



Oregon

John A. Kitzhaber, M.D., Governor

Department of Land Conservation and Development

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NOTICE OF ADOPTED CHANGE TO A COMPREHENSIVE PLAN OR LAND USE REGULATION

Date: 02/11/2015
Jurisdiction: City of La Grande
Local file no.: 03-ZON-14
DLCD file no.: 003-14

The Department of Land Conservation and Development (DLCD) received the attached notice of adopted amendment to a comprehensive plan or land use regulation on 01/27/2015. A copy of the adopted amendment is available for review at the DLCD office in Salem and the local government office.

Notice of the proposed amendment was submitted to DLCD 5 days prior to the first evidentiary hearing. This amendment was submitted to DLCD for review with less than a 35 day notice because the jurisdiction determined that emergency circumstances required expedited review.

Appeal Procedures

Eligibility to appeal this amendment is governed by ORS 197.612, ORS 197.620, and ORS 197.830. Under ORS 197.830(9), a notice of intent to appeal a land use decision to LUBA must be filed no later than 21 days after the date the decision sought to be reviewed became final. If you have questions about the date the decision became final, please contact the jurisdiction that adopted the amendment.

A notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR chapter 661, division 10).

If the amendment is not appealed, it will be deemed acknowledged as set forth in ORS 197.625(1)(a). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

DLCD Contact

If you have questions about this notice, please contact DLCD's Plan Amendment Specialist at 503-934-0017 or plan.amendments@state.or.us



NOTICE OF ADOPTED CHANGE TO A COMPREHENSIVE PLAN OR LAND USE REGULATION

FOR DLCD USE

File No.: 003-14 {22577}

Received: 1/27/2015

Local governments are required to send notice of an adopted change to a comprehensive plan or land use regulation **no more than 20 days after the adoption.** (See [OAR 660-018-0040](#)). The rules require that the notice include a completed copy of this form. **This notice form is not for submittal of a completed periodic review task or a plan amendment reviewed in the manner of periodic review.** Use [Form 4](#) for an adopted urban growth boundary including over 50 acres by a city with a population greater than 2,500 within the UGB or an urban growth boundary amendment over 100 acres adopted by a metropolitan service district. Use [Form 5](#) for an adopted urban reserve designation, or amendment to add over 50 acres, by a city with a population greater than 2,500 within the UGB. Use [Form 6](#) with submittal of an adopted periodic review task.

Jurisdiction: City of La Grande

Local file no.: **03-ZON-14**

Date of adoption: 01-14-2015

Date sent: 1/27/2015

Was Notice of a Proposed Change (Form 1) submitted to DLCD?

Yes: Date (use the date of last revision if a revised Form 1 was submitted): 12-5-2014

No

Is the adopted change different from what was described in the Notice of Proposed Change? Yes No

If yes, describe how the adoption differs from the proposal:

Local contact (name and title): Michael Boquist

Phone: 541-962-1307

E-mail: mboquist@cityoflagrande.org

Street address: 1000 Adams Avenue/PO Box 670

City: La Grande

Zip: 97850-

PLEASE COMPLETE ALL OF THE FOLLOWING SECTIONS THAT APPLY

For a change to comprehensive plan text:

Identify the sections of the plan that were added or amended and which statewide planning goals those sections implement, if any:

None. This Notice pertains to a proposed moratorium, pursuant to ORS 197.520.

For a change to a comprehensive plan map:

Identify the former and new map designations and the area affected:

Change from	to	acres.	A goal exception was required for this
change.			
Change from	to	acres.	A goal exception was required for this
change.			
Change from	to	acres.	A goal exception was required for this
change.			
Change from	to	acres.	A goal exception was required for this change.

Location of affected property (T, R, Sec., TL and address): City Wide

The subject property is entirely within an urban growth boundary

The subject property is partially within an urban growth boundary

If the comprehensive plan map change is a UGB amendment including less than 50 acres and/or by a city with a population less than 2,500 in the urban area, indicate the number of acres of the former rural plan designation, by type, included in the boundary.

Exclusive Farm Use – Acres:	Non-resource – Acres:
Forest – Acres:	Marginal Lands – Acres:
Rural Residential – Acres:	Natural Resource/Coastal/Open Space – Acres:
Rural Commercial or Industrial – Acres:	Other: – Acres:

If the comprehensive plan map change is an urban reserve amendment including less than 50 acres, or establishment or amendment of an urban reserve by a city with a population less than 2,500 in the urban area, indicate the number of acres, by plan designation, included in the boundary.

