

**North Powder Emergency City Council Meeting**  
**August 10, 2022**  
**7PM New City Hall**

Attendance: Mayor John Frieboes, Councilors Justin Wright, Logan McCrae, Vicki Townsend and Joyce Lawyer. City Recorder Beth Wendt

Councilors Mike Morse and Jeff Grende were absent.

Mayor John Frieboes called to order the meeting to consider adopting an ordinance referring to the voters a ban on psilocybin service centers and the manufacturing of psilocybin products.

Beth gave a Staff Report. In November 2020, Oregon voters approved Ballot Measure 109 which legalized the use of psilocybin mushrooms in certain circumstances. The measure allows for the manufacturing, delivery and administration of psilocybin at supervised, licensed facilities. ORS 475.235 provides that the Oregon Health Authority (OHA) will regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of such services in the state. OHA has initiated a rulemaking process and intends to start accepting applications for proposed facilities beginning January 2, 2023. However, OHA has not completed the rulemaking process for implementing the State's psilocybin program and there are a lot of unknowns about the regulation process. Such as, how to prevent DUIs of persons leaving service centers and criteria released regarding dosage levels. The State can impose a 15% tax on the sale of psilocybin products, but a city cannot impose a tax. Because of the unknown elements of the rulemaking process, it is unknown how the product manufacturing, delivery, and administration at licensed facilities will occur within city jurisdictions. The City has 4 options regarding Measure 109.

Option 1 is to do nothing. In this case, OHA would have total control over any psilocybin facilities in the City.

Option 2 is to not refer the matter to the voters, but develop Time, Place and Manner restrictions as allowed in Measure 109. In this case, the City would have to adopt an ordinance and have it in effect before January 2, 2023.

Option 3 is to adopt an ordinance and refer to the voters a total ban on the ability for psilocybin facilities to locate within the City. If passed by the voters, this would be a permanent ban and the City would not need to revisit the matter unless at some point they wish to repeal the ban. The ordinance would need to have an emergency clause and become effective immediately upon passage.

Option 4 is similar to Option 3 but it merely puts a temporary ban on psilocybin facilities. Again, the City would need to adopt an ordinance and refer the matter to the voters, but in this case it would establish a 2 year moratorium. That would give the City 2 years to watch how the process unfolds and give OHA time to work through the licensing process. Since it is only a temporary ban, the City would have to refer the matter to the voters again in two years.

The Council cannot make the decision to ban psilocybin facilities without putting it to the voters.

There was nobody present to provide public comments.

Mayor Frieboes asked if the Council wanted to make a motion. Council discussion ensued. Logan asked why Option 3 was most recommended. Beth clarified that it is the most recommended by other Cities and Counties because they don't want to facilities in their jurisdictions because of what has happened with marijuana. They have spent all of the money they got on law enforcement. Beth added that it is a personal choice. Psilocybin has been known to have a lot of positive benefits for treating PTSD and depression. But as a recreational drug, it can be dangerous. However, the issue is not whether or not it is good or bad. The issue is, do we want to allow growers, manufacturers, and service centers in North Powder. Psilocybin facilities would be regulated and licensed by OHA. Logan noted that he has done a lot of research and agreed that it can have a lot of positive effects. He wondered if there was a way to

allow manufacturing and delivery without the service centers. Because there aren't any rules established yet, he thought the moratorium might be the way to go. Beth added that there is no classification for medical or recreational use at this time. Logan thought it was a bit of a gamble as to which was the best action but it might be best to hold off for a while until OHA figures out their regulations. Vicki understood that it could be used in a very positive way but she was concerned about the city's lack of law enforcement and the effect of having psilocybin facilities in our town. John added that there will probably be other communities that will have facilities. Vicki wondered if there would be income for the City. Beth noted that the State will collect a 15% tax but it will be totally up to them as to how it will be used and who knows how much would go to the City. The City cannot impose a tax. Justin thought we should hold off for a few years until we see how things go. Beth reiterated that we could put a 2 year moratorium on it, but that only bans it for 2 years, at which time the City would have to do something at the end of the 2 year period. However, if we went with the total ban, we could try to repeal the ordinance at any time, whether it be 2 years, 5 years, etc. In the meantime, the City doesn't have to worry about a deadline. Logan felt the responsible way to go was with Option 3. That gives the State time to figure things out and if we find it is going to be a legitimate thing we may want to change at a later date. John asked if the Council was ready for a motion. Logan moved to go with Option 3, to refer to the voters a total ban on psilocybin facilities in the City's jurisdiction. Beth interjected that the motion should include a declaration of an emergency. Logan revised his motion to declare that an emergency exists and the that the proposed Ordinance declaring a ban on psilocybin service centers and the manufacturing of psilocybin products , with an emergency declaration be read first in full and then read by title only, put to a vote, and adopted. Vicki seconded. All were in favor.

Beth read Ordinance 2022-01, declaring a ban on psilocybin service centers and the manufacture of psilocybin products and declaring an emergency. She also read the ballot title and explanatory statement and then read the Ordinance by title only.

There were no further questions or comments. The ordinance was signed and the meeting adjourned at 7:30PM.

Respectfully submitted,

Attest:

Beth Wendt  
City Recorder