



March 16, 2017
City Council Regular Session
Willamette Activity Center, Rm 8
47674 School Street
7:00 p.m.



MINUTES

1.0 CALL MEETING TO ORDER / PLEDGE OF ALLEGIANCE

Council Present: Jim Coey, Mayor
Judy Rowland
Gary Carl
Josh McMillin
Barry Taylor
Paul Forcum
Kathy Holston

Staff Present: Louis Gomez, City Administrator
Mike Hansen, Fire Chief
Jackie Taylor, Assistant Planner
Susie LaDuke, Finance Director/City Recorder
Kevin Martin, Police Chief
Rick Zylstra, Assistant to the City Administrator

2.0 PUBLIC COMMENT

Mayor Coey read the Rules of Decorum. We are going to keep the public comment to three minutes per person.

Terry Kuipers 76152 Odle Lane – He has an apology to make, he made a sign explaining how he felt, he wrote liars, cheaters, antichristian on the sign. He had an old lady call and ask how dare you talk about the administration being antichrist? He apologizes for that, he took the antichristian off the sign, but the liar and all that other stuff still stands. He wants to say one thing, there is nothing about all of these people here (City Council), but all of them (pointed towards city staff) they are all liars. If you put one signature down, you better put three or four to cover yourself.

Dennis Patterson 47871 W 1st Street- Read a letter from his wife who couldn't be here tonight because she is fighting cancer. She has chemotherapy treatments scheduled through August. She says she has found certain strains of cannabis to ease the debilitating side effects of chemotherapy drugs. Having a pot dispensary in Oakridge will be more than a convenience to her as her body becomes more frail and weak, it will be a necessity. She asked that you take no action that would curtail or discourage a pot dispensary in Oakridge.

Mr. Patterson said his wife is fighting for her life, for her sake and the sake of other cancer patients please don't make that fight any harder than it already is.

James Affa 76340 Garden Road-Since budget season is coming up he just wanted to know if you all have seen the State's Public projection. This will impact little cities like us, they predict we will have to fire at least ten to twenty percent of employees to meet PERS currently unfunded liability. We need to think of ways to get businesses into our town.

Scott Peterson 47603 W 2nd Street- He is opposed to these changes and spoke at the last Planning Commission meeting on January 17, 2017. He read a letter to the council. The City Council approved the 9th annual Keg and Cask Festival at the last City Council Meeting. I guess in the eyes of the City Council it is alright to close off public streets so people can drink alcohol, but cannot purchase cannabis and walk out of the store with a brown paper bag.

He has been marketing one of his properties as a cannabis dispensary with the assistance of his real estate broker.

If the supposed reasoning for this Ordinance is to protect children, he believes this is a false narrative.

If he is unable to sell his property for use as a dispensary he will have to consider legal recourse, Louis and Rick are aware of his considerations to take legal action. The City will put itself at risk of a class action lawsuit that would include every parcel of Commercial property.

3.0 MAYOR AND COUNCIL COMMENTS

Mayor Coey said it was brought to his attention that when the recorder is trying to do minutes there is noise coming from the back row, so keep your discussions amongst yourself, it is coming across the audio and making it hard to create minutes for the meeting.

Mayor Coey said Cycle Oregon will be here September 15, 2017, there will be 2,500 people coming to our town. They will be here for lunch, dinner, breakfast and we have to supply lunch for them the next day. They supply all of the food and beverages. They will be camping out at the football field, the track and possibly the baseball field. There is a meeting at the Senior Lounge on March 25. We will need volunteers, there is discussion on having a stage for entertainment and a beer garden up town.

We have been receiving CMAQ money for seven-eight years and now we just found out about it a year ago. We are going to be using this money for some projects around town. Mayor Coey found out today that some Senators are trying to take some of this money, upwards towards 25% for diesel retrofits in the State of Oregon.

Mayor Coey read the proclamation for Child Abuse Awareness Month in April.

4.0 ADDITIONS, CORRECTIONS, OR ADJUSTMENTS TO THE AGENDA

Chief Martin swore in our new Reserve Officer Valerie Miller.

Mayor Coey said we should move up 7.1 and 7.2 to get them out of the way.

5.0 CONSENT AGENDA

Motion: Councilor Holston moved to approve the consent agenda. Councilor Rowland seconded the motion.

