



AGENDA STAYTON CITY COUNCIL MEETING

Monday, March 2, 2015

Stayton Community Center

400 W. Virginia Street

Stayton, Oregon 97383

CALL TO ORDER

7:00 PM

Mayor Porter

FLAG SALUTE

ROLL CALL/STAFF INTRODUCTIONS

ANNOUNCEMENTS – PLEASE READ CAREFULLY

Items not on the agenda but relevant to City business may be discussed at this meeting. Citizens are encouraged to attend all meetings of the City Council to insure that they stay informed. Agenda items may be moved forward if a Public Hearing is scheduled.

- a. Additions to the agenda
- b. Declaration of Ex Parte Contacts, Conflict of Interest, Bias, etc.

PRESENTATIONS/COMMENTS FROM THE PUBLIC

Request for Recognition: If you wish to address the Council, please fill out a green “Request for Recognition” form. Forms are on the table at the back of the room. *Recommended time for presentation is 10 minutes. Recommended time for comments from the public is 3 minutes.*

CONSENT AGENDA

- a. February 17, 2015 City Council Minutes

Purpose of the Consent Agenda:

In order to make more efficient use of meeting time, resolutions, minutes, bills, and other items which are routine in nature and for which no debate is anticipated, shall be placed on the Consent Agenda. Any item placed on the Consent Agenda may be removed at the request of any council member prior to the time a vote is taken. All remaining items of the Consent Agenda are then disposed of in a single motion to adopt the Consent Agenda. This motion is not debatable. The Recorder to the Council will then poll the council members individually by a roll call vote. If there are any dissenting votes, each item on the consent Agenda is then voted on individually by roll call vote. Copies of the Council packets include more detailed staff reports, letters, resolutions, and other supporting materials. A citizen wishing to review these materials may do so at Stayton City Hall, 362 N. Third Avenue, Stayton, or the Stayton Public Library, 515 N. First Avenue, Stayton.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or other accommodations for persons with disabilities should be made at least 48 hours prior to the meeting. If you require special accommodations contact Deputy City Recorder Alissa Angelo at (503) 769-3425.

PUBLIC HEARING – None

UNFINISHED BUSINESS – None

NEW BUSINESS

Measure 91 – OLCC Update

Informational

- a. Staff Report – Keith Campbell and Chief Rich Sebens

STAFF/COMMISSION REPORTS

- a. Santiam YMCA Pool Update by Lisa Eckis

PRESENTATIONS/COMMENTS FROM THE PUBLIC

Recommended time for presentations is 10 minutes.

Recommended time for comments from the public is 3 minutes.

BUSINESS FROM THE CITY ADMINISTRATOR

BUSINESS FROM THE MAYOR

- a. Appointment of James Nokes to the Planning Commission

BUSINESS FROM THE COUNCIL

FUTURE AGENDA ITEMS – March 16, 2015

- a. OLCC Annual License Renewals
- b. Storm Water SDC
- c. Police Policies
- d. Municipal Court Update
- e. City Council Goals

ADJOURN

CALENDAR OF EVENTS

MARCH 2015

Monday	March 2	City Council	7:00 p.m.	Community Center (north end)
Tuesday	March 3	Parks & Recreation Board	7:00 p.m.	E.G. Siegmund Meeting Room
Tuesday	March 10	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Friday	March 13	Community Leaders Meeting	7:30 a.m.	Covered Bridge Café
Monday	March 16	City Council	7:00 p.m.	Community Center (north end)
Wednesday	March 18	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	March 30	Planning Commission	7:00 p.m.	Community Center (north end)

APRIL 2015

Monday	April 6	City Council	7:00 p.m.	Community Center (north end)
Tuesday	April 7	Parks & Recreation Board	7:00 p.m.	E.G. Siegmund Meeting Room
Friday	April 10	Community Leaders Meeting	7:30 a.m.	Covered Bridge Café
Tuesday	April 14	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Wednesday	April 15	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	April 20	City Council	7:00 p.m.	Community Center (north end)
Monday	April 27	Planning Commission	7:00 p.m.	Community Center (north end)

MAY 2015

Monday	May 4	City Council	7:00 p.m.	Community Center (north end)
Tuesday	May 5	Parks & Recreation Board	7:00 p.m.	E.G. Siegmund Meeting Room
Tuesday	May 5	Budget Committee Meeting	7:00 p.m.	Community Center (north end)
Thursday	May 7	Budget Committee Meeting	7:00 p.m.	Community Center (north end)
Friday	May 8	Community Leaders Meeting	7:30 a.m.	Covered Bridge Café
Monday	May 11	Budget Committee Meeting (if needed)	7:00 p.m.	Community Center (north end)
Tuesday	May 12	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Tuesday	May 12	Public Safety Commission	6:00 p.m.	City Hall Conference Room
Monday	May 18	City Council	7:00 p.m.	Community Center (north end)
Wednesday	May 20	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Tuesday	May 26	Planning Commission	7:00 p.m.	Community Center (north end)

JUNE 2015

Monday	June 1	City Council	7:00 p.m.	Community Center (north end)
Tuesday	June 2	Parks & Recreation Board	7:00 p.m.	E.G. Siegmund Meeting Room
Tuesday	June 9	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Friday	June 12	Community Leaders Meeting	7:30 a.m.	Covered Bridge Café
Monday	June 15	City Council	7:00 p.m.	Community Center (north end)
Wednesday	June 17	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	June 29	Planning Commission	7:00 p.m.	Community Center (north end)

**City of Stayton
City Council Meeting Action Minutes
February 17, 2015**

LOCATION: STAYTON COMMUNITY CENTER, 400 W. VIRGINIA STREET, STAYTON

Time Start: 7:00 P.M.