Exclusive Farm Use – Acres:	Non-resource – Acres:
Forest – Acres:	Marginal Lands – Acres:
Rural Residential – Acres:	Natural Resource/Coastal/Open Space – Acres:
Rural Commercial or Industrial – Acres:	Other: – Acres:

For a change to the text of an ordinance or code:

Identify the sections of the ordinance or code that were added or amended by title and number:

None. This Notice pertains to a proposed moratorium, pursuant to ORS 197.520.

For a change to a zoning map:

Identify the former and new base zone designations and the area affected:

Change from	to	Acres:
Change from	to	Acres:
Change from	to	Acres:
Change from	to	Acres:

Identify additions to or removal from an overlay zone designation and the area affected:

Overlay zone designation:	Acres added:	Acres removed:
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Location of affected property (T, R, Sec., TL and address): City Wide

List affected state or federal agencies, local governments and special districts: City of La Grande

Identify supplemental information that is included because it may be useful to inform DLCD or members of the public of the effect of the actual change that has been submitted with this Notice of Adopted Change, if any. If the submittal, including supplementary materials, exceeds 100 pages, include a summary of the amendment briefly describing its purpose and requirements.

Please find attached a copy of the signed Ordinance Establishing a Moratorium on Marijuana Facilities, and the City Council Staff Report, which includes the adopted Findings of Fact and Conclusions.

CITY of LA GRANDE
ORDINANCE NUMBER 3219
SERIES 2015

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA GRANDE, UNION COUNTY,
OREGON, DECLARING A MORATORIUM ON MARIJUANA FACILITIES

WHEREAS, pursuant to House Bill 3460 (2013) the Oregon Health Authority has developed and implemented a process to register medical marijuana facilities; and,

WHEREAS, pursuant to Measure 91 (2014) recreational marijuana was legalized and the Oregon-Liquor Control Commission was tasked with regulating the sale of marijuana; and,

WHEREAS, the City Council adopted Ordinance 3215, Series 2014, establishing rules for marijuana facilities, however such rules do not address grow or testing facilities or contain adequate provisions to address potential adverse impacts of recreational marijuana facilities; and,

WHEREAS, the City Council believes it is in the best interests of the health, safety and welfare of the citizens of La Grande, Union County, Oregon, to enact such a land use moratorium, pursuant to ORS 197.520, prohibiting the establishment and operation of any new marijuana facilities and the expansion of any existing facilities within the City Limits of the City of La Grande, Union County, Oregon.

NOW, THEREFORE,

THE CITY OF LA GRANDE ORDAINS AS FOLLOWS:

Section 1. PURPOSE

The purpose of this Ordinance is to prohibit the establishment and operation of any new marijuana facility, and the expansion of any existing facilities, while the City Council develops and adopts a Correction Program pursuant to ORS 197.530, and said Program is completed. This Ordinance is not intended to address the use of marijuana by individuals which may be permitted under Measure 91 or Senate Bill 1531.

Section 2. MARIJUANA FACILITY DEFINED

For the purposes of this Ordinance, "Marijuana Facility" shall be defined as including any facility or use required to be registered or licensed by the Oregon Health Authority or Oregon Liquor Control Commission in accordance with State law, including but not limited to dispensaries, wholesale facility, retail facility, grow sites, processing facility, etc.

Section 3. JUSTIFICATION OF NEED FOR MORATORIUM

The City Council of the City of La Grande, Union County, shall and hereby does adopt the Findings of Fact and Conclusions of Law in the City Council Staff Report, dated January 14, 2015, justifying the need for the moratorium pursuant to ORS 197.520.

Section 4. MORATORIUM DECLARED

The City of La Grande, Union County, Oregon, hereby prohibits the establishment and operation of any new marijuana facilities and the expansion of any existing facilities in any

area within the City Limits of the City of La Grande, Union County, Oregon. As used in this section, "marijuana facility" includes any facility that grows, tests, dispenses or otherwise distributes marijuana pursuant to any provision of Oregon law.

Section 5. DURATION OF MORATORIUM

The moratorium imposed by this ordinance shall be effective for one hundred-twenty (120) days from the effective date, until June 13, 2015, unless rescinded sooner.