J. Rowland (Aye), J. McMillin (Aye), P. Forcum (Aye), Mayor Coey (Aye), G. Carl (Aye), K. Holston (Aye), B. Taylor (Aye). Motion carried 7-0

ADMINISTRATIVE SERVICES

6.1 City Administrators Report

Louis said the RFP's for the Engineer of Record closed last week. We received five responses.

We are still dealing with air quality. We just got another grant from OCF, Oregon Community Foundation and then LRAPA and The Reeser Foundation for a total of \$15,000 so we can continue to work with Oregon Solutions.

Hopefully within the next couple of weeks we will have some broadband in here for the council. We will just get a hot spot which will cost about \$30.00 a month.

6.2 City Recorders Financial Report

Susan said she will be giving the reports once a month now, you will have a lot of paperwork.

Susan gave the Financial Report.

Motion: Councilor Carl moved to accept the City Recorders Financial Report as presented. Councilor McMillin seconded the motion.

J. Rowland (Aye), K. Holston (Aye), B. Taylor (Aye), P. Forcum (Aye), Mayor Coey (Aye), J. McMillin (Aye), G. Carl (Aye). Motion carried 7-0

6.3 2017-2018 Budget Calendar

Louis presented the 2017-2018 Budget Calendar, this can be adjusted if needed.

Motion: Councilor Taylor moved that we adopt the FY 17-18 Budget Calendar. Councilor McMillin seconded the motion.

B. Taylor (Aye), Mayor Coey (Aye), G. Carl (Aye), P. Forcum (Aye), J. McMillin (Aye), K. Holston (Aye), J. Rowland (Aye). Motion carried 7-0

6.4 Public Hearing Ordinance 922 Ordinance amending ordinance no's 874 & 907, section 24.08 of the zoning ordinance of the City of Oakridge establishing land use regulations for marijuana facilities in the City of Oakridge.

a) Open Public Meeting

7:44 P.M.

b) Staff Report

Louis read the issue and gave the staff report.

c) Statements in Favor

Fred Ulrich 76435 River Road- This Ordinance doesn't affect his church because of the school. It does affect his residence though. Those who are concerned that they won't be able to sell their properties, they have had over a year to do so. This is not going to take any facilities away that are already approved. He is in favor of passing this change.

Mayor Coey wanted to address the OIP right now, people say why not use the OIP? That can't happen because it is federal dollars that control the OIP and marijuana is still against the law federally.

Mary Helen Pope 47750 W 1st St- She is a new member to the community and a substitute teacher. They have a lot of student activities at the church, this is not good for children. Her grandchildren attend church with her on a regular basis next to the marijuana grow. The large parking lot at the church right next door to a grow concerns her. Marijuana is not beneficial to this community.

d) Statements in Opposition

Pat Selman 47651 NW 1st Street – He is opposed to this because he doesn't want to shut down business in Oakridge. If you don't allow marijuana businesses in here nothing can really grow. He doesn't smoke the stuff, he wishes he could because the people that he knows smoke it are in a better mood than he is.

Scott Peterson 47603 W 2nd Street- Read a statement in opposition. He has a property on Hwy 58 that he is in negotiations to sell. If he is unable to sell for use as a dispensary he is going to have to consider his legal recourse. Louis and Rick are well aware of his considerations to take legal action. Any business person would be upset if they wanted to open a business with only one competitor and denied. This is called a monopoly on a business, this is the reason antitrust laws were put in place. The city will open itself up for a class action law suit to include every parcel of commercial property affected by this ordinance, it would be easy to prove the intent of the City Council to restrict any more cannabis business in Oakridge and not to protect children. He has already built a strong case knowing it would be easy to find a lawyer to take this case especially with his evidence and ability to show financial damage caused by the ordinance affecting his sale at 47543 Hwy 58. He prefers not to be a plaintiff in a case against the City, the class action suit would probably be somewhere between 15 and 25 million dollars. Even if the City were to come to a compromise/settlement to drop the case before trial the case would probably still be in excess of a million dollars. Personally, he would hate to bankrupt the city. He could also sue for infringement of his abilities to conclude the sale of his property for the use of a cannabis dispensary showing that the city is allowing a monopoly situation by allowing only one dispensary.