Time End: 8:05 P.M.

COUNCIL MEETING ATTENDANCE LOG

COUNCIL	STAYTON STAFF
Mayor Henry Porter	Alissa Angelo, Deputy City Recorder
Councilor Priscilla Glidewell (arrived at 7:19 p.m.)	Katinka Bryk, Library Director
Councilor Ralph Lewis	Keith Campbell, City Administrator
Councilor Jennifer Niegel	Dan Fleishman, Director of Planning & Development
Councilor Brian Quigley	Lance Ludwick, Public Works Director
Councilor Joe Usselman	Rich Sebens, Police Chief
	Christine Shaffer, Finance Director
	David Rhoten, City Attorney

AGENDA	ACTIONS
REGULAR MEETING	
Announcements	
a. Introduction of New Public Works Director Lance Ludwick	Mayor Porter introduced new Public Works Director Lance Ludwick. Mr. Ludwick provided a brief background.
b. Additions to the Agenda	None
c. Declaration of Ex Parte Contacts, Conflict of Interest, Bias, etc.	None
Presentations / Comments from the Public	
a. James Loftus, 633 N. Third Avenue	Mr. Loftus spoke in opposition of the recent sign code enforcement.
b. Sue Harteloo, Postal Connections, 1740 Shaff Road	Ms. Harteloo spoke in opposition of the recent sign code enforcement. She is part of a group of business owners who will be reviewing the sign code and making suggestions for revisions to the Planning Commission.
c. Bre Peterson, 712 N. First Avenue	Ms. Peterson spoke in opposition of the recent sign code enforcement. She would like to keep her "A-Frame" sign up for 365 days a year.
d. Dan Brummer, 525 W. Burnett Street	Spoke briefly about a recent wildlife walk he went on.
Consent Agenda	
a. January 20, 2015 City Council Minutes	Motion from Councilor Quigley, seconded by Councilor Niegel, to approve the Consent Agenda. Motion passed 3:0:1 (Lewis abstained).
Public Hearing	
	None

<p>Unfinished Business</p> <p>Follow-Up on Streets Presentation</p> <p>a. Staff Report – Keith Campbell</p>	<p>Mr. Campbell and Street Utility Worker Michael Bradley gave a brief follow-up presentation on information requested by the Council at the previous meeting.</p> <p>There was brief discussion from the Council and staff answered two questions from members of the audience.</p>
<p>New Business</p> <p>Ordinance No. 980, Northwest Natural Franchise Agreement</p> <p>a. Staff Report – Keith Campbell</p> <p>b. Council Deliberation</p> <p>c. Council Decision</p>	<p>Mr. Campbell briefly reviewed the staff report.</p> <p>Councilor Quigley asked how the City’s special legal counsel missed this error in the previously approved Franchise Agreement. Mr. Campbell was unsure how it was missed by legal counsel.</p> <p>Motion from Councilor Niegel, seconded by Councilor Lewis, to adopt Ordinance No. 980 as presented. Motion passed 5:0.</p>
<p>Staff / Commission Reports</p> <p>Finance Director’s Report – Christine Shaffer</p> <p>a. January 2015 Monthly Finance Department Report</p> <p>Police Chief’s Report – Rich Sebens</p> <p>a. January 2015 Statistical Report</p> <p>Public Works Director’s Report</p> <p>a. January 2015 Operating Report</p> <p>Planning & Development Director’s Report – Dan Fleishman</p> <p>a. January 2015 Activities Report</p> <p>Library Director’s Report – Katinka Bryk</p> <p>a. January 2015 Activities</p> <p>Presentations / Comments From the Public</p>	<p>Ms. Shaffer gave a brief reminder of the upcoming budget meetings in May.</p> <p>Chief Sebens spoke about the upcoming <i>Coffee with a Cop</i> event on March 12. Also, the annual K9 Run sponsored by Where to Start Fitness will be held on April 4.</p> <p>On Saturday, February 21, the Parks and Recreation Board will be holding a fundraiser event for the Pioneer Park project called Hearts for Art in the Park at the Community Center.</p> <p>Mr. Fleishman spoke briefly about his recent meeting with local business owners who will be coming together to propose amendments to the sign code at a future Planning Commission meeting.</p> <p>Ms. Bryk spoke briefly about the recent visit from author Molly Gloss as part of the Oregon Authors Series at the Library.</p> <p>None</p>

<p>Business from the City Administrator</p>	<p>Monday, February 23 at 6:00 p.m. the Council Goal Setting Session will be held at the Library in the E.G. Siegmund Meeting Room.</p>
<p>Business from the Mayor</p> <p>a. Reappointment of Griffin Green to the Parks and Recreation Board</p>	<p>Motion from Councilor Niegel, seconded by Councilor Usselman, to ratify the Mayor's reappointment of Griffin Green to the Parks and Recreation Board. Motion passed 5:0.</p>
<p>Business from the Council</p>	<p>Councilor Quigley requested a moratorium for the next 6 months on enforcement of signs.</p> <p>The Council discussed the issue and took comments from two audience members. Staff cautioned that the Council's motion be distinct in indicating exactly what the moratorium on enforcement applies to.</p> <p>Motion from Councilor Quigley, seconded by Councilor Glidewell, to place a moratorium on the enforcement of sidewalk signs, flags, a-frames, and sale banners for up to six months or until Council takes action on changing the current language in the sign code. In addition, a work session will be scheduled for the Council to work through the sign code and make suggested changes to the Planning Commission.</p> <p><u>Council Discussion</u></p> <p>Councilor Glidewell would like to see the moratorium also include no further action on businesses that received an enforcement letter. There was no consensus from the other Council members and the motion moved forward as originally stated.</p> <p>Motion passed 4:1 (Lewis).</p> <p>Councilor Quigley inquired about whether the City had received its portion of the 2014 Stayton Sprint Triathlon proceeds from the YMCA. Ms. Shaffer stated the City had not and that the City is working to set a meeting up with the new CEO from the YMCA and this will be a topic of discussion.</p> <p>Councilor Glidewell asked if the City was aware that the YMCA office was moving into pool office. Ms. Shaffer was not aware they were making this move, and stated it is strongly discouraged. She will make contact with the CEO tomorrow.</p>