Section 6. ENFORCEMENT

The Chief of Police is charged with enforcement of this moratorium.

Section 7. SEVERABILITY


If any provision of this Ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable.

Section 8. EFFECTIVE DATE

This Ordinance shall become effective thirty (30) days after its adoption by the City Council of the City of La Grande, Oregon, and its approval by the Mayor; specifically, February 13, 2015.

ADOPTED ON this Fourteenth (14th) day of January, 2015, by Six (6) of Seven (7) Councilors present and voting in the affirmative.

APPROVED this Fourteenth (14th) day of January, 2015




Daniel S. Pokorney, Mayor

ATTEST:



Angelika Brooks
City Recorder

APPROVED AS TO FORM AND CONTENT



Jonel K. Ricker
Legal Counsel for the City of La Grande

CITY of LA GRANDE
COUNCIL ACTION FORM

Council Meeting Date: **January 14, 2015**

PRESENTER: Michael Boquist, City Planner

COUNCIL ACTION: PUBLIC HEARING AND SECOND READING by TITLE ONLY of ORDINANCE ESTABLISHING a MORATORIUM on MARIJUANA FACILITIES

1. MAYOR: Announce that the Rules of Order for this Public Hearing were read in their entirety during the Regular Session of December 10, 2014.
2. MAYOR: Request Staff Report
3. MAYOR: Invite Public Testimony in Favor, in Opposition, Neutral to the proposed Ordinance and then Rebuttal Testimony.
4. MAYOR: Entertain Motion:
5. MAYOR: Invite Council Discussion.
6. MAYOR: Ask for a roll call Vote.
7. MAYOR: Entertain Motion:

FAILED
5:2 Vote
No Emergency
Declared.

SUGGESTED MOTION 1: I move that an emergency be declared to exist and that the City Council consider adopting the Ordinance with an emergency declaration.

~~**SUGGESTED MOTION 2—if unanimous:** I move that the proposed Ordinance establishing a moratorium on Marijuana Facilities with an emergency declaration be read for the second time by title only, put to a vote, and adopted.~~

PASSED
By 6:1 Vote

SUGGESTED MOTION 3—if not unanimous: I move that the proposed Ordinance establishing a moratorium on Marijuana Facilities without an emergency declaration be read for the second time by title only, put to a vote, and adopted.

8. MAYOR: Invite Council Discussion.
9. MAYOR: Close the Public Hearing and Ask the City Recorder to Read the proposed Ordinance for the Second Time by Title Only.
10. MAYOR: Ask for the Vote.

EXPLANATION: By majority vote of the City Council during the November 12, 2014, Regular Session, the Council directed Staff to initiate the process to establish a moratorium on locating and establishing new marijuana facilities within the City of La Grande.

Because the moratorium would regulate land uses within the City of La Grande, the manner to declare a moratorium is subject to the requirements of Oregon Revised Statutes (ORS) 197.520. These requirements are provided in the attached Staff Report, which includes the required findings to support the moratorium. Upon adoption of the moratorium Ordinance, within sixty (60) days from the effective date, the City is required to “adopt a program to correct the problem creating the moratorium” [ORS 197.530]. City Staff will be working with the City Council on preparing a Correction Program, which will focus on Land Development Code amendments and other regulatory options, and will be scheduling the Program for adoption in either March or April. The duration of the moratorium will

be dependent upon completing the Correction Program. If adopted, the moratorium would be in effect for up to 120 days, but may be extended incrementally until the process is complete.

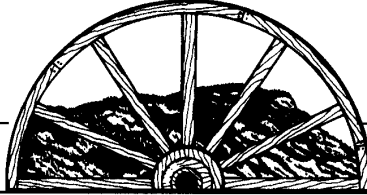
As requested, the proposed Ordinance also includes an Emergency Clause, which requires a unanimous vote of the Council, and is due to (1) public safety concerns raised by law enforcement agencies, other public service agencies and citizens; and, (2) the City does not have adequate rules in place to address grow operations and adverse impacts generated by certain operational characteristics of marijuana facilities. The vote on the Emergency Clause will occur prior to the vote on the Ordinance itself as shown above. If the Council unanimously votes to declare an emergency, the Ordinance will become effective immediately following a majority vote of the Council. If there is not a unanimous vote to declare the emergency, but there is a majority vote to adopt the Ordinance, the effective date would be 30 days after adoption. The intent regarding the emergency declaration is to prevent additional applications from being accepted during those 30 days. Any applications received prior to the effective date of the moratorium must be processed; the moratorium would only apply to applications received after the effective date, and such applications would be rejected. As of this writing a second application for a medical marijuana dispensary has been received and is scheduled for consideration by the City Council following the oath of office by the newly elected members of the City Council on January 14, 2015. City staff has been contacted by a third party who indicated a desire to apply for approval of a medical marijuana dispensary.