Dennis Patterson 47871 W 1st Street- He is concerned that this could eliminate marijuana dispensaries altogether. Although the dispensaries now will be grandfathered in, what happens when the dispensary gets sold or transferred? They will have to apply for a new permit and if this passes they could be denied. His suggestion is to substitute the word dispensaries for facilities. This is what Eugene

is doing. The only visible business we have is the dispensary, you don't even know that the other ones are there.

Pete Matzke PO Box 1260-He is the owner of Efficient Extractions, LLC and Galactic Bowling, LLC. It is very difficult to get licensed in this field, many businesses go years before getting approval. This is not an easy business to be in and it is very difficult to make money.

James Affa 76350 Garden Road- As a past Councilor and Planning Commissioner he has a personal dislike for this. He found the people in this business to be respectful people, concerned for the community and they don't want just anybody to do this. Restricting this is just wrong.

Reed O'Ryan PO Box 934 LaPine-He owns building on the West side of town on Hwy 58. As the other gentleman said, this Ordinance will virtually eliminate marijuana grow facilities and dispensaries eventually because as they exchange hands you have to go before the board and get another Conditional Use Permit. If you look at that map it pretty much covers the whole town. This seems like an attempt to zone the marijuana businesses out of town. People say to protect the children, from what? The trailer parks are worse, they have meth and crack pipes laying around. The dispensaries have 24 hour security cameras monitored, fences, everything. He doesn't see the logic to this and he would probably have to enter into the lawsuit because it's going to substantially devalue his property.

Job Hall 7675 Tamara Drive, Reno- He got the first Conditional Use Permit in the town for recreational marijuana and it was quite difficult. He runs one of these facilities in Eugene, you don't know what goes on in these places, we board up the windows and you'd have to have a branding iron like the SWAT has to get into the building. There is no smell, they are not allowed to by the State, they have cameras inside and outside to make sure minors stay off of the property. You are cutting off a major new industry, it does not bring the negative side effects that they hear about. Manufacturing is not coming back folks, this is a self-generating business, the more successful they are the more people get paid and they get paid more than they would at McDonalds or A & W Restaurants, they start at \$15.00 an hour.

Dwayne Edwards 76360 Rainbow Road- Thanked the council for approving the ones that are already approved. They are a new industry coming along, you let us in, and you can't close the door on us now. That is not fair to the investors, the people behind them. They will ask about the Ordinance, is the City closing the door on you now? What if you decide to get bigger?

e) Statements in General

Dennis Patterson 47871 W 1st Street- Two years ago the previous City Council already decided these issues as representatives of the City of Oakridge, so why are we here? Have our demographics changed that much?

Kevin Martin 47713 Commercial Street- He will probably speak a little bit as the Chief and a little bit as a citizen. We have one liquor store in town, he doesn't see why we need more than one dispensary. As far as problems, he has had citizens come to him concerned because these businesses are cash only, well we could have a bank robbery in town also. We should look at the businesses for town.

Scott Peterson 47603 W 2nd Street- In reference to the comment made about wanting to eliminate dispensaries and only have other businesses, a dispensary gives a good facelift to a town. Unfortunately with a bowling alley it doesn't add a facelift to the town.

Carrise McMillin 76465 Elm Street- She wanted to address having only one liquor store in town, there may only be one liquor store but there are several places to drink and purchase alcohol and some close to the schools and library.

Reed O’Ryan PO Box 934 LaPine- With regards to the preschools, by State Law, people are allowed to grow up to six marijuana plants in their yard all around a preschool. He doesn’t see how it’s reasonable to restrict businesses when people can grow marijuana. The people growing pot in their backyard are not paying taxes.

Deanna Wellman Hadley 76385 Lilac Lane-She came here tonight with an open mind to try and see from both sides, it wasn’t until just now that she came to a conclusion that she does have a comment in general. Businesses are what we need in Oakridge, the part about the Ordinance to protect our children that should stay at home. It’s the parent’s responsibility to do that. Yes, business, this Ordinance makes no sense.

f) Close Public Hearing

8:19 P.M.

g) Council Discussion

Mayor Coey said he is the one who began all of this process. We started this process two years ago with the previous Council and one of the reasons we do have this is for our Strategic Plans to create jobs. We are not trying to prohibit businesses. He has had many people come to him asking how many is enough? We are looking at jobs, it does create jobs. We are not trying to close anyone’s business, if you have one we are not going to take it from you. We have one dispensary, if you talk to Johnny Mack he is barely holding on. He is not concerned about the security of the buildings, he knows they are secure. The current code says within twelve months if it is not repopulated with that type of business then that zoning goes away. We have discussed making it 24 months or even making it permanent. We don’t want to exclude anyone or create monopolies.