DRAFT

Future Agenda Items – March 2, 2015

- a. Marijuana Legalization Overview
- b. YMCA Update
- c. OLCC Renewals

APPROVED BY THE STAYTON CITY COUNCIL THIS 2ND DAY OF MARCH 2015, BY A ____ VOTE OF THE STAYTON CITY COUNCIL.

Date: _____

By: _____

Henry A. Porter, Mayor

Date: _____

Attest: _____

Keith D. Campbell, City Administrator

Date: _____

Transcribed by: _____

Alissa Angelo, Deputy City Recorder

DRAFT



CITY OF STAYTON
M E M O R A N D U M

TO: Mayor Henry Porter and the Stayton City Council
FROM: Keith Campbell, City Administrator
Rich Sebens, Chief of Police
DATE: March 2, 2015
SUBJECT: Measure 91 – OLCC Update

BACKGROUND INFORMATION

On November 4, 2014, Oregon voters approved Measure 91 which allows the personal use and possession of recreational marijuana for citizens 21 years or older beginning on July 1, 2015. The Oregon Liquor Control Commission (OLCC) will begin accepting retail license applications by January 4, 2016.

Marijuana remains a Schedule I – Controlled Substance under federal law. This federal law prohibits the production, possession, delivery, and use of marijuana. Oregon’s Measure 91 protects an individual from prosecution by the State of Oregon, but does not protect one from potential federal prosecution.

Measure 91 directs the OLCC to regulate all production, processing, and sales of marijuana, marijuana products, and collection of all associated taxes.

ENCLOSURE(S)

- 1) League of Oregon Cities, “Measure 91: What it Means for Local Governments”
- 2) 1,000 feet from Schools Radius Map

ISSUES

What does Measure 91 mean for the City of Stayton? Unlike Colorado, Measure 91 may be changed by the legislature without requiring approval by the voters. It is expected there will be numerous changes to Measure 91 during the current legislative session. No one knows what these changes may be, or what the law will look like in the future.

OLCC business licensing provisions begin to operate in January 2016. There will be some local control that the City can exercise, but admittedly it is limited at this time.

Licensing

The language of Measure 91 indicates that the OLCC can reject a license application if it has reasonable grounds to believe that there are sufficient licensed premises in a locality, the license is not necessary, for the public interest or convenience. This language would seem to allow a city to have some control or input on local licensing. City staff has spoken with the OLCC Board about this language and was notified that Oregon case law prevents the OLCC from considering any of the above criteria before issuing a license.

Regulation of Facilities

Measure 91 allows for local governments to adopt reasonable time, place and manner regulations of the nuisance aspects of businesses that sell marijuana. This would allow for the City to use specific finding that these businesses would create adverse effects. Some communities are looking to enact zoning regulations on marijuana businesses through the various nuisance aspects of these businesses. Options available to the City would include requiring a separation of distance between licensed facilities and certain other uses such as childcare facilities and parks. However, without the documentation of the deleterious effects that a marijuana retail facility has on these other uses, and considering the City does not specifically regulate tobacco or alcohol sales in a similar manner, staff is hesitant to recommend the City enact such regulations.

Local Option to Prohibit Licenses

Measure 91 allows for a citizen to file an initiative petition using the statutory process provided by state law. The petition must be signed by 10% of the registered electorate and those signatures must be collected within a period of 180 days prior to the petition being filed. The local option petition would be held at the next statewide general election, which is currently scheduled for November 2016. The challenge with this option is that the prohibition of license election would be held almost a year after the licensing of marijuana businesses would begin.

One question not addressed is how to regulate medical marijuana and recreational marijuana. During a meeting with the OLCC, they expressed their desire for medical and recreational to be combined.

Police Department Impacts

We expect to see a significant impact to the Police Department. Colorado and Washington have seen a large increase in marijuana DUII's and overdoses, including deaths after the

implementation of their law. We are particularly concerned with the impacts it will have in our schools and with juveniles. Both states have also seen an increase in juvenile use as well.

At a recent meeting with the Marion County District Attorney, it was made very clear the law had not changed in regard to juveniles and they would continue to be made a priority. He provided the following list of marijuana enforcement priorities:

- 1) Enforcement of all marijuana laws that affect minors.
- 2) Enforcement of marijuana – “Distribution of Controlled Substances.”
- 3) Enforcing marijuana laws in the 18 to 21 age group in such a manner that focuses on marijuana as a social health problem. Having an emphasis on treatment, community service, and conditional discharge of the offense.

Over the past few months there have been significant discussions regarding the use of drug detection dogs for marijuana. Our Police K9 Brodie is certified as a “Four Odor K9.” This means he can detect marijuana, methamphetamine, heroin, and cocaine. Since a dog cannot tell you which drug he smells, there have been numerous discussions from the Oregon District Attorney and Oregon Department of Justice as to whether Four Odor K9’s would still be usable in Oregon. If a Four Odor K9 performs a search for a substance and only finds a legal substance such as marijuana, it could potentially be deemed an illegal search. And unfortunately, it is not realistic or effective to un-train a K9 from a particular odor.

