Commission staff proposed to issue the requested Marijuana  
Producer license with the following restrictions:

- 1. Licensee will not allow CODY LOWE or JOSE OROZCO to take any part in the operation or management of the business.

Note: Applicant was issued a Notice of Proposed License Restrictions dated April 28, 2021. Applicant accepts the imposition of the listed restrictions and wishes to dispose of this licensing matter by settlement.

(continue **JEF FARMS**)

2. Licensee will not allow CODY LOWE or JOSE OROZCO to be an employee or agent of the business or otherwise act in a representative capacity on behalf of the business.
3. Licensee will not allow CODY LOWE or JOSE OROZCO to be on the licensed premises at any time.

**SYNOPSIS:** This application for a recreational marijuana license was proposed for restriction by licensing staff because Cody Lowe and Jose Orozco are the landlords of licensee Jef Farms, LLC, are not charging licensee for rent on the real property used by the business, and as a result of this relationship would benefit, or suffer financially, based on the performance of the business. Cody Lowe and Jose Orozco have a compliance history of one Category 1, eight Category III's, and one Category IV violation, which is not a good record of compliance, and failed to show good cause to overcome this history. Therefore Licensing staff proposed, and the applicant wants to accept, a license with restrictions against the involvement or presence of Cody Lowe and Jose Orozco.

#### **TERMS OF AGREEMENT**

1. The Commission will issue Applicant a Marijuana Producer License with the above-listed restrictions after this agreement is ratified and after Staff determine that the application is complete.
2. Applicant accepts the imposition of the above-listed restrictions on the license identified in this agreement without any conditions or reservations.
3. Applicant waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183), to judicial review, and to otherwise challenge this agreement or the Final Order resulting from it.
4. This agreement is conditioned on the final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at a commission meeting. If the Commission does not accept and approve this agreement in its entirety, it is deemed null and void, and Applicant's hearing rights, if any, will be restored. If the Commission accepts and approves this agreement in its entirety, Applicant withdraws any request for hearing.