Councilor Rowland – Mr. Peterson said he has people looking at his property right now as a marijuana facility?

Mr. Peterson said yes, he has listed it as a cannabis business. He has been referred to a number of investors and specific people who are definitely interested in his property. He doesn’t want a time limit set on him. It is a large house on the corner, not a building so it has the kind of professional look that someone would use for an attorney’s office or real estate office. It would be great for a coffee house and it’s also perfect for this type of business. Otherwise he might have to sell it for land value so somebody can build a Taco Bell or Jack in the Box.

Mayor Coey said if we pass this tonight you have 30 days, so if someone sold this property within the 30 days you are in the process.

Mr. Peterson said he understands that but he doesn’t want a time constraint.

Councilor Rowland said we have had people in here yelling at us because they don’t want Oakridge known as the marijuana capital of Oregon. Now we are trying to put some restrictions so we don’t end

up like Eugene. We are trying to appease people, but no matter what we do we will end up being the bad person.

Councilor Carl said he thinks it is interesting if you go back 40-50 years there was a time in this country when alcohol was a menace, over time things have shifted and now alcohol is commonly accepted. He wonders if 50 years from now what the perception of marijuana will be. But, this doesn't speak to some of your concerns about eliminating or restricting marijuana. When he drives down Main Street in Springfield he is taken aback by the number of dispensaries one after another. He doesn't like that and doesn't want that in his town. Some of the other businesses aren't seen, you don't even know the bowling alley has marijuana going on or the business across from Stewarts Drive In. He doesn't object to them at all, he does object to a half a dozen dispensaries. He is concerned that Mr. Peterson feels that their actions somehow will damage him financially and because of that you feel you might have to hire an attorney. Any lawyer will tell you, you have to show damages and if you can sell your property to a Taco Time rather than a marijuana dispensary, he wonders what the damages would be.

Mr. Peterson said it would have to be a vacant lot and he is selling it as an approved property, there is a great value difference. As a principal real estate broker in the past he is quite aware of the values of properties and these marijuana properties are actually trading for big premiums. Class action lawyers are willing to take suits without any fees and they will get a settlement from the City because they will break them in attorney's fees and that's not what he wants to do, but he is not going to have the value of his property impeded.

Councilor Carl said well you already told us that and he is not impressed by that. Councilor Carl is concerned about the voiceless people who are tax paying citizens of our community who are not here tonight, who he knows don't want dispensaries on every block.

Councilor Carl said he is also concerned about Mr. Patterson's situation, he would not want to see his wife have to suffer because marijuana is not available.

Councilor Rowland asked Mr. Peterson how long has he been wanting to make this a marijuana business.

Mr. Peterson said he first spoke to someone in Eugene about it in July and just kind of threw the idea out there. He went to the Planning Commission meeting in January and figured out the urgency in this so he contacted a broker in California who specializes in these properties and she was trying to market it. Since then he has hired a real estate broker on his own.

Councilor Holston thanked everyone who spoke. She saw a different perspective here, she doesn't know if she has changed her mind, but she has learned a lot tonight. She learned she does not particularly like being told what she should or should not do or you are going to sue her. We as a council talked and she still has a lot of questions. We have C3 and C2 districts, we looked at both of those districts. Is there a way to only do C3 and not do C2? She agrees with what is being said about preschools, she doesn't see why we have to have it on the list because it sits in a residential area which can have a grow in the backyard although it can't be seen, there are restrictions to that. The preschool may move, they may go someplace else, so then do we draw another circle around the preschool where it moves. This has never been about protecting her children that is her job, she has five kids and nine grandkids that is her job. We need to have a presentation of businesses as much as possible that is spread around and she doesn't want them all clustered, the market wouldn't allow that. She asked the

Council if they are comfortable with having enough information or is it just her that is feeling a little cloudy?