However, with approval from the District Attorney’s office, we have decided to continue using Brodie. At the time of acquiring Brodie, the priority of the department was to use him for juvenile drug issues in the schools. Marijuana is still illegal for juveniles to possess and use, therefore the District Attorney has agreed to allow us to use him for juvenile detection. In addition, the department will be able to utilize Brodie search warrants that have been obtained for other drug issues. It should be noted with possible changes to both legislative and case law, the use of Brodie could change in either direction.

In the Stayton Police Department, there are also significant concerns with DUII detection and the enforcement of marijuana edibles. Currently, it’s very difficult to detect marijuana DUII’s and the amount of marijuana in an edible, or which edibles have marijuana in them. Colorado has also seen an increase in deaths due to marijuana edibles. It is very hard to regulate the amount of marijuana product a person is ingesting, and it is also very easy for a person to eat too many “brownies” prior to realizing just how much marijuana they have ingested. Therefore, the risk of overdose increases significantly. Due to these issues, officers will need additional training in these areas.

Attached you will find a City map that shows a 1,000 foot perimeter around the local school property lines. Any marijuana dispensaries cannot be located within these perimeters.

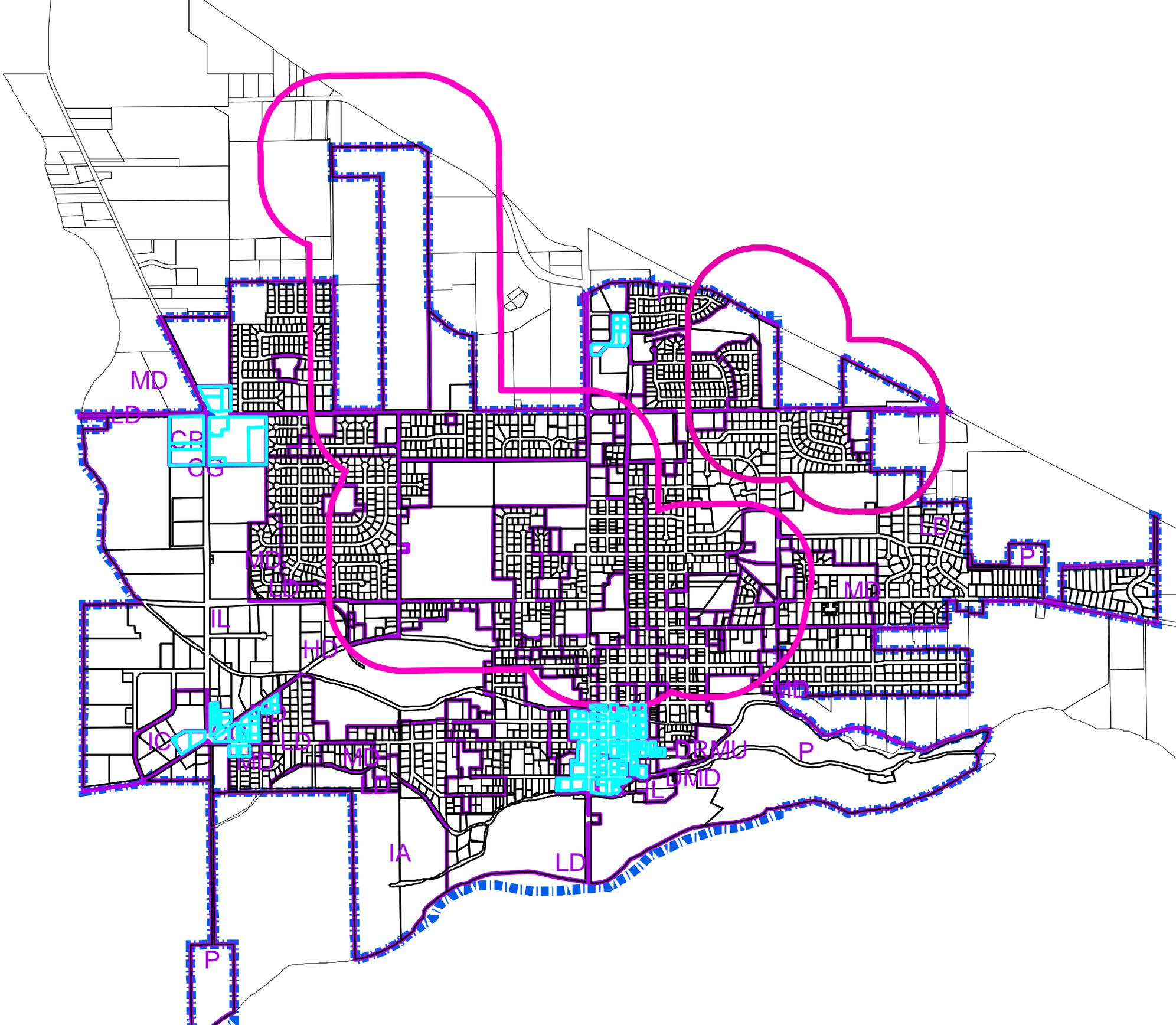
FISCAL IMPACT

The overall fiscal impact of Measure 91 is unknown. The main issues from a fiscal impact standpoint are as follows:

- Currently, the OLCC is utilizing revenues from the liquor tax to pay for the implementation and training on Measure 91. This potentially means the City may receive less liquor tax revenue. OLCC indicated they are working to ensure there is no impact on the local level, but they are unable to guarantee there will be none.
- Measure 91 places enforcement on local police. The Police Department predicts to see an increase in spending on enforcement, court overtime costs, and juvenile prevention. Initially, we also expect to see additional costs for enhanced training of officers for marijuana DUII detection.
- 10% of any net revenues remaining after the State of Oregon covers their expenses will be distributed to cities to assist local law enforcement in performing their duties. Prior to July 1, 2017, tax revenues will be distributed proportionally to all Oregon cities based on their population. After July 1, 2017, those revenues will be distributed proportionately based on the number of licenses issued. 50% of the revenues will be distributed based on the number of production, processor, and wholesale licenses issued within a city. 50% of the revenues will be distributed based on the number of retail licenses issued.
- Estimated tax revenues from Measure 91 are at best, a guess. The estimated tax revenues are wide-ranging and varied. The state Legislative Revenue Office estimates gross revenues of \$46.6 million in the 2017-2019 biennium. The LRO estimates net revenues of \$9.4 million to begin, growing to \$20 million in 2018. LRO estimates that \$938,000 to \$2.1 million will be distributed to cities. Staff estimates that the low-end estimate would bring an additional \$1,800 in revenue to the City.

SUMMARY

The general consensus is that legislative changes will continue to be made to marijuana laws. Since the laws are a moving target, most cities are taking a “wait and see” approach. Staff will continue to monitor the situation and update the Governing Body.



LEAGUE OF OREGON CITIES

MEASURE 91:

What it Means for Local Governments

NOVEMBER 2014



Published by the League of
Oregon Cities



Measure 91: What It Means for Local Governments

Measure 91 legalizes personal possession of certain amounts of recreational marijuana for people 21 years of age or older, and creates a regulatory system for the production, distribution and sale of recreational marijuana and marijuana products. Notwithstanding Measure 91, marijuana remains a Schedule I controlled substance under federal law, which prohibits the production, possession, delivery and use of marijuana. 21 U.S.C. § 801, *et seq.*

This report focuses on the provisions of Measure 91 that are particularly relevant to local governments and discusses the potential impacts on local governments.

The Basics: What Measure 91 Does

Measure 91 creates a regulatory framework for recreational marijuana, but exempts from regulation the personal possession and delivery of marijuana and marijuana products in specified amounts. In particular, beginning July 1, 2015, a person 21 years of age or older may produce, make, process, keep or store, per household:

- 4 marijuana plants;
- 8 ounces of useable marijuana (dried marijuana flowers and leaves);
- 16 ounces of solid homemade marijuana products; and
- 72 ounces of liquid homemade marijuana products.¹

Although a person may have those quantities of marijuana and marijuana products at home, a person cannot produce, process, keep or store homegrown marijuana or homemade marijuana products in a location that can be readily seen from a public place. In addition, the measure prohibits use of marijuana in a public place. However, Measure 91 does allow a person to possess up to one ounce of useable marijuana on their person while in a public place.

Under Measure 91, individuals without a license can also transfer certain quantities of marijuana and marijuana products to others. In particular, a person can deliver up to 1 ounce of homegrown marijuana, 16 ounces of solid homemade marijuana products, and 72 ounces of liquid homemade marijuana products to another person of legal age for noncommercial purposes.

The measure directs the Oregon Liquor Control Commission (OLCC) to regulate all other production, processing and sales of marijuana and marijuana products.

¹ "Homemade" marijuana products are those that have been made for noncommercial purposes by a person who is 21 years old or older.

The Regulatory Structure: How Measure 91 Works

Section 7 of Measure 91 requires the OLCC to regulate the production, processing, transportation, delivery, sale and purchase of recreational marijuana. The OLCC also is charged with licensing the processing, production and sale of marijuana, and with collecting the taxes that the measure imposes on producers.

Licensing

Measure 91 creates four types of licenses. Producers, processors, wholesalers and retailers are all required to apply for OLCC licenses, and the OLCC must start accepting those applications on or before January 4, 2016. A person may hold more than one type of license.

The licenses will be issued for a particular premises. However, a person with a license can relocate, because the licenses are transferrable to a new location subject to OLCC rules, municipal ordinances and other local regulation.

The OLCC has authority to deny, suspend or revoke a license for a variety of reasons. Of particular relevance to local governments, the OLCC can reject a license application if it has reasonable grounds to believe that there are sufficient licensed premises in a locality or that the license is not necessary for the public interest or convenience of the locality. In addition, the OLCC may cancel or suspend a license if the licensee is convicted of violating general or local marijuana laws, or is convicted of any misdemeanor or violation of a municipal ordinance committed on the licensed premises.

Regulation of Facilities

Section 59 of Measure 91 recognizes that local governments can adopt “reasonable time, place and manner regulations” of the “nuisance aspects” of businesses that sell marijuana to consumers. In enacting those regulations, cities and counties must make specific findings that the regulated businesses would create adverse effects. The measure notes that the authority recognized in section 59 is in addition to, and not in place of, other authority granted to cities and counties under their charters, relevant statutes, and the Oregon Constitution.

Independent of local government authority to regulate businesses that sell marijuana to consumers, the measure prohibits “noisy, lewd, disorderly, or insanitary” facilities.² It also provides that property is a common nuisance if marijuana is manufactured, bartered, sold, given away, or used in violation of Oregon law on the property.

The Local Option to Prohibit Licensees

Sections 60 to 62 allow cities and counties to prohibit producers, processors, wholesalers and retailers from operating within the city or county. To impose a ban, someone must file an initiative petition using the statutory process for city and county initiatives provided in ORS

² The measure does not expressly state whether the OLCC, local law enforcement, or both have authority to enforce that provision.

