



**MARIJUANA SUBCOMMITTEE MEETING**  
**January 12, 2016 1:00 pm**  
**Newberg City Hall, 414 East First St**  
**Permit Center Conference Room**

Chair Tony Rourke called the meeting to order at 1:00 p.m.

**ROLL CALL:**

Members Present:      Councilor Denise Bacon                      Councilor Tony Rourke (Chair)  
                                 Councilor Stephen McKinney

Staff Present:            Mayor Bob Andrews,                      Doug Rux, Community Development Director  
                                 Bobbie Morgan, Planning Secretary      Truman Stone, City Attorney

**APPROVAL OF MINUTES:**

**MOTION: McKinney/Bacon** moved to approve the December 9, 2015, minutes. Motion carried (3 Yes/ 0 No)

**POTENTIAL DEVELOPMENT CODE REGULATIONS FOR RECREATONAL MARIJUANA PRODUCERS AND PROCESSORS:**

Community Development Director Doug Rux said the regulations for medical marijuana would be brought to the Planning Commission on January 14 and would go to the City Council in February. Staff reviewed HB 3400 and the temporary rules adopted by the OLCC and pulled out definitions that he discussed including medical marijuana processor, marijuana producer, license premises, processes, and produces. He then described the place regulations which allowed restrictions or limitations through land use. Marijuana activities could not co-locate on federal land or be in the same location as a medical marijuana grow, processing, or dispensary site or a liquor license site. Extracts also could not occur in an exclusively residential area, however schools, churches, businesses, etc. were allowed in residential zones in Newberg. A licensed premises of a processor must be enclosed on all sides by permanent walls or doors. Prior to entering a licensed premises, customers must have a visitors badge and be accompanied by a licensed representative. He explained the restrictions for recreational marijuana producers for both indoor and outdoor operations. When the City got the forms for the land use compatibility statement, they had 21 days to review it. Those were allowed starting January 4. For the compatibility statement, the City could say it was allowed, prohibited, or conditional use. If the City said it was prohibited, OLCC would not process the license. If it was allowed or conditional use, OLCC would continue to process the license. He then discussed the opt-in provision for those with medical marijuana grow sites to also be recreational marijuana producers. If people did opt-in, they would have to follow all of the OLCC regulations for the site. He reviewed the definition of horticulture, light manufacturing, and use categories in the Newberg Code.

Councilor Bacon asked how community gardens were viewed.

City Attorney Truman Stone thought the key to the definition was commercial purposes.



CDD Doug Rux responded producers had to have an eight foot high sight obscuring fence, but to get to the eight feet they had to be five feet in from the exterior property lines and it required a building permit if a fence was over six feet.

CDD Doug Rux continued to discuss time and manner regulations. Time was not an issue with growers and processors. Local jurisdictions could adopt additional limitations on the size of the grow canopies, but they would have to get permission from OLCC to do so. There were Tier 1 and Tier 2 regulations for producers, and different fees associated with them. For security, there had to be a security plan and producers had to fully enclose indoor operations on all sides and a solid wall or fence that was at least eight feet high had to be installed around exterior operations. If producers composted, they had to prohibit public access to the compost area and obscure it from public view. Regarding health and safety, all marijuana licenses were subject to inspection and had to comply with any local ordinance or utility requirement.

Councilor McKinney had a question regarding insufficient power for an operation.

CDD Doug Rux responded if there was insufficient power, it would be a discussion with PGE on how to bring service to that particular location.

Mayor Andrews had a question on health and safety inspections, did they need to take any action to designate staff to do the inspections?

City Attorney Truman Stone said it was a mix of individuals depending on the Code provisions, some parts designated the Police Chief, some designated the Fire Marshal, Building Official, etc. He did not think a new position needed to be created for marijuana growers or producers, and they could continue to use the current method of the City Manager or designee delegating the issue to the appropriate department to address it.

CDD Doug Rux continued to discuss producers, who could have an indoor or outdoor production or combination of the two. For producers who had an outdoor production, the rules included the entire lot or parcel and it could not be a in a primary residence. They could not be located on the same physical location as a grow site. He then explained the differences between Tier I, which for indoor production was a canopy up to 5,000 square feet, and Tier 2, which was a canopy 5,001 square feet to 10,000 square feet. For an outdoor production Tier 1 was up to 20,000 square feet and Tier 2 was 20,001 to 40,000. There could also be mixed production and there had to be a separation between the grow canopies. There was a tracking system from seed to sale and licensee had to enter all the information into the tracking system for OLCC. Processors could receive endorsements for edibles, topicals, concentrates, and extracts. There were requirements for the equipment used by the processors and processing of edibles. Edibles could not be processed in the same location as a restaurant and he thought that included caterers but it was not clear. Operations had to dispose of all solid and liquid waste from the processing and hazardous waste had to comply with ORS rules. If any one of the categories was banned, Newberg would not be eligible for a share in the State tax. The questions for consideration were: where would they want to allow producers, should they be indoor or outdoor or both, and where would they allow processors and their chemical and mechanical processes? The processors seemed like industrial type businesses. Did they want a processor in the commercial categories or in residential? Did they want producers to be zoned residential and should they be indoor or outdoor or both? Should they be considered as agricultural operations? Producers could be allowed indoors in industrial only or also in residential if they were in an enclosed building and had light. If the building had no light or electricity it was considered outdoor.

