



## City Council

### Public Hearing on Interim Ordinance Pertaining to Zoning and Buffer Changes for Cannabis Land Uses

**Agenda Date:** 2/9/2016  
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**File Number:** 16-0123

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**Type:** public hearing **Version:** 1 **Status:** Passed

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#### **Title**

Public Hearing on Interim Ordinance Pertaining to Zoning and Buffer Changes for Cannabis Land Uses

#### **Recommended Action**

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

Not referred to a committee.

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

Hold a public hearing on Interim Zoning Regulations concerning recreational marijuana. The ordinance was previously approved on an emergency basis at Council's December 8, 2015 meeting. Consider a motion to reaffirm the factual findings of the interim ordinance.

#### **Report**

##### **Issue:**

The City is required to hold a public hearing on proposed Interim Zoning Ordinance expanding 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

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

At its December 8, 2015 meeting, the Olympia City Council adopted emergency interim zoning regulations expanding the allowed zoning for cannabis retail sales from High Density Corridors-4 (HDC-4) and General Commercial Zones, to include High Density Corridors-3 (HDC-3) and Medical Services Zones. It also reduced buffers on all restricted uses from 1,000 feet to 500 feet (with the exception of schools and playgrounds, which remain at the State-mandated 1,000 feet). By adding both HDC-3 and Medical Services Zones and reducing the buffers, an aggregate 427 potential new parcels were gained. State law requires that a public hearing be held within 60 days of the adoption of any emergency zoning regulations.

The Washington State Legislature passed comprehensive legislation (2SSB 5052 & HB 2136) creating new regulations for the largely unregulated medical cannabis collectives and establishing a system that will be overseen by the Washington State Department of Health. The legislation was signed into law by Governor Jay Inslee on April 24, 2015. The long-standing "collectives" are now much smaller and more tightly regulated "cooperatives" that cannot easily rotate their four-person membership. The four-person cooperative can grow up to fifteen (15) plants per member. Cooperatives cannot sell or donate their product to other medical users, even those registered with the State, and members have to work the plants rather than pay into the cooperative. This step alone effectively ends the proliferation of medical collective storefronts. The State's new regulations mandate that all existing collective storefronts cease operation by July 1, 2016. Along with the above changes, the legislature also authorized local jurisdictions to reduce the 1,000 foot buffers to as low as 100 feet on all protected uses except schools and playgrounds, which must remain at 1,000 feet.

The Washington State Liquor and Cannabis Board (LCB) commissioned a study by BOTEK Analysis to determine the number of new licenses to be issued by the State. The study sought to determine by "best estimates" the market needs for medical use by population and existing sales. The report was presented to the LCB on December 15, 2015. Statewide the number of licenses increased by 222, from a prior cap of 334 to a new cap of 556. The State determined that the counties with the highest medical sales would receive a 100% increase in the number of licenses granted. Thurston County's allocation doubled from 11 to 22. Of the 11 new, Olympia's allocation was 2, bringing the total to 4 with the 2 licenses already in place. As of the writing of this report, one of the new licenses is in process with the State at a location which was made available via the adoption of the interim regulations.

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

None known at this time.

**Options:**

1. Hold public hearing and keep interim regulations unchanged.
2. Hold public hearing and hold deliberations on changes to interim regulations.

**Financial Impact:**

None anticipated.