Chapter 250, with a few changes to the procedure as provided in Measure 91. The petition must be filed at least 60 days before a statewide general election. In addition, it must be signed by at least 10 percent of the electors registered in the city or county, and those signatures must have been signed within 180 days before the petition is filed. An election on a local option petition must be held at “the next statewide general election.”

Although Measure 91 allows cities and counties, through the initiative process, to ban OLCC licensees from operating within the jurisdiction, a local ban does not impair the right of an individual person to possess homegrown marijuana or homemade marijuana products for personal use as provided in Measure 91.

The measure also purports to repeal all local charter provisions and ordinances that directly conflict with Measure 91.

State Tax Revenue Structure

The measure imposes a state tax on a marijuana producer’s first sale of marijuana flowers, leaves and immature plants.³ Revenues from that tax will first offset the OLCC’s start-up costs, as well as its operating expenses, which are estimated to be \$3.2 million per year. In addition, other state entities, including the Oregon Health Authority, the Oregon Department of Agriculture, the Oregon State Police, and the Oregon Judicial Department, expect increased expenses associated with the measure.

Ten percent of any net revenue remaining after expenses will be distributed to cities, and 10 percent will be distributed to counties⁴ “to assist local law enforcement in performing its duties under [the measure].”

The 10 percent of net revenue available to cities and counties will be distributed using different metrics before and after July 1, 2017. Before July 1, 2017, tax revenues will be distributed proportionately to all Oregon cities and counties based on their population. After July 1, 2017, those revenues will be distributed proportionately based on the number of licenses issued for premises located in each city and county. Fifty percent of the revenues will be distributed based on the number of production, processor and wholesale licenses issued for premises in a city or county. The other 50 percent of the revenues will be distributed based on the number of retail licenses issued for premises in a city or county.

State Tax Revenue Estimates

Estimates of the amount of expected tax revenue vary widely. The state’s Legislative Revenue Office (LRO) estimates gross revenue of \$46.6 million in the 2017-2019 biennium, while a study commissioned by the measure’s sponsors estimates gross revenue of \$78.7 million for that

³ If the producer is also a processor, wholesaler and/or retailer, then the tax appears to apply at the point of the first sale, which is broadly defined by the measure.

⁴ The other 80% will be distributed as follows: 40% to the Common School Fund, 20% to the Mental Health Alcoholism and Drug Services Account, 15% to the State Police Account, and 5% to the Oregon Health Authority.

same time period. The LRO projected that the net revenue in fiscal year 2017 would be \$9.4 million, increasing to approximately \$20 million in 2019.

Based on the LRO's projections, \$938,000 of revenue in fiscal year 2017 would be distributed to cities, and that same amount would also be distributed to counties. By 2019, that number is projected to increase to \$2.1 million. A recent *Wall Street Journal* article noted, however, that tax revenue has come in below initial projections in other states that have legalized recreational marijuana.⁵

Local Taxes

Section 42 of Measure 91 provides, "No county or city of this state shall impose any fee or tax, including occupation taxes, privilege taxes and inspection fees, in connection with the purchase, sale, production, processing, transportation, and delivery of marijuana items." In addition, section 58 of Measure 91 provides that the substantive provisions of the measure are "designed to operate uniformly throughout the state, shall be paramount and superior to and shall fully replace and supersede any and all municipal charter enactments or local ordinances inconsistent with it. Such charters and ordinances hereby are repealed."

In the weeks leading up to the election, many cities and counties wrestled with the possible implications of those provisions and the apparent restrictions placed on how local governments will be able to use their share of the state tax. Out of concerns regarding those possible restrictions and the sufficiency of the state tax, many jurisdictions adopted local taxes on marijuana prior to Measure 91's effective date. Those decisions are discussed further below.

Enforcement

Measure 91 charges state police, local police and sheriffs with enforcing the new law, including the restriction on use of marijuana while driving. In addition, after conviction, any marijuana items seized will be forfeited to state or local law enforcement agencies.

County courts, district attorneys and municipal authorities also are required to notify the OLCC when a licensee is convicted of violating state law or a municipal ordinance where marijuana "had any part" in the violation.

Effect on Other Laws

Measure 91 expressly limits its effect on other related laws. Section 4 states that the measure does not affect employment law, landlord-tenant law, federal grant and contract requirements, or the Oregon Medical Marijuana Act (OMMA). The measure makes clear that the Oregon Health Authority retains its power to regulate medical marijuana under the OMMA. As a result, recreational marijuana and medical marijuana will be regulated by different agencies relying on different statutory authority.

⁵ Zusha Elinson, *Oregon Initiative Seeks Lower Pot Taxes Than Cities Want*, Wall Street Journal, Oct. 24, 2014.

What Measure 91 Means for Local Governments

Measure 91's provisions relating to personal production, possession and delivery do not become operative until July 1, 2015, and the OLCC business licensing provisions begin to operate in January of 2016, giving local governments time to consider how to approach this new law. Although Measure 91 aims to create a comprehensive regulatory framework for recreational marijuana, it leaves room for cities and counties to exercise some local control.

