



Planning Commission

Briefing on Zoning and Buffer Changes for Cannabis Land Uses

Agenda Date: 6/20/2016
Agenda Item Number: 6.B
File Number: 16-0731

Type: information **Version:** 1 **Status:** Filed

Title

Briefing on Zoning and Buffer Changes for Cannabis Land Uses

Recommended Action

Committee Recommendation:

Not referred to committee

City Manager Recommendation:

None.

Report

Issue:

Brief the Planning Commission on interim changes to zoning and buffer requirements for cannabis related land uses in the Olympia Municipal Code.

Staff Contact:

Chris Grabowski, Lead Code Enforcement Officer, CP&D, 753-8168

Presenter(s):

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

Background and Analysis:

In November of 2012, Washington State voters passed Initiative Measure No. 502 (I-502) legalizing the sale of recreational cannabis in the State of Washington. Subsequently, on May 7, 2013, the Olympia City Council established a moratorium on all new cannabis related land uses. The moratorium was for one year initially, and is renewed every six months after holding a public hearing, per State law. On October 15, 2013, Council approved interim zoning regulations for I-502 recreational marijuana and lifted that portion of the moratorium which applied to those uses. At its April 19, 2016 meeting, the City Council extended the moratorium for an additional six months after holding the requisite public hearing. That extension is set to expire the first week of November, 2016.

In 2015, the Washington State Legislature passed comprehensive legislation (2SSB 5052 & HB 2136) creating rules for the largely unregulated medical cannabis collectives and establishing a State

regulated system overseen by the Liquor and Cannabis Board, and the Washington State Department of Health. 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. The State's new regulations mandate that all existing collective storefronts cease operation by July 1, 2016.

The number of State licensed retailers has been increased in the City of Olympia to meet demand previously met by the collective storefronts. To serve the medical users who will need or want access to marijuana at a store, the state authorized the creation of 222 licenses in addition to the 334 it originally authorized. The State allotted the City of Olympia three new retail cannabis licenses, in addition to the two licenses it received in the original round of licensing. All of five of these retail licenses have been assigned. The three new licensees have gone through the Hearing Examiner review process and are open for business.

The Olympia City Council approved interim regulations for State licensed retailers which add more allowed zones for sales, and reduces certain buffers to restricted land uses as authorized by State law. Under its 2014 regulations, the City allowed retail sales of cannabis through State licensed retail stores in General Commercial (GC) and High Density Corridor 4 (HDC-4) zones and production and processing in Light Industrial (LI) zones. The interim regulations approved by Council in 2015 added High Density Corridor 3 (HDC-3) and Medical Services (MS) zones