During the December 10, 2014, Regular Session of the City Council, the proposed Ordinance was read for the First Time by Title Only. During the public hearing, the City Council inquired about whether the local marijuana testing lab, *Eastern Oregon Analytical*, tested for molds, pesticides and other contaminants. The lab owner, Shawn McKay, was in the audience and answered the question explaining that his lab does test for these contaminants. Other than Mr. McKay answering the Council's question, the only public testimony received regarding the moratorium was email correspondence from a citizen describing their experience with having a grow site adjacent to their property. It should be noted that the City does not have any jurisdiction regarding the testing described by Mr. McKay other than the land use permitting of the business itself.

The City Manager recommends that the Council proceed with the Second Reading by Title Only and the adoption of the proposed Ordinance.

<p><u>Reviewed By:</u> (Initial)</p> <p>City Manager _____</p> <p>City Recorder _____</p> <p>Aquatics Division _____</p> <p>Building Division _____</p> <p>CED Department _____</p> <p>Finance/Human Resources Department _____</p> <p>Fire Department _____</p> <p>Library _____</p> <p>Parks Department _____</p> <p>Planning Division _____</p> <p>Police Department _____</p> <p>Public Works Department _____</p>	<p><u>COUNCIL ACTION</u> (Office Use Only)</p> <p><input type="checkbox"/> Ordinance Adopted</p> <p>First Reading: _____</p> <p>Second Reading: _____</p> <p>Effective Date: _____</p> <p><input type="checkbox"/> Resolution Passed</p> <p>Effective Date: _____</p>	<p><input type="checkbox"/> Motion Passed</p> <p><input type="checkbox"/> Motion Failed</p> <p><input type="checkbox"/> Action Tabled: _____</p> <p>Vote: _____</p> <p>Recessed: _____</p> <p>Work Session: _____</p> <p>Other: _____</p>
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CITY OF



LA GRANDE

THE HUB OF NORTHEASTERN OREGON

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT / PLANNING DIVISION

P.O. Box 670 • 1000 Adams Avenue • La Grande, OR 97850

Phone: (541) 962-1307 • Fax: (541) 963-3333 • Email: lgplanning@cityoflagrande.org • Web: <http://planning.cityoflagrande.org>

CITY COUNCIL STAFF REPORT

For the JANUARY 14, 2015, Regular Session

Moratorium on Marijuana Facilities

REPORT CONTENTS

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FINDINGS OF FACT

1. PROPOSAL DESCRIPTION

By majority vote of the City Council during the November 12, 2014, Regular Session, the Council directed Staff to initiate the process to establish a moratorium on locating and establishing new marijuana facilities within the City of La Grande. As requested, the proposed Ordinance includes an Emergency Clause, which requires a unanimous vote of the Council, and is due to (1) public safety concerns raised by law enforcement agencies, other public service agencies and citizens; and, (2) the City does not have adequate rules in place to address grow operations and adverse impacts generated by certain operational characteristics of marijuana facilities.

Also during the November 12, 2014, Regular Session, the City Council discussed the possibility of prohibiting businesses in violation of Federal law, which would include all marijuana related businesses, from operating in the City of La Grande. The Council as of this writing has not made a decision regarding this issue. If the Council does opt to impose such a ban, limit the number of facilities, or place other restriction on such facilities, it would be prudent to immediately impose a moratorium on the siting of any new businesses while the City completes the process to enact such a ban.

In accordance with ORS 197.520, this Staff Report outlines State Law requirements for establishing a land use moratorium, and recommended Findings of Fact for addressing the required review criteria. If the moratorium Ordinance is adopted, the moratorium would be in effect for up to 120 days, but may be extended. Upon adoption of the moratorium Ordinance, within sixty (60) days from the effective date, the City is required to “adopt a program to correct the problem creating the moratorium” [ORS 197.530]. City Staff will be working with the City Council on preparing a Correction Program, which will focus on Land Development Code amendments and other regulatory options, and will be scheduling the Program for adoption in either March or April.

