



Planning Commission

Briefing and Public Hearing on Proposed Permanent Retail Cannabis Regulations

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Title

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Recommended Action

Conduct a Public Hearing on the proposed permanent retail cannabis regulations and keep the public record open until 5:00 PM, September 3, 2014. Provide direction to staff on any additional amendments to the regulations.

Issue:

On October 22, 2013, Council approved temporary interim regulations regarding the retail production, processing, and sales of I-502 recreational marijuana. This Public Hearing is part of the Planning Commission process to gather public input prior to deliberation and formulating a recommendation to the City Council on permanent regulations.

Staff Contact:

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Presenter(s):

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

Background and Analysis:

In response to voter approved Initiative 502, the Washington State Liquor Control Board adopted regulations for the licensing of recreational marijuana production, processing and retail. The Liquor Control Board has begun processing applications for production, processing and retail establishments. However, the Liquor Control Board does not have control over or enforce local zoning regulations. Accordingly, the Olympia City Council considered the appropriate location of such uses, as well as appropriate conditions of approval, within the City of Olympia.

At its May 7, 2013 meeting, the City Council adopted a moratorium on all new cannabis related land uses, and directed staff to conduct research and develop interim zoning regulations. Subsequently, the United States Department of Justice issued a memorandum indicating that those jurisdictions which allow the use of recreational cannabis do so with the "expectation that states and local

governments...will implement strong and effective regulatory and enforcement systems that will address the threat those state laws could pose to public safety, public health, and other law enforcement interests.”

On October 15, 2013, the City Council conducted a public hearing on draft 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 October 22nd meeting. Being approved at the October 22nd meeting, the ordinance was moved to 2nd reading on November 4, 2013. The ordinance was adopted, and enacted as Chapter 18.51 of the Olympia Municipal Code (Attachment #1).

Some key features of the ordinance are:

- That part of the moratorium concerning recreational retail, production, and processing was repealed. All other new cannabis uses, such as medical collective gardens, remain prohibited under the moratorium adopted by Council.
- A conditional use permit is required for recreational cannabis related uses - retail, production and processing. Decision is issued by the Hearing Examiner following a public hearing.
- Retail sales are only allowed in the High Density Corridor-4 (HDC-4) and General Commercial (GC) zones with State imposed separation requirements from certain uses and activities.
- 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.

Staff developed a map of the City of Olympia indicating areas that, under Washington State law, are to 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 are allowed under the current interim ordinance. The map and detailed views are attached (Attachments #2-4).

On June 11, 2014, the City received an application for a Conditional Use Permit for sales of recreational cannabis at 3044 Pacific Avenue East under the project name Green Lady, Inc. On June 26, 2014 an informational meeting was held on the proposed use. On July 28, 2014, a Public Hearing was held before the Olympia Hearing Examiner. One person spoke at the hearing. The Hearing Examiner gave verbal approval of the Conditional Use Permit that evening, and his written decision was issued on July 31, 2014 (Attachment #5).

Neighborhood/Community Interests (if known):

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

In the Public Hearing portion for the Conditional Use Permit one citizen spoke. Her comments were about pedestrian safety on Pacific Avenue. She indicated that she had no issues with the location of the proposed retail cannabis business.

Options:

1. Hold Public Hearing and formulate recommendations to the City Council concerning adopting the interim regulations as permanent.
2. Hold Public Hearing and hold deliberations on recommendations of permanent regulations at a later date.

Financial Impact:

None anticipated.