- **Licensing:** Although the measure does not provide a formal channel for local governments to weigh in on licensing applications, cities and counties may play an important role in providing information to the OLCC about local conditions that could impact the decision to grant or deny a license – that is, whether there are sufficient licensed premises in the locality and whether the license is demanded by public interest or convenience in the locality. In addition, as the OLCC engages in rule-making, or should the Legislature consider reform legislation in the wake of Measure 91's passage, the League will work to include provisions in the law that allow local governments to weigh in.
- **Regulation of Facilities:** In addition to the restrictions provided in the measure, local governments can impose reasonable time, place and manner restrictions on the nuisance aspects of businesses selling marijuana to consumers. In addition, those businesses are also likely to be subject to other general local government regulations, such as business license requirements, land use and development regulations, and the imposition of economic improvement district fees. When developing time, place and manner restrictions, local governments might consider how a local ordinance currently regulates the time, place and manner of retail liquor stores and should work closely with their legal counsel.
- **The Local Option:** Through the local initiative process, local governments can prohibit licensees from operating within their boundaries. However, because any election on such a petition must occur at "the next statewide general election," local governments will not have the opportunity to prohibit the operation of licensed producers, processors, wholesalers or retailers until November 2016 (and it is unclear under the text of the measure whether local governments will have the opportunity to vote on similar initiatives after November 2016). Meanwhile, the OLCC must start accepting license applications on or before January 4, 2016 (nearly a year before the local opt-out election can occur). The League intends to seek corrective legislation that would prohibit the issuance of a license where a jurisdiction is considering an opt-out.
- **State Tax Revenues:** Until July 1, 2017, all cities and counties will receive some tax revenue generated by Measure 91 that exceeds the expenses associated with the measure. After that time, however, only cities and counties with licensees – producers, processors, wholesalers and retailers – will receive any portion of state tax revenues.

Additionally, the revenues are intended to “assist local law enforcement in performing its duties under [the measure.]” Because the measure’s provisions relating to home use are likely to have an impact on law enforcement statewide, including jurisdictions that might lack a licensee, and given the ambiguity in the measure’s apparent restriction on the use of tax revenues, the League intends to pursue corrective legislation that would ensure more adequate and unrestricted funding for local governments.

- **Local Taxes:** Before Measure 91 passed, more than 60 cities and at least four counties imposed or had considered imposing a tax on marijuana. Several legal arguments have been suggested to support the imposition of a local tax. Some have argued that federal law overrides Measure 91’s attempt to preempt local regulation and taxation. Others argue that Measure 91 only preempts local governments from imposing a tax *after* the measure’s passage, and the measure’s attempt to repeal inconsistent charter provisions and ordinances violates home rule and rules relating to retroactive legislation. It is uncertain how a court might rule on those or other arguments. Nonetheless, some jurisdictions have adopted taxes with the hope that the Legislature, recognizing the inadequacy of the revenue sharing provisions within the measure, might grandfather in preexisting taxes. Because of the range of possible legal interpretations, local governments interested in enacting a tax on marijuana, or wondering about the validity of existing taxes on marijuana, should consult their legal counsel.
- **Employee Drug Testing:** Measure 91 purports to not disturb existing employment laws. In addition, under *Emerald Steel v. Bureau of Labor and Industries*, the Oregon Supreme Court held that federal law preempted an employee’s rights under the Oregon Medical Marijuana Act to the use of medical marijuana in the workplace. Consequently, it seems that an employer could take the appropriate adverse employment action against an employee (in accordance with any collective bargaining agreement) who was found to be using marijuana or tested positive for marijuana use in violation of the employer’s policies. Nonetheless, a local government considering discipline of an employee who engaged in marijuana use after July 1, 2015 should seek the advice of legal counsel, and Citycounty Insurance Services’ pre-loss program, if insured by CIS.



Measure 91

Timeline & Important Dates

<p>Voters approve Measure 91</p>	<p>General provisions go into effect</p>	<p>Measure 91's provisions regarding personal production, possession and use go into effect.</p> <p>People 21 years of age and older can possess certain amounts of recreational marijuana for personal use.</p>	<p>The OLCC must begin accepting applications for producer, processor, wholesale and retail licenses.</p>	<p>Cities and counties may vote on initiative petitions to prohibit producers, processors, wholesalers and retailers from operating within the city or county.</p>	<p>Tax revenue sharing goes from being distributed to cities and counties based on population to being distributed based on the number of licenses issued.</p>
<p>November 4, 2014</p>	<p>December 4, 2014</p>	<p>July 1, 2015</p>	<p>January 4, 2016</p>	<p>November 8, 2016</p>	<p>July 1, 2017</p>

Santiam Family YMCA

Pool Update for City Council Meeting 3/2/2015

2014 Budget Reporting

The Santiam Family YMCA would like to give the council a clear look at the pool operations for the year. Our budget year is January 1, 2014 – December 31, 2014.

Income		Expense	
City of Stayton Contribution	\$ 63,537.00	Wages/Taxes/Benefits	\$ 175,224.41
Grant / FOP Swim Lessons	\$ 9,000.00	Program Expense	\$ 1923.95
Rental Income	\$ 8,787.00	Chemicals	\$ 7,213.92
Daily Use Income	\$ 19,914.00	Repairs/Maintenance	\$ 474.64
Membership Income	\$ 54,208.75	Licenses/Permits	\$ 350.00
Swim Team Revenue	\$ 8061.00	Staff Recruitment/Training/Travel	\$ 3814.81
Swim Lesson Revenue	\$ 45,604.60	Shared Services	\$ 19,908.00
TOTAL	\$ 209,112.35	TOTAL	\$ 208,909.73

NOTES:

This does not include any branch director wages.

Santiam Family YMCA Operations:

In reviewing the video of the February 17th council meeting, I noted that there is a concern about the YMCA moving all operations to the pool. It is true that we did not re-new our lease for our space on 3rd Ave. We inquired about having an office at the community center as that made sense because it is right next to the pool. This did not work out, so we did not seek out any other locations. This decision is based on two main ideas: 1) streamline our operations and lessen the confusion of where to go to find the Y, and 2) drive attendance to the pool by bringing people through the front door, that might not normally come there. They get to see the facility all of the aquatic programs offered and might come back for an open swim, sign up for lessons, rent for a birthday party etc. The only thing that has changed is that youth sports participants will turn registration forms in to the pool. The pool staff, forward all calls, questions and forms to our Program Director. They do not spend aquatics time other than taking a form or handing them the card for the program director if they have further questions. Our program director is front line staff at the pool, he is point person for pool membership, data entry, sets up all programs for aquatic programs in our operations system. Only 25% of his salary is allocated to aquatics, the rest comes out of youth sports and administration. The YMCA is continuing to maintain our own phone number (that is forwarded to the pool, but can be un-done if we were to move operations to another location. We keep our programming completely separate in our budget to ensure that aquatic revenue covers only aquatic programs and expense.