With regards to the duration of the moratorium, initially the moratorium is effective for up to 120 days, with the option of renewing the moratorium three (3) times, with each extension limited to a six (6) month duration. During the November, 2014, City Council meeting, Staff advised the Council that they understood that only one six (6) month extension was allowed. However, upon further review of State statues, after adopting a Correction Program, ORS 197.530 authorizes the City to extend the moratorium a maximum of three (3) times, limited to six (6) months per extension for the purposes of completing the Correction Program. The City Council may end the moratorium at any time.

During the December 10, 2014, Regular Session of the City Council, the proposed Ordinance was read for the First Time by Title Only. During the public hearing, the City Council inquired about whether the local marijuana testing lab, *Eastern Oregon Analytical*, tested for molds, pesticides and other contaminates. The lab owner, Shawn McKay, was in the audience and answered the question explaining that his lab does test for these contaminants. Other than Mr. McKay answering the Council’s question, the only public testimony received regarding the moratorium was email correspondence from a citizen describing their experience with having a grow site adjacent to their property. It should be noted that the City does not have any jurisdiction regarding the testing described by Mr. McKay other than the land use permitting of the business itself.

2. SCHEDULE OF EVENTS

- | | |
|-------------------|---|
| December 3, 2014 | Public Notice was circulated to local Agencies, City Departments and affected public. Notice was also published in <i>The Observer</i> , a newspaper of general circulation advertising the December 10, 2014, City Council public hearing. |
| December 10, 2014 | City Council Public Hearing – First Reading of Ordinance was held. |
| December 8, 2014 | 35 Day Notice was emailed to DLCD (with a “Request Deliver Receipt” and |

“Request Read Receipt”) in accordance with ORS 197.520(a).

January 14, 2015	City Council Public Hearing – Second Reading of Ordinance. The Ordinance includes an Emergency Clause, which would make the Ordinance effective immediately upon adoption.
February 13, 2015	Effective Date of Ordinance, if Emergency Clause is not included.
March-April 2015	Consideration and Adoption of a Correction Program

3. **OREGON REVISED STATUTES (ORS) 197.520 – MANNER OF DECLARING A MORATORIUM**

(1) *No city, county or special district may adopt a moratorium on construction or land development unless it first:*

(a) *Provides written notice to the Department of Land Conservation and Development at least 35 days prior to the final public hearing to be held to consider the adoption of the moratorium.*

Finding: The final public hearing for the moratorium was scheduled to be held on January 14, 2014. The 35 day deadline to provided written notice to DLCDC was December 10, 2014. Planning Division Staff emailed Notice to DLCDC on December 8, 2014, to satisfy this requirement. See Schedule of Events in Section 2 above.

(b) *Makes written findings justifying the need for the moratorium in the manner provided for in this section; and,*

Finding: The Findings justifying this moratorium are provided in Section 3 below.

(c) *Holds a public hearing on the adoption of the moratorium and the findings which support the moratorium.*

Finding: The City Council was scheduled to hold a minimum of two (2) public hearings to consider this moratorium. The first public hearing was held on December 10, 2014, at which time public testimony was introduced in writing, which consisted of email correspondence from a citizen describing their experience with having a grow site adjacent to their property. The proposed Findings of Fact that support the moratorium were presented and the proposed Ordinance was read for the First Time, by Title only. The second public hearing was scheduled to be held on January 14, 2015, at which time the Ordinance will be read for the Second Time, By Title only, put to a Vote and a decision issued.

(2) *For urban or urbanizable land, a moratorium may be justified by demonstration of a need to prevent a shortage of public facilities which would otherwise occur during the effective period of the moratorium.*

Finding: The proposed moratorium is not based on a shortage of public facilities. As a result, this Section does not apply.

