

COBURG CITY COUNCIL ACTION/ISSUE ITEM



TOPIC: Ordinance A-254, Declaring a Temporary Ban on Psilocybin Service Centers and Manufacture of Psilocybin Products, and Referring it to the Electors at the Statewide General Election to be held in November 8, 2022.

Meeting Date: July 26, 2022

Staff Contact: Anne Heath, City Administrator

Contact: Anne.Heath@ci.coburg.or.us, 541-682-7871

REQUESTED COUNCIL ACTION

Hold the Second reading of Ordinance A-254 and consider adoption.

Recommended Motion: I move to adopt Ordinance A-254 an ordinance declaring a temporary ban on psilocybin service centers and the manufacture of psilocybin products

BACKGROUND

Oregon Measure 109, the Psilocybin Program Initiative, was on the ballot in Oregon on November 3, 2020. It was approved by 56% of the voters. The program becomes operational on January 1, 2023. Psilocybin mushrooms are wild or cultivated mushrooms that contain psilocybin, a naturally occurring psychoactive and hallucinogenic compound.

As of 2020, the manufacturing and consumption of psilocybin was illegal under both federal and state law. Measure 109 created a program for administering psilocybin products to individuals aged 21 and older. The new law allows for the manufacture, delivery, and administration of psilocybin at supervised, licensed facilities. It does not allow for the sale or delivery of psilocybin products outside the tightly controlled confines of the program.

Measure 109 allows cities and counties to place referendums on local ballots to prohibit psilocybin-product manufacturers or psilocybin service centers within their jurisdiction by opting out of psilocybin licensees within their borders entirely. This "opt out" requires the adoption of an ordinance declaring a temporary ban and to place on the ballot as a referral to the voters at the general election on November 8, 2022.

PUBLIC INVOLVEMENT

A Public Hearing was noticed and held on July 12, 2022.

COUNCIL CHOICES

1. **Do nothing.** The City would be required to grant requested psilocybin licenses in Coburg beginning on January 1, 2023, within the requirements of City Code and pursuant to the new state law.
 2. **Consider Ordinance A-254 (Attachment A)** to place a two-year moratorium on the licensing of Psilocybin. This will allow for code updates of reasonable “Time, Place and Manner” restrictions on licensing facilities.
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RECOMMENDATIONS:

Staff recommendation is that the Council adopt Ordinance A-254.

BUDGET

There would be no budget consideration for this item except it could affect business and development fees.

NEXT STEPS

Depending on Council decision, staff will:

1. Prepare Resolution with ballot title for August 9, 2022 City Council Meeting.
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ATTACHMENTS

- A. Draft Ordinance A-254
 - B. Sample Ballot Title
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Reviewed by:

Anne Davies, City Attorney
Henry Hearley, Contract Planner
Sammy Egbert, City Recorder

ATTACHMENT A

ORDINANCE A-254

AN ORDINANCE DECLARING A TEMPORARY BAN ON PSILOCYBIN SERVICE CENTERS AND THE MANUFACTURE OF PSILOCYBIN PRODUCTS

WHEREAS, in November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery and administration of psilocybin at licensed facilities; and

WHEREAS, ORS 475A.235 provides that the Oregon Health Authority will regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of psilocybin services in the state; and

WHEREAS, the Oregon Health Authority has initiated a rulemaking process to implement the state's psilocybin regulatory program and intends to begin accepting applications for psilocybin-related licenses on January 2, 2023; and

WHEREAS, as of July 12, 2022, the Oregon Health Authority has not completed the rulemaking process for implementing the state's psilocybin regulatory program, and the City of Coburg is uncertain how the manufacture, delivery and administration of psilocybin at licensed psilocybin facilities will operate within the city; and

WHEREAS, ORS 475A.718 provides that a city council may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city; and

WHEREAS, the Coburg City Council believes that prohibiting psilocybin product manufacturers and psilocybin service centers within the city's jurisdictional boundaries to enable the adoption of the state's psilocybin licensing and regulatory program and to allow the city to adopt reasonable time, place, and manner regulations on the operation of psilocybin facilities is in the best interest of the health, safety and welfare of the people of Coburg; and

WHEREAS, the City Council seeks to refer to the voters of {city} the question of whether to establish a two-year temporary ban on state-licensed psilocybin product manufacturers and psilocybin service centers within the city's jurisdictional boundaries.

THE CITY OF COBURG ORDAINS AS FOLLOWS:

Section 1. Prohibition.

The establishment of psilocybin product manufacturers licensed under ORS 275A.290 and psilocybin service centers licensed under ORS 475A.305 is prohibited in the City of Coburg.

Section 2. Referral.

This ordinance is referred to the electors of the city of Coburg for approval at the next statewide general election on November 8, 2022.

Section 3. Effective Date.

This ordinance takes effect and becomes operative 30 days after the day on which it is approved by a majority of voters.

Section 4. Sunset.

This ordinance is repealed on December 31, 2024.

ADOPTED by the **City Council** of the **City of Coburg** this 26th day of July, 2022 by a vote of _____ and _____ against.

APPROVED by the Mayor of City of Coburg this 26th day July 2022

Mayor, Ray Smith

ATTEST

Sammy Egbert, City Recorder

ATTACHMENT B

SAMPLE BALLOT TITLE

Prohibits psilocybin-related businesses within the City of Coburg. Prohibition sunsets after two years.

QUESTION: Shall the City of Coburg prohibit psilocybin-related businesses in the City of Coburg?

SUMMARY: State law allows operation, manufacturer, distribution and possession of psilocybin and psilocin. State law provides that a city council may adopt an ordinance to be referred to the voters to prohibit the establishment of any of those registered or licensed activities. Approval of this measure would prohibit the establishment of psilocybin project manufacturers and/or psilocybin service center operators within the area in the boundary limits of the City of Coburg

EXPLANATORY STATEMENT: Approval of this measure would prohibit the establishment and operation of psilocybin-related businesses within the City of Coburg}. A city council may adopt an ordinance prohibiting the establishment of psilocybin related businesses within the city, but the council must refer the ordinance to the voters at a statewide general election. The City of Coburg City Council has adopted an ordinance prohibiting the establishment of psilocybin-related businesses within the City of Coburg and, as a result, has referred this measure to the voters. If approved, this measure would prohibit psilocybin-related businesses within the City of Coburg until December 31, 2024.