Mayor Coey said people have come to us and asked when is enough? And that is why we have to look at these things, even though they are not here, they are still speaking to us. We are not always going to make the right decisions, this isn't an easy job for any of us. We have not made a decision here one way or another. We had a work session that you were all welcome to attend but Mr. Hogue was the only one there. Decisions have not been made and he doesn't like threats either. That won't change his opinion one way or another, if he thinks that the greater good of the community is being served by passing this then that is what he is going to do.

Councilor McMillin asked Mr. Patterson what his question was?

Mr. Patterson said the point he was trying make was the wording they are using in Eugene. Instead of facilities, they are saying dispensaries. He would like to see that changed.

Councilor McMillin asked if the wording change would affect anything here?

Mayor Coey said it depends on what the wording change is.

Councilor McMillin said changing from facilities to dispensaries.

Mayor Coey said that language doesn't change anything.

Louis said you could make a division, between the retail outlets and the processors/growers.

Councilor Forcum said if we include preschools if one moves do we have to follow? He'd rather do away with that.

Mayor Coey said it doesn't sound like the council is ready to make a decision here.

There was a consensus among the council.

Louis said just so you know we will have to do another mailing for this.

h) Council Action

Motion: Councilor Taylor moved to table the Public Hearing until the second meeting in April 2017. Councilor Forcum seconded the motion.

B. Taylor (Aye), G. Carl (Aye), J. Rowland (Aye), K. Holston (Aye), P. Forcum (Aye), J. McMillin (Aye), Mayor Coey (Aye). Motion carried 7-0

Mayor Coey said he would suggest we either need to schedule a work session or you all need to write up questions and concerns and send them to staff.

Amended Motion: Councilor Taylor moved to amend his previous motion to May 18, 2017. Councilor Forcum seconded the motion.

P. Forcum (Aye), B. Taylor (Aye), J. McMillin (Aye), Mayor Coey (Aye), G. Carl (Aye), J. Rowland (Aye), K. Holston (Aye). Motion carried 7-0

It was decided to hold a work session on April 12, 2017 at 6:30 P.M. in the Council chambers.

Louis said it would be helpful to staff if you had at least two or three major points to this that are important to you so they can have something ready for you at the meeting.

7.0 COMMUNITY SERVICES

7.1 OLCC Permit for Dollar General

Louis said Dollar General are requesting their OLCC Liquor License, the Council sees these routinely.

Motion: Councilor Rowland moved that we recommend approval of DG Retail, LLC OLCC Liquor License application. Councilor Carl seconded the motion.

K. Holston (Aye), P. Forcum (Aye), Mayor Coey (Aye), B. Taylor (Aye), J. Rowland (Aye), J. McMillin (Aye), G. Carl (Aye). Motion carried 7-0

7.2 OLCC Permits, Park fee waivers and Transfer of funds for concerts in the parks

Louis said Concerts in the Parks ask for this annually. We have granted waivers in the past and approved alcohol permits.

Motion: Councilor Rowland moved that we approve the alcohol permits and fee waivers for concerts in the park for July 8, July 22, August 5 & 6 and August 22, 2017 and transfer the necessary funds from TRT. Councilor McMillin seconded the motion.

P. Forcum (Aye), J. Rowland (Aye), J. McMillin (Aye), Mayor Coey (Aye), B. Taylor (Aye), G. Carl (Aye), K. Holston (Aye). Motion carried 7-0

8.0 POLICE SERVICES

Chief Martin said they had a threat from a student to shoot the school and kill people. They arrested him shortly after the call came in. He is currently at SURBU.

The PD is going into contract negotiations with Lowell and Westfir.

9.0 EMERGENCY SERVICES

Nothing to report.

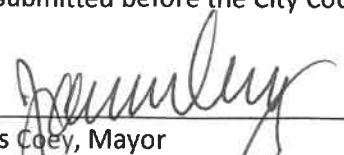
10.0 REPORTS FROM BOARDS AND COMMITTEE

None

Meeting adjourned 8:54 P.M.

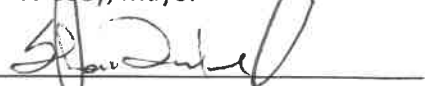
Respectfully submitted before the City Council April 6, 2017

Signed: _____



James Coey, Mayor

Signed: _____



Susan LaDuke, City Recorder