(3) *A moratorium not based on a shortage of public facilities under subsection (2) of this section may be justified **only** by a demonstration of compelling need. Such a demonstration shall be based upon reasonably available information and shall include, but not be limited to, findings:*

(a) *For urban or urbanizable land:*

- (A) That application of existing development ordinances or regulations and other applicable law **is inadequate to prevent irrevocable public harm from development** in affected geographical areas;

Finding: The recently adopted Land Development Code amendments, Ordinance 3215, Series 2014, established the following standards for locating recreational and medical marijuana facilities within the City of La Grande:

A marijuana facility shall not be located: [LDC Article 3.21, Section 3.21.004]:

1. *At the same address as a registered grow site.*
2. *Within 1,000 feet of the real property comprising a:*
 - a) *Public or private school, elementary, secondary or career school attended primarily by minors; or,*
 - b) *Public library; or,*
 - c) *Public park; or,*
 - d) *Community recreation facility attended primarily by minors; or,*
 - e) *Participant sports and recreation facility attended primarily by minors; or,*
 - f) *Licensed daycare center*
3. *Within 1,000 feet of another marijuana facility.*

The adopted regulations do not address marijuana producers that grow/cultivate for private use or retail/wholesale purposes; or, processors such as those that produce extracts and other products. Also, the La Grande City Council has expressed a desire to consider increased regulations to mitigate potential adverse impacts created by this new industry sector.

Following are adverse impacts that the City has identified as potentially causing "irrevocable public harm" to existing businesses, residences and other development within the vicinity of a marijuana facility:

1. **Offensive Odors:** Some marijuana facilities (private and commercial) have been described as generating strong and offensive odors that have a "skunk-like" smell that is noticeable from adjacent properties or common wall apartments. For smaller facilities, odors may be noticeable from as close as from one dwelling unit to another. For larger operations, odors may be noticeable from as far as several hundred feet away from a facility. In fact, Spokane County, Washington, where marijuana facilities have been allowed since 2012, is finding that odor conflicts are a significant issue and is considering adopting new regulations to address such adverse impacts. (See Exhibit 1, *The Spokesman-Review* article). On November 24, 2014, the City Planner met with a citizen who wishes to remain anonymous, that lives adjacent to a registered grow site located in the City of Cove, Oregon. This citizen has been suffering increased respiratory symptoms for the past year, that coincidentally coincides with the neighboring grow operation. These respiratory symptoms may also be associated with mold spores, as discussed in item #2 below. They claim that the odors and other adverse impacts are so great that it has caused significant adverse effects on the livability of their property. Lack of sufficient buffer space between such facilities and adjacent homes and businesses to mitigate the impacts of the offensive odors could also adversely impact property values of adjacent property.
2. **Mold/Health Conflicts:** Public exposure to toxic molds, which can be developed in marijuana, is a significant health concern. Research has shown that high-levels of mold spores within structures can infest the surrounding building environment and travel through HVAC systems, resulting in significant health hazards to occupants within buildings, to emergency personnel and other individuals, such as neighbors within multi-

family and commercial buildings. (See Exhibits 2a-c, *Articles*). Lack of sufficient buffer space between such facilities and adjacent inhabited properties to address the potential health impacts of these toxic molds could also adversely impact property values of adjacent property.

3. Economic Development/Health: Measure 91 [*Section 18(3)*] does not require a licensed premise to be “enclosed by a wall, fence or other structure”. Also, marijuana is allowed to be smoked within a permitted facility, with no regulations governing potential adverse impacts to neighbors. The lack of regulations increase the potential exposure to second hand smoke from the use of marijuana via open air, shared HVAC systems within buildings, etc. Lack of sufficient buffer space between such facilities and adjacent inhabited properties, particularly those with shared walls, to address the impacts of second hand smoke could also adversely impact property values of adjacent property. The siting of the current medical marijuana facility in La Grande raised concerns by adjacent business owners regarding the negative impacts on their businesses which may result from the proximity to the dispensary. Should such impacts occur, it would be detrimental to the economy of La Grande and would only be exacerbated by additional facilities opening in commercial areas. (See Exhibits 3a-c, *Articles*)
4. Safety Risks/Explosions: Measure 91 allows the manufacturing of marijuana products, such as hash oils. Exposure to explosions and fires during the marijuana extract process, particularly for hash oils, is not uncommon. There have been several documented cases of serious injuries and deaths resulting from explosions and fires. The most recent event occurred in Tigard, Oregon, November 23, 2014, where two men were injured as a result of a hash oil explosion. (See Exhibits 4a-d, *Articles*).
5. Environmental Damage: Potential environmental damage from growing and manufacturing is common on grow sites on public lands due to the chemical fertilizers used to control mold, insects and other pests. In an urban environment, these contaminants may affect the City’s sewer treatment facility and possibly adjacent properties. Also, growing and manufacturing facilities in an urban environment are found to be higher consumers of utilities, such as electricity and water, which is gradually becoming a greater concern as the availability of some utilities are becoming less and rates are increasing. (See Exhibit 5a-b, *Articles*).

