



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4906
cdc@ci.lebanon.or.us
www.ci.lebanon.or.us

MEMORANDUM

Community Development

To: Mayor Jackola and City Council Date: June 28, 2024
From: Kelly Hart, Community Development Director
Subject: Psilocybin Time, Place, Manner Ordinance (if voters authorize psilocybin)

I. INTRODUCTION

At the December 2023 City Council meeting, the Council directed staff to prepare a ballot measure for the November 2024 election to ask voters whether to prohibit psilocybin manufacturing and service centers in the City. Staff was also directed to draft a time, place, and manner ordinance to have in place if the voters chose to authorize the facilities.

The City Council approved the ballot measure materials at the June 2024 meeting. Staff has researched other municipal organizations that permit psilocybin facilities to identify best practices in developing the proposed ordinance. Ten cities were reviewed: Medford, Ashland, Beaverton, Bend, Albany, Hood River, Salem, Portland, Corvallis, and Eugene. Eight of the ten cities have chosen not to adopt a specific time, place, and manner ordinance, instead deferring to the Oregon Administrative Rules (OARs) developed for psilocybin service centers and manufacturers. Of the two ordinances reviewed for Medford and Corvallis, the City of Corvallis ordinance provided the best framework to address the sample regulations previously discussed with the Council and was used as the basis for the proposed ordinance.

II. CURRENT REPORT

The Oregon Administrative Rules establish the majority of the regulatory framework for psilocybin facilities. Attached for reference are the staff reports from the previous work session that summarize the state framework. For a Lebanon specific regulations, below is a summary of the proposed significant TPM components:

- Time Restrictions:
 - Psilocybin Service Centers may operate between the hours of 6 a.m. through 11:59 p.m. daily, with the last appointment scheduled for 8 p.m.
- Place Restrictions:
 - Service Center authorized zones (all other zones prohibited):
 - Highway Commercial (Z-HCM)
 - Mixed Use (Z-MU)
 - Manufacturing facilities authorized zones (all other zones prohibited):
 - Industrial (Z-IND)
 - Siting of Service Centers (separation requirements in addition to state law):
 - Prohibited within 300 feet of a property line of a City park

- Prohibited within 1,000 feet of the property line of another psilocybin treatment service center.
- Manner Restrictions:
 - All employees must be twenty-one (21) years of age to work in a service center or manufacturing facility.
 - Service center clients must be released into the care of a sober adult, unless the client is not exhibiting signs of intoxication.

In consultation with the police department, this ordinance does not propose to require any additional local licensing. As part of the State permit process, the business owner and all employees undergo a background check, and the Oregon Health Authority application procedures ensure the OARs are met in terms of siting requirements, education and training, background clearance, security measures, and internal tenant improvements to meet code. Through the State permitting, the City will be notified of the permit application through the Land Use Compatibility Statement (LUCS) process. This will allow the City to verify the proposed location meets the City's additional siting criteria, and the LUCS process allows the City to provide the State with conditions of operations for the business. Based on the robust OARs, with background checks already in place, a local license process may be redundant.

As this use would only be permissible in the City by the choice of the voters, staff is not proposing a land use permit or hearing procedure process. With the OARs and the additional TPM restrictions, the potential impacts of the uses are anticipated to be appropriately mitigated. The proposed time, place, and manner regulations are proposed to be incorporated as business regulations in Title 5 (Business License and Regulations) of the Municipal Code. The City's ordinance may be amended to require a more stringent local permitting requirement or establish land use regulations in the Development Code if deemed appropriate based on further analysis.

III. RECOMMENDED ACTION

Adopt the proposed ordinance, which will only take effect upon certification of the election results with voter approval of psilocybin service centers and manufacturing facilities in the city as determined at the general election on November 5, 2024.

ATTACHMENTS:

1. October 2023 Work Session Staff Report
2. December 2023 Council Meeting Staff Report
3. Proposed Ordinance