There was discussion regarding processors, which had to be indoors. Time was not an issue since it was an indoor operation. There might be outdoor storage that could be addressed.



CDD Doug Rux clarified for medical marijuana, the recommendation was to allow medical processors in industrial zones, which included M1, M2, M3, M4, and SD/E.

**MOTION: Bacon/Rourke** moved to allow processors in the industrial zoning categories as a permitted use which included M1, M2, M3, M4, A/I, and SD/E.

CA Truman Stone asked about A/I since it had to be aviation related. Councilor Rourke suggested the Planning Commission could discuss that issue.

CDD Doug Rux referred to the zone map where A/I was located.

**AMENDMENT TO THE MOTION: McKinney/Bacon** moved to amend the motion not to include the A/I zone. Motion carried (3 Yes/ 0 No).

**VOTE ON THE ORIGINAL MOTION:** Motion carried (3 Yes/ 0 No).

There was discussion regarding the regulations for producers and whether or not to consider indoor and outdoor separately.

CDD Doug Rux said for medical grow sites, the recommendation was to allow up to 12 mature plants or 2 patients as a permitted use in R1, R2, and R3 and a conditional use in all other zones.

Councilor Bacon preferred producers be allowed as indoor residential only.

There was further discussion regarding green house lights being a nuisance in a neighborhood at night, permitted vs. conditional use, and examples of areas in R1 and R2 where this would be applicable.

Chair Rourke suggested making it conditional use for residential due to lighting concerns.

Councilor McKinney did not think it should be allowed in R3 or Airport Residential.

There was discussion regarding the Residential Professional zone and sub district zones.

**MOTION: Rourke/Bacon** moved to allow producers as conditional use in R1, R2, SD/LDR, R1/PD, R1/.1, R1/.04, R1/6.6, R1/SP, R2/PD, R2/RD, and R2/SP based on compatibility. Motion carried (3 Yes/ 0 No).

There was discussion regarding commercial zones. CD Doug Rux clarified where the commercial was located.

**MOTION: McKinney/Bacon** moved to restrict producers in commercial districts or sub districts. Motion carried (3 Yes/ 0 No).

There was discussion regarding processors in community facilities. CDD Doug Rux explained the community facilities in the City.

**MOTION: Rourke/McKinney** moved to restrict processors in community facilities. Motion carried (3 Yes/ 0 No).



Chair Rourke realized he did not specify indoor or outdoor uses in regard to residential areas.

**MOTION: Rourke/Bacon** moved to reconsider the motion regarding producers in residential zones and amend the motion to specify conditional use was for indoor operations only and outdoor operations were restricted. Motion carried (3 Yes/ 0 No).

**MOTION: Bacon/Rourke** move to restrict uses in institutional zones. Motion carried (3 Yes/ 0 No).

There was discussion regarding producers in industrial zones and indoor vs. outdoor. There was further discussion regarding indoor uses being permitted in M1, M2, M3, M4, Springbrook District, and sub district M1/SP, SD/E, and interim industrial use overlay. Outdoor uses would be conditional use in industrial zones.

Councilor McKinney was not in favor of allowing outdoor operations as he would like to develop the industrial land the City had to its maximum use.

There was discussion regarding where the industrial land was located and what was currently on the properties.

**MOTION: Bacon/Rourke** moved that for producers in industrial zones, indoor uses were permitted, and outdoor uses were a conditional use except in Airport Industrial and Airport Industrial Overlay where they were restricted. Motion passed (2 Yes/ 1 No) with Councilor McKinney opposed.

**MOTION: Rourke/Bacon** moved to restrict producers in the interchange overlays. Motion carried (3 Yes/ 0 No).

CDD Doug Rux explained the updated time line and schedule. The draft recommendations for recreational producers and processors would be sent to DLCD on January 20. The Planning Commission would be holding a public hearing on the recommendations for recreational marijuana in February and the City Council would hold a public hearing in March.

Chair Rourke thought time and place had been addressed, and asked if there was something more on manner.

CDD Doug Rux stated the Committee could restrict the grow canopy size over the Tier 1 and Tier 2 restrictions.

**MOTION: Rourke/Bacon** moved to recommend no additional time, place, or manner restrictions for producers or processors other than what had already been done. Motion carried (3 Yes/ 0 No).

CDD Doug Rux suggested adding the HB 3400 definitions for marijuana processors and marijuana producers to the Newberg Code.

**MOTION: McKinney/Rourke** moved to add the definitions to the Code as proposed by staff. Motion carried (3 Yes/ 0 No).

**RECOMMENDATION TO INITIATE DEVELOPMENT CODE AMENDMENT FOR RECREATIONAL MARIJUANA WHOLESALERS, LABORATORIES, RESEARCH CERTIFICATES AND RETAIL:**



**MOTION: Rourke/Bacon** moved to direct staff to initiate Development Code amendments for recreational marijuana wholesalers, laboratories, research certificates, and retail. Motion carried (3 Yes/ 0 No).

**FUTURE MEETING SCHEDULE**

There was discussion regarding the timeline for medical and recreational marijuana items. The subcommittee would meet again on February 4 from 1-3 p.m. and on March 3 for a final meeting.

**ADJOURNMENT:** Councilor Rourke adjourned the meeting at 2:51 p.m.

**Approved by the Marijuana Subcommittee this 4nd day of February, 2016.**

Councilor Tony Rourke,  
Marijuana Subcommittee Chair

Bobbie Morgan, Planning Secretary