(B) *That the moratorium is sufficiently limited to ensure that a needed supply or affected housing type and the supply of commercial and industrial facilities within or in the proximity to the city, county or special district are not unreasonably restricted by the adoption of the moratorium;*

Finding: This proposed moratorium will not restrict development in a manner that affects the “needed” supply of residential, commercial or industrial lands or facilities as identified in the City of La Grande Comprehensive Plan, Goals 9 and 10. This proposed moratorium only places restrictions on two (2) land use types, Recreational Marijuana Facilities and Medical Marijuana Facilities.

With regards to needed supply of marijuana facilities, one could argue that there is a need in the community for such facilities. In La Grande, there is currently one (1) operating medical marijuana dispensary and one (1) operating marijuana testing lab. By imposing a moratorium on marijuana facilities, these two (2) businesses will be allowed to remain open and continue operating through the duration of the moratorium. As a result, the “supply of commercial” facilities will not be “unreasonably restricted” by this moratorium.

- (C) *Stating the reasons alternative methods of achieving the objectives of the moratorium are unsatisfactory;*

Finding: Marijuana facilities in Oregon are a new industry sector and, like other Cities in Oregon, the City of La Grande has not had sufficient time to evaluate alternative methods for mitigating or addressing adverse impacts. The purpose of this moratorium is to provide the necessary time to consider alternative methods and to determine which method would best address the irrevocable public harm issues listed above.

- (D) *That the city, county or special district proposing the moratorium has determined that the public harm which would be caused by failure to impose a moratorium outweighs the adverse effects on the other affected local governments, including shifts in demand for housing or economic development, public facilities and services and buildable lands, and the overall impact of the moratorium on population distribution; and,*

Finding: The public harm for not imposing a moratorium, as identified in 4(a)(A) far outweighs the adverse effects that would be caused by imposing a moratorium. The City of La Grande believes there would be minimal to no adverse impacts caused by imposing the moratorium.

- (E) *That the city, county or special district proposing the moratorium has determined that sufficient resources are available to complete the development of needed interim or permanent changes in plans, regulations or procedures within the period of effectiveness of the moratorium.*

Finding: During the period of this proposed moratorium, the City of La Grande will be amending Article 3.21 in the Land Development Code Ordinance 3210, Series 2013, which regulates the siting or location of marijuana facilities. It is the City's intentions to amend current land use standards or adopt new standards to better address the adverse effects caused by locating marijuana facilities within the City.

The City of La Grande Planning Division will be managing this process and has adequate resources (funding, qualified staff, etc.) within the Department to complete the Land Development Code amendments. However, the greatest challenge will be to complete the Code amendment process within the 120 day time limit required by ORS 197.520. While it is possible that this deadline can be met, it would require an expedited process that would limit the public ability to participate in the process. Such limitation is not recommended by City Staff as it would be contrary to the intent of Statewide Planning Goal 1 and the City of La Grande Comprehensive Plan Goal 1, which promotes an extensive citizen involvement program. As a result, if time constraints become an issue, the City may consider extending the 120 period in accordance with Subsection 4 below to ensure adequate public participation in the process.

- (4) *No moratorium adopted under subsection (3)(a) of this section shall be effective for a period longer than 120 days, but such a moratorium may be extended provided the city, county or special district adopting the moratorium holds a public hearing on the proposed extension and adopts written findings that:*
- (a) *Verify the findings giving rise to the need for a moratorium still exists;*
 - (b) *Demonstrate that reasonable progress is being made to alleviate the problem giving rise to the moratorium; and,*
 - (c) *Set a specific duration for the renewal of the moratorium. No extension may be for a period longer than six months.*

Finding: The proposed Ordinance establishes a 120 day effective period. During the first sixty (60) days of the moratorium period, City Staff will coordinate with the City Council the preparation and

adoption of a Correction Program in accordance with ORS 197.530. Because the Correction Program will likely require new regulatory provisions to be incorporated into the City's Land Development Code Ordinance, the moratorium may require one or more extensions pursuant to ORS 197.520(4), 197.530(3 thru 4).

CONCLUSIONS

1. Based on the Findings of Fact above, the declaration of a moratorium on marijuana facilities is in compliance with all applicable provisions of ORS 197.520.