



## City Council

### Approval of Ordinance Concerning State-Licensed Marijuana Producers, Processors, and Retailers (“Recreational Marijuana”) and Partial Repeal of Existing Moratorium

**Agenda Date:** 11/4/2013  
**Agenda Item Number:** 4.G  
**File Number:** 13-0819

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**Type:** ordinance **Version:** 3 **Status:** Passed

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#### **Title**

Approval of Ordinance Concerning State-Licensed Marijuana Producers, Processors, and Retailers (“Recreational Marijuana”) and Partial Repeal of Existing Moratorium

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve on second reading the Interim Zoning Regulations on proposed regulations concerning recreational marijuana.

#### **Report**

##### **Issue:**

Shall the Council approve on second reading a proposed interim zoning ordinance regulating recreational cannabis production, processing, and sales?

##### **Staff Contact:**

Chris Grabowski, Code Enforcement Officer, CP&D, 360.753.8168

##### **Presenter(s):**

Chris Grabowski, Code Enforcement Officer  
Darren Nienaber, Deputy City Attorney

##### **Background and Analysis:**

***[Same Background Information as October 22, 2013 report]***

On October 15, 2013, the City Council conducted a public hearing on interim zoning regulations concerning State licensed recreational cannabis producers, processors, and retailers. Based on public testimony at the hearing, Council directed staff to move the ordinance forward to first reading at its next meeting (October 22). The ordinance (Attachment #1) is updated to reflect that the Public

Hearing was held.

On May 7, 2013, the City Council adopted a moratorium on any new marijuana related establishments. The moratorium was due in part to the rapid proliferation of marijuana associated land uses without sufficient time for staff to analyze appropriate conditions of approval of such land uses.

Meanwhile, in response to Initiative 502, the State Liquor Control Board has adopted regulations for the licensing of recreational marijuana production, processing and retail. The Liquor Control Board will begin processing applications for production, processing and retail establishments. However, the Liquor Control Board does not have control over or enforce local zoning regulations. Accordingly, it is appropriate for the City Council to consider the appropriate location of such uses as well as appropriate conditions of approval.

A draft ordinance is attached that addresses zoning as well as conditions of approval that staff consider appropriate. Some key features of the ordinance are:

- A conditional use permit would be required for all cannabis related uses - retail, production and processing. The conditional use permit would be reviewed by the Hearing Examiner after a public hearing.
- Retail sales would only be allowed in the High Density Corridor-4 (HDC-4) and General Commercial (GC) zones.
- Production and processing would be allowed only in the Light Industrial (LI) zone.
- As with the State rules, on premises consumption of cannabis products is prohibited.
- Retail hours are limited from 8 am to 9 pm.
- Associated uses, like a dance venue, are prohibited.
- As with the State rules, cannabis related uses must maintain a security system including video camera surveillance.
- That part of the moratorium concerning recreational retail, production, and processing will be repealed. All other new cannabis uses, such as medical collective gardens, remain prohibited under the moratorium adopted by Council.

Staff developed a map of the City of Olympia indicating areas that, under Washington State law, would be excluded from having cannabis sales locations due to their being located within 1,000 feet (measured in a direct line) of an elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, library or arcade where admission is not restricted to those age 21 and older. It also shows those areas in which cannabis production, processing, and sales would be allowed under the proposed interim ordinance. The map and detailed views are attached.

**Neighborhood/Community Interests (if known):**

Staff submitted a SEPA checklist on September 13, 2013. The 21 day comment period expired on October 4, 2013. No public comment was received.

**Options:**

1. Move to approve the ordinance on second reading.

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**Financial Impact:**  
None anticipated.