

ORDINANCE SERIES OF 2025, NO. 004

An Ordinance amending Title 16 – *Development* of the Estacada Municipal Code.

The City of Estacada ordains as follows:

Section 1. Title 16 – Development of the Estacada Municipal Code (EMC) shall be amended as shown in this ordinance file;

Considered at the Council meeting of October 13, 2025, passed by a vote of 7 ayes and 0 nays, and considered for the second time at the meeting of October 27, 2025, and passed by a vote of 6 ayes and 0 nays, this 27th day of October, 2025.

DULY ADOPTED by the City Council of the City of Estacada this 27th day of October, 2025.

A handwritten signature in black ink, appearing to read "Sean Drinkwine", is written over a horizontal line.

Sean Drinkwine, Mayor

ATTEST:

A handwritten signature in black ink, appearing to read "Sadie Main", is written over a horizontal line.

Sadie Main, City Recorder

Title 16 Draft Code Amendments

Ordinance 2025-004 amends Title 16 of the Estacada Municipal Code (EMC) as outlined below. Proposed amendments are presented in ~~strikeout~~ (removed)/underline (added) format. Sections not amended are omitted unless needed for context; omitted sections are indicated by [...].

Chapter 16.08 DEFINITIONS

[...]

"Cannabinoid" means any of the chemical compounds that are the active constituents of marijuana.

"Cannabinoid concentrate" means a substance obtained by separating cannabinoids from marijuana by mechanical extraction; chemical extraction using a nonhydrocarbon-based or other solvent, such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol, or ethanol; chemical extraction using the hydrocarbon-based solvent carbon dioxide, provided that the process does not involve the use of high heat or pressure; or any other process identified by the Oregon Liquor Control Commission, in consultation with the Oregon Health Authority, by rule.

"Cannabinoid edible" means food or potable liquid into which a cannabinoid concentrate, cannabinoid extract, or dried marijuana leaves or flowers have been incorporated.

"Cannabinoid extract" means a substance obtained by separating cannabinoids from marijuana by chemical extraction using a hydrocarbon-based solvent, such as butane, hexane or propane; a chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or any other process identified by the Oregon Liquor Control Commission, in consultation with the Oregon Health Authority, by rule.

"Cannabinoid product" means a cannabinoid edible and any other product intended for human consumption or use, including a product intended to be applied to the skin or hair that contains cannabinoids or dried marijuana leaves or flowers. Cannabinoid product does not include usable marijuana by itself, a cannabinoid concentrate by itself, a cannabinoid extract by itself, or industrial hemp by itself as defined in ORS 571.300.

"Cannabis" means the plant Cannabis itself, encompassing all its parts and products produced thereof, regardless of their THC content, including those with high and low THC content.

[...]

"Marijuana" means the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae, and the seeds of the plant Cannabis family Cannabaceae. Marijuana does not include industrial hemp as defined in ORS 571.300.

"Marijuana processing" means the processing, compounding, or conversion of marijuana into cannabinoid products, cannabinoid concentrates, or cannabinoid extracts, provided that the marijuana processor is licensed by the Oregon Liquor Control Commission or registered with the Oregon Health Authority.

"Marijuana production" means the manufacture, planting, cultivation, growing, trimming, harvesting, or drying of marijuana, provided that the marijuana producer is licensed by the Oregon Liquor Control Commission or registered with the Oregon Health Authority and a person designated to produce marijuana by a registry identification cardholder.

"Marijuana retailing" means the sale of marijuana items to a consumer, provided that the marijuana retailer is licensed by the Oregon Liquor Control Commission or registered with the Oregon Health Authority.

"Marijuana wholesaling" means the purchase of marijuana items for resale to a person other than a consumer, provided that the marijuana wholesaler is licensed by the Oregon Liquor Control Commission.

[...]

Chapter 16.39 LIGHT INDUSTRIAL (M-1)

[...]

16.39.020 Uses Permitted Outright

The following uses and their accessory uses are permitted in ~~an~~ the M-1 zone:

- A. Light industry: the manufacturing, processing, compounding, packaging or assembling of products in a wholly enclosed permitted structure, the process of which does not require that permits be issued by the Oregon State Department of Environmental Quality for the associated emissions, discharges, or storage of materials;
- B. A use wholly enclosed in a permitted structure involving manufacture, research, repair, assembly, processing, fabricating, packing, distribution, warehousing, wholesaling or storage; provided that the use does not create a public nuisance or an unreasonable hazard to health or property because of excessive noise, smoke, odor or dust, or because it constitutes a fire, explosion or other physical hazard;
- C. Agricultural use of land;
- D. Forestry, including the management, production and harvesting of forest products and of related natural resources in forest areas;
- E. Owner/manager residence subject to EMC 16.60.030 Subsection D;

- F. Public facilities: government uses, offices of governmental agencies and PUD substations;
- ~~G. Marijuana production, marijuana processing, and marijuana wholesaling regulated by EMC 16.65;~~
- ~~H. G.~~ Industrial trade schools;
- ~~I. H.~~ Data centers;
- ~~J. I.~~ Auto body shop;
- ~~K. J.~~ Facilities, including office and enclosed storage and work spaces, for construction, maintenance, cleaning, welding, landscaping, decking, and building systems (e.g. plumbing and electrical) service providers and contractors where customers are not regularly visiting in-person;
- ~~L. K.~~ No more than two food carts on a lot of record, subject to EMC 16.66;
- ~~M. L.~~ Indoor recreational facilities and play areas for activities such as basketball, dance, gymnastics, martial arts, racquetball, skating, soccer, swimming, tennis, or similar. These facilities may be used for instruction, practice, and competitions. Health and fitness clubs are excluded from this category.

[...]

16.39.030 Conditional Uses Permitted

The following uses and accessory uses may be permitted in a light industrial zone subject to EMC 16.88.020 and the review procedures in EMC 16.132.010 through EMC 16.132.050:

- A. Unenclosed light industrial uses;
- B. Commercial uses in conjunction with light industrial uses; except in the Northwest Industrial Sanctuary as defined in EMC 16.39.040 Subsection G and shown on Map 16-1;
- C. Accessory uses that exceed the standards identified in EMC 16.39.025 Subsection B or EMC 16.39.025 Subsection C;
- D. The manufacturing, processing, compounding, packaging, or assembling of products, the process of which requires that permits be issued by the Oregon State Department of Environmental Quality for the associated emissions, discharges, or storage of materials;
- E. Radio, television and/or cellular transmission towers;
- F. Other commercial uses which meet the following requirements:
 1. The proposed use will not attract traffic which would substantially conflict with industrial traffic or have a substantial adverse effect on other neighboring uses and has adequate access to the highway.
 2. The development standards applicable to permitted uses in this zoning district shall apply to conditional uses, except as provided below:
 1. All on-site lighting shall be designed, located or deflected so as not to shine into off-site structures or impair driving vision.
 2. All developments shall be subject to site plan review.
 3. Off-street parking shall be provided as required by EMC 16.76.
 3. The following additional standards shall apply in the Northwest Industrial Sanctuary as defined in EMC 16.39.040 Subsection G and shown on Map 16-1:

1. The total floor area within an individual building occupied by the commercial use shall not exceed fifteen (15) percent of the total floor area occupied by a primary industrial use.

Formula: $0.15 \times \text{industrial floor area} = \text{commercial floor area}$.

- G. Park and ride facilities and other public transportation facilities not otherwise listed in EMC 16.39.020 Subsection;
- H. Transportation facilities that are not identified in the City's Transportation System Plan or Active Transportation Plan;
- I. More than two food carts on a lot of record, subject to EMC 16.66;
- J. Auto wrecking yards or junkyards; ~~and~~
- K. Extraction and processing of rock, sand, gravel or earth projects or batch plants; ~~;~~
- L. Cannabis production, cannabis processing, and cannabis wholesaling regulated by EMC 16.65.**

[...]

Chapter 16.65 CONTROLLED SUBSTANCES

16.65.005 Applicability

EMC 16.65 applies to:

- A. Marijuana retailing as a conditional use in the C-1 (General Commercial) and H-C (Highway Commercial) zones.
- B. Marijuana **and cannabis** production as ~~an outright~~ **a conditional** use in the M-1 (Light Industrial) zone.
- C. Marijuana **and cannabis** processing as ~~an outright~~ **a conditional** use in the M-1 (Light Industrial) zone.
- D. Psilocybin production, processing, retailing, and operation of service centers as prohibited uses within Estacada city limits.

16.65.010 Marijuana **And Cannabis** Facilities

The city council intends by the adoption of this chapter to ameliorate adverse impacts caused by marijuana **and cannabis** retailing, production, processing businesses, by means of reasonable regulation of the time, place and manner of such businesses, without suppression of the right to operate such businesses under the laws of the state of Oregon.

16.65.020 Marijuana Retailing

Marijuana retailing shall be subject to the following standards and criteria:

- A. Zone. A marijuana dispensing facility will only be allowed as a conditional use in the C-1 (General Commercial) and H-C (Highway Commercial) zones, and no other zoning districts.
- B. Hours. A marijuana retailer may only sell to consumers between the hours of ten a.m. and eight p.m. and may only permit consumers to be present in the building space occupied by the marijuana retailer between the hours of ten a.m. and eight p.m.

- C. Odor. As used in Subsection C of this section, "building" means the building, or portion thereof, used for marijuana retailing.
1. Businesses shall be required to submit an odor control plan with business license and renewal applications, to be reviewed annually. The control plan shall include a description of the maintenance activities that are performed, the frequency with which such activities are performed, and the role/title(s) of the personnel responsible for maintenance activities. The activities shall serve to maintain the odor mitigation systems and optimize performance (e.g., change carbon filter, every 12 months, carried out by the facility manager).
 - ~~1-2.~~ The building shall be equipped with an activated carbon filtration system for odor control to ensure that air leaving the building through an exhaust vent first passes through an activated carbon filter.
 - ~~2-3.~~ The filtration system shall consist of one or more fans and activated carbon filters. At a minimum, the fan(s) shall be sized for cubic feet per minute (CFM) equivalent to the volume of the building (length multiplied by width multiplied by height) divided by three. The filter(s) shall be rated for the applicable CFM.
 - ~~3-4.~~ The filtration system shall be maintained in good working order and shall be in use. The filters shall be changed a minimum of once every three hundred sixty-five (365) days, or as outlined in the submitted and approved odor control plan.
 - ~~4-5.~~ Negative air pressure shall be maintained inside the building.
 - ~~5-6.~~ Doors and windows shall remain closed, except for the minimum length of time needed to allow people to ingress or egress the building.
 - ~~6-7.~~ The filtration system shall be designed by a mechanical engineer licensed in the state of Oregon. The engineer shall stamp the design and certify that it complies with Subsection C of this section.
 - ~~7-8.~~ An alternative odor control system is permitted if the applicant submits a report by a mechanical engineer licensed in the state of Oregon demonstrating that the alternative system will control odor as well or better than the activated carbon filtration system otherwise required.
- D. Window Service. The use shall not have a walk-up window or drive-through window service.
- E. Lighting. Entrances and off-street parking areas shall be well lit and not visually obscured from public view.
- F. Waste Management. Marijuana waste shall be stored in a secured waste receptacle in the possession of and under the control of the OLCC licensee or OHA registrant.
- G. Minors. No one under the age of twenty-one (21) shall be permitted to be present in the building space occupied by the marijuana retailer, except as allowed by state law.
- H. Co-Location of Related Activities and Uses. Marijuana and tobacco products shall not be smoked, ingested, or otherwise consumed in the building space occupied by the marijuana retailer. In addition, marijuana retailing shall not be co-located on the same lot of record or within the same building with any marijuana social club or marijuana smoking club.
- I. Minimum Separation Distances. Minimum separation distances shall apply as follows:

1. If the use is licensed by the Oregon Liquor Control Commission (OLCC) pursuant to Section 22, Chapter 1, Oregon Laws 2015, it shall be located a minimum of one thousand (1,000) feet from any other marijuana retailer so licensed by the OLCC.
 2. If the use is registered with the Oregon Health Authority (OHA) pursuant to ORS 475.314, it shall be located a minimum of one thousand (1,000) feet from any other marijuana retailer so registered with the OHA.
 3. The use shall be located a minimum of one thousand (1,000) feet from all of the following uses: another ~~medical~~ marijuana retailer, a public or private pre-school, elementary, junior high, high school, college, university, public park, sports field, church, or other place where children congregate regularly.
 4. For purposes of Subsection I of this section, distances are measured by a straight line between any point on the boundary line of the real property containing the marijuana retailer to any point on the boundary line of the real property containing a use identified in subsection I. If any portion of the premises of a proposed or registered facility is within one thousand (1,000) feet of properties identified in Subsection I of this section, it will not be allowed.
- J. A change in use (including a zone change) to another property to a use identified in Subsection I of this section of this section after a marijuana retailer has been approved shall not result in the marijuana retailer being in violation of Subsection I of this section.
- K. Business License.
1. No person shall establish, conduct, maintain, manage, or operate a marijuana dispensing facility in the city of Estacada without a valid business license issued by the city of Estacada pursuant to EMC 5.04.
 2. The applicant must provide the city with proof of registration of the facility by the state of Oregon at the location indicated on the business license application, including the facility's registration number.
 3. The issuance of a business license does not constitute a permit to engage in any activity prohibited by law or as a waiver of any other regulatory or license requirement imposed by the city or by any federal, state, or local law.
 4. Right of Entry for Inspections for business licensing shall be authorized to city employees or persons assigned to conduct business inspections where there is reasonable cause to believe a dangerous, hazardous or unsafe condition or a violation of this Chapter exists under the terms set forth in EMC 1.08.010 including efforts to notify the owner in advance. Failure to allow inspections shall be grounds to terminate business licensing under EMC 5.04.095. Presence of an unrestrained or vicious animal upon the premises to be inspected shall be deemed refusal of entry.

16.65.030 Marijuana/Cannabis Production And ~~Marijuana~~ Processing.

Marijuana and cannabis production and ~~marijuana~~-processing, as a use in facilities permitted prior to and after DATE, shall be subject to the following standards and criteria:

- A. Indoor Production and Processing. In the M-1 zone, marijuana and cannabis production and processing shall be located entirely within one or more completely enclosed buildings. This does not include a greenhouse, hoop house, or similar non-rigid structure that does not utilize any artificial lighting on mature plants, including but not limited to electrical lighting sources.
- B. Access. The subject property shall have frontage on, and direct access from, a constructed public road.
- C. Lighting. Entrances and parking areas shall be well lit and not visually obscured from public view.
- D. Odor. As used in Subsection D of this section, "building" means the building, or portion thereof, used for marijuana and/or cannabis production or ~~marijuana~~ processing.
1. Businesses shall be required to submit an odor control plan with business license and renewal applications, to be reviewed annually. The control plan shall include a description of the maintenance activities that are performed, the frequency with which such activities are performed, and the role/title(s) of the personnel responsible for maintenance activities. The activities shall serve to maintain the odor mitigation systems and optimize performance (e.g., change carbon filter, every 12 months, carried out by the facility manager).
 - ~~1-2.~~ 2. The building shall be equipped with an activated carbon filtration system for odor control to ensure that air leaving the building through an exhaust vent first passes through an activated carbon filter.
 - ~~2-3.~~ 3. The filtration system shall consist of one or more fans and activated carbon filters. At a minimum, the fan(s) shall be sized for cubic feet per minute (CFM) equivalent to the volume of the building (length multiplied by width multiplied by height) divided by three. The filter(s) shall be rated for the applicable CFM.
 - ~~3-4.~~ 4. The filtration system shall be maintained in good working order and shall be in use. The filters shall be changed a minimum of once every three hundred sixty-five (365) days, or as outlined in the submitted and approved odor control plan.
 - ~~4-5.~~ 5. Negative air pressure shall be maintained inside the building.
 - ~~5-6.~~ 6. Doors and windows shall remain closed, except for the minimum length of time needed to allow people to ingress or egress the building.
 - ~~6-7.~~ 7. The filtration system shall be designed by a mechanical engineer licensed in the state of Oregon. The engineer shall stamp the design and certify that it complies with EMC 16.65.030 Subsection D-16.65.020-Subsection C.
 - ~~7-8.~~ 8. An alternative odor control system is permitted if the applicant submits a report by a mechanical engineer licensed in the state of Oregon demonstrating that the alternative system will control odor as well as or better than the activated carbon filtration system otherwise required.
- E. Security Cameras. If used, security cameras shall be directed to record only the subject property and may be directed to public rights-of-way as applicable, except as required to comply with licensing requirements of the Oregon Liquor Control Commission (OLCC) or registration requirements of the Oregon Health Authority (OHA).

F. Waste Management. Marijuana **and cannabis** waste shall be stored in a secured waste receptacle in the possession of and under the control of the OLCC licensee or OHA registrant. Waste shall be stored in a receptacle which does not allow for any odor to be detected outside of the receptacle.

G. Business License.

1. No person shall establish, conduct, maintain, manage, or operate a marijuana and/or cannabis production or processing facility in the city of Estacada without a valid business license issued by the City of Estacada pursuant to EMC 5.04.
2. The applicant must provide the city with proof of registration of the facility by the state of Oregon at the location indicated on the business license application, including the facility's registration number.
3. The issuance of a business license does not constitute a permit to engage in any activity prohibited by law or as a waiver of any other regulatory or license requirement imposed by the city or by any federal, state, or local law.
4. Right of Entry for Inspections for business licensing shall be authorized to city employees or persons assigned to conduct business inspections where there is reasonable cause to believe a dangerous, hazardous or unsafe condition or a violation of this Chapter exists under the terms set forth in EMC 1.08.010 including efforts to notify the owner in advance. Failure to allow inspections shall be grounds to terminate business licensing under EMC 5.04.095. Presence of an unrestrained or vicious animal upon the premises to be inspected shall be deemed refusal of entry.