



1. CALL TO ORDER

Mayor Rebecca Ruede called the Thursday, March 30th joint work session of the Dunes City Council and the Dunes City Planning Commission to order at 4:00 pm.

2. ROLL CALL

Roll Call was taken by City Administrator/Recorder Jamie Mills.

Present: Mayor Rebecca Ruede, Council President Sheldon Meyer, Councilor Robert Forsythe, Councilor Robert Orr, Councilor Tom Mallen, Councilor Duke Wells, and Planning Commissioners Bonnie Allen (Chairman), Barry Sommer (Vice Chairman), Brett McKnight, Ken Pesnell, and Ric Ziegler.

Absent and Excused: Councilor Alan Montgomery.

Also Present: Administrative Assistant Rapunzel Oberholtzer.

3. PLEDGE OF ALLEGIANCE

All who were present stood for the Pledge of Allegiance.

4. MOTION TO APPROVE THE AGENDA

Council President Meyer made a motion to approve the Agenda. Councilor Mallen seconded the motion. The motion passed by unanimous vote.

5. MARIJUANA PRODUCTION AND RETAIL SALES IN DUNES CITY

City Administrator/Recorder Mills explained the handout that was distributed to meeting attendees, noting that it contained excerpts from Dunes City Code that Staff determined might apply to potential complaints or effects of marijuana grow sites in the City with a reference to how OLCC regulates grow sites.

Planning Commission Chairman Allen explained that marijuana grow sites have been discussed intermittently in Planning Commission meetings for several months; ultimately, the Planning Commission agreed that it would like to know how the City Council feels about the issue and if the Council had any recommendations for the Planning Commission. She noted that the Commission has determined that marijuana is a viable commodity already regulated by the County and the State and while the Commission has not taken on the task of drafting City regulations, the Commission feels that the City should be prepared for the time when Dunes City receives LUCS applications for grow sites.

Planning Commissioner McKnight went on to explain that with a grow operation in a residential zone there may be things such as exterior lighting, water usage, fencing, and pesticide use involved that would not normally be of concern. He noted that the Planning Commission had discussed whether or not these types of concerns could be addressed in existing Code or whether a new section of Code should be developed to address grow sites specifically. He went on to say that the Planning Commission generally agreed that the City Council should provide some guidance as to the direction the Commission should take and whether it should get in front of the issue of applications for grow sites.

There was some discussion about whether marijuana should be considered an agricultural product such as corn and the effects that any type of large-scale grow operation would have on neighbors, regardless of the product itself. Mayor Ruede asked for comments from everyone.

In the roundtable discussion that ensued, it was noted that corn and marijuana are two entirely different kinds of crops and marijuana is an illegal substance under Federal law. Some Councilors noted that in talking with residents, about half had no objection to people using marijuana but all residents did not want a grow site in their neighborhood. There was some discussion about the security required for grow sites and its effect on the residents—the fencing that might be involved, the potential for growers or their security team being armed to defend the crop, the potential for luring a criminal element to the neighborhoods where grow sites are located. It was noted that grow sites and/or retailers have large amounts of money on hand because banks will not accept deposits from marijuana-related activity and that money could also create a risk in the neighborhood.

There was a question about whether or not a city could prohibit grow sites entirely. City Administrator/Recorder Mills explained that at least one Oregon city, Cottage Grove [sic] (*reference should have been to Junction City*), did so and is now being sued over its decision.

The comparison of marijuana to corn was clarified. The question was how would, or could, Dunes City regulate any type of commercial crop growing within the City's residential zone.

There was discussion about how grow sites and their potential use of various fertilizers could affect Dunes City water quality. A question was raised about whether or not Dunes City could enact regulations that would dissuade a grower from applying to grow in the City without outright prohibiting a grow site. In other discussion about water, it was noted that Dunes City's water right permit prohibits the use of water drawn under that permit to be used for commercial purposes. Participants were reminded that pollution of Dunes City's water is the number one concern for residents and the City should never allow any activity that could jeopardize water quality.

There was discussion about whether the City could amend Code to prohibit any type of large agricultural grow, regardless of the crop. It was noted that while City Code allows greenhouses, the buildings used for marijuana grows are not typical greenhouses with a lightweight frame and plastic covers—they have foundations, solid walls, and full electric and water facilities. The odor coming from a grow site was a concern and there were concerns about whether the City's nuisance ordinance could be used to mitigate any of the light, noise, or odor issues.

Discussion turned to whether or not it was appropriate for any type of commercial operation to be situated in a residential neighborhood. It was suggested that there should be Code to regulate all of the concerns mentioned above. It was generally agreed that the City should take some action to get ahead of this issue.

Commissioner McKnight summarized the discussion in general, noting that it seemed the Council would like to review existing Code to determine where it could be strengthened to regulate some of the meeting participants' concerns about agricultural growing in general, no matter what crop is produced, such as exterior lighting, fencing, traffic. He suggested that the Planning Commission could review the Code and bring the Council some suggestions for revisions.

There was a question about whether a decision had been made to prohibit the growing of marijuana and, if so, has a pro-marijuana group presented its side of the story. City Administrator/Recorder Mills clarified that the intent of the meeting was to gather input and ideas that would help the City create Code that would protect residents and water quality, no matter what type of product is being grown or produced. Lighting and odor regulations, for example, would be stringently regulated and enforced, as would water use. She went on to explain that the State is not issuing any permits for commercial wells in this area, commercial grow operations must have their own water source or must truck in water.

There was some discussion about how the Planning Commission could proceed to address the Council's concerns and whether or not OLCC has specific restrictions that could apply. City Administrator/Recorder Mills pointed out that no matter what Code is developed it would still need to be implemented and enforced. There was discussion about how long it would take to modify the City's land use code.

Mayor Ruede summarized some options: a) do nothing, b) modify Chapter 155 if it doesn't take too long, or c) address issues via City Resolution rather than changes to Code. City Administrator/Recorder Mills pointed out that current Code permits certain agricultural uses in the residential zone so Code would need to be amended. She noted that Staff and/or the Planning Commission could review all City Code to determine which Chapters would apply to growing and how they could be amended.

There was a suggestion that the City could take one or several approaches such as addressing issues such as fencing, lighting, noise, etc., amend Chapter 155 as quickly as possible, or outright deny OLCC LUCS permits. City Administrator/Recorder Mills suggested that the Council might be able to instruct Staff to deny applications effective immediately. It was asked whether the City could possibly adopt a Resolution creating a moratorium on grow sites pending further research and consideration. City Administrator/Recorder Mills agreed to look into both options.

6. FOR THE GOOD OF THE ORDER

There was no discussion.

7. ADJOURNMENT

Council President Meyer made the motion to adjourn. Councilor Orr seconded the motion. There was no vote taken.

Mayor Ruede adjourned the Dunes City Budget Committee meeting at 5:01 pm.

APPROVED BY THE DUNES CITY COUNCIL ON THE 11th DAY OF MAY 2017.

[Signed copy available at City Hall]

Rebecca Ruede, Mayor

ATTEST:

Signed copy available at City Hall]

Jamie Mills, City Administrator/Budget Officer