We have made the transition to a dedicated full-time, Stayton only aquatics director. Billie Maurer has obtained her Certified Pool Operator certification and Red Cross Lifeguard Instructor certification. She works very closely with public works staff and the YMCA association facility director to ensure the highest level of operations.

Triathlon Update:

May 16th, 2015 Triathlon is open and planning is under way. The event is open on Signmeup.com ~ 20 registrations to date. We have sent an invite to all 2014 participants via email. We have started recruitment of sponsors and volunteers for the event and all is going well.

To address the concern that the Y has not paid the City of Stayton half of the revenue from the 2014 event: this concern has been addressed between the YMCA and the City of Stayton. When the check was delivered to the city by Sam Carroll the new CEO, there was confusion as to what the check was for (he did not know this was triathlon revenue, he was just delivering \$\$ from a request that was previously done by the branch director on a purchase order). The Y did not have any open balance due invoices with the city, so the check was returned and voided. This has been cleared up and a new check issued.

In Conclusion:

As we come to the time of contract renewal, I encourage the council and city staff to visit the pool, talk to patrons, observe what is going on at the pool at different days and times. I would hope a decision would not be made based on hear say. For every negative, there are twenty positives that don't take the time to come to City Hall or seek out a council member. This facility is a jewel in our community, we respect it and want to make sure that everyone in our community and in the surrounding area, knows about it and utilizes it. A lot of people have worked very hard to develop and maintain great programs. We now have 75+ kids in swim lessons on Tuesday's and Thursday's year around, we have a partnership with Friends of the Pool and Santiam Hospital, bringing patients to the pool prescribed by physicians to better their health and rehab. We continue to have the best aqua exercise program around. It would be hard to find one comparable or better. It's a cycle of good things happening and the people that are working hard to make these things happen deserve to have the good recognized.

I have had a chance to hear the negative. I take that, do my best to make necessary changes and make the YMCA's impact in our community better and stronger.

Thank you for your time;
Lisa Eckis
Santiam Family YMCA
Branch Director
leckis@theyonline.org
(503) 769-2963



CITY OF STAYTON

APPLICATION FOR COMMISSION/COMMITTEE

NAME OF COMMISSION/COMMITTEE:

Planning

PLEASE CHECK ONE:

New Applicant
 Application for reappointment

Years resided in Stayton: 8

PLEASE PRINT

Name James (Jim) R. Nokes

Address 656 W. Maple ST Home Ph# _____

Email Address nokesjim@y2koo.com Cell Ph# 971-304-9765

Occupation Retired - writer

Place of Employment _____

Business Address _____

Phone _____ Email _____

1. Please give a brief description of the experience or training that qualifies you for membership on this commission/committee. (If you wish, you may attach a resume or other pertinent material.)

I serve on Santiam Heritage Foundation Board. I have over 50 years experience in Construction Trades

2. Why do you want to become a member of the above-mentioned commission/committee and what specific contribution would you hope to make?

I like to serve.

PLEASE COMPLETE BOTH SIDES OF THIS APPLICATION

3. Please list the community concerns related to this commission/committee that you would like to see addressed if you are appointed.

Re-vitalizing downtown Stayton.

4. Briefly describe your present or past involvement in relevant community groups. (Having no previous involvement will not disqualify you for appointment.)

I serve on Santiam Heritage Foundation Board.

5. Are you currently serving on any Advisory Boards, Commissions or Committees? If so, which ones?

None

6. How did you learn about this vacancy?

____ Our Website ____ Word of mouth X Other FROM MAYOR

7. Are you employed by, have any business, contractual arrangements or family connections with programs having contractual agreements with the City that might be within the purview of the committee on which you are seeking appointment?

No

Signature of Applicant

Joe R. D. H.

Date 2-19-14

PLEASE RETURN TO:

City of Stayton
362 N. Third Avenue
Stayton, OR 97383

It is the policy of the City to comply with all federal and state statutes on equal employment opportunity. This policy shall be applied without regard to any individual employee or job applicant's sex, race, color, religion, national origin, ancestry, age, marital status, political affiliation, genetic information, veteran status or any other legally protected status per state and federal law.

PLEASE COMPLETE BOTH SIDES OF THIS APPLICATION



CITY OF STAYTON REQUEST FOR RECOGNITION

The purpose of this form is to ensure that anyone wishing to address the Stayton City Council will have the opportunity to do so. This form is to be completed prior to the opening of the meeting, and should be submitted to staff. Please wait for recognition from the Mayor prior to addressing the Council.

Name (please print): DAN MORGAN

Address: 2195 CARDINAL AVE SE. STAYTON OR 97383
Street City State Zip

Topic: PHILLIPS FLOOD ISUE (1500)

Speaking in...
Support of _____ Opposition to _____ General Testimony X

Comments: _____

Please limit presentations to 10 minutes or less, and comments to 3 minutes or less.

If you wish to obtain a copy of a land use decision, please contact the Planning & Development Department at (503) 769-2998, or their office is located at 311 N. 3rd Avenue, Stayton, 97383.