

City of Troutdale Ordinance

2024 GENERAL ELECTION

Measure 26-248: Troutdale marijuana retail retailing

OFFICIAL TITLE: Prohibits additional recreational marijuana retailers in Troutdale, allows existing retailers.

QUESTION: Shall Troutdale prohibit additional recreational marijuana retailers in the City, but allow existing retailers and other types of marijuana businesses?

REFERRAL: This measure is a proposed ordinance referred to voters by the Troutdale City Council in accordance with an option permitted by state law.

FINANCIAL IMPACT: Approval of this measure has revenue impacts. In fiscal year 2021-22, the City received \$23,552 state marijuana tax revenues, and in fiscal year 2022-23, the City received \$17,798 under ORS chapter 475C. If approved, this measure would make the City ineligible to receive distributions of state marijuana tax revenues.

Currently, a city may impose up to a 3% tax on the sale of marijuana items by marijuana retailers in the city. The City does not currently collect such a tax. However, a city that adopts an ordinance prohibiting the establishment of any recreational marijuana retailers may not impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated. Approval of this measure would therefore prevent the City from imposing a local tax on those activities.

PROBABLE RESULT OF A “YES” VOTE: If this measure passes, the City will be ineligible to receive possible future distributions of state marijuana tax revenues and will be unable to impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated.

PROBABLE RESULTS OF A “NO” VOTE: If this measure fails, the City could be eligible, if it permitted additional marijuana recreational marijuana retail establishments within the City, to receive distributions of state marijuana tax revenues, and could be able to impose a local tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated.

BACKGROUND: In 2014, Oregonian passed state Ballot Measure 91, which legalized the recreational use of marijuana, based on regulation and taxation to be determined by the Oregon Liquor & Cannabis Commission (OLCC).

Troutdale currently has a single retail store that describes itself as “Troutdale’s first and only cannabis dispensary.”

An application by a business that would have become the second marijuana dispensary in the City was denied by the City planning commission in the fall of 2022, and the denial was affirmed by the City Council in March of 2023. At the same meeting, the City adopted an ordinance approving a ban on additional recreational marijuana retailers and referring the ordinance to the electors of the City, declaring an emergency.

PROPOSAL: Approval of this measure would prohibit the establishment and operation of additional recreational marijuana retailers within the city. This measure will not apply to existing licensed recreational marijuana retailers in the City. It will not apply to any medical marijuana businesses or dispensaries. It will prohibit additional recreational marijuana retailers from locating in the city.

SUPPORTERS SAY:

- Safety concerns, including OLCC reports of robberies of marijuana retailers, justify strictly limiting additional recreational marijuana retailers in the City.

OPPONENTS SAY:

- Troutdale voted in favor of 2014's Oregon's Ballot Measure 91.
- By not allowing additional retail marijuana retailers, the City is foregoing revenue that could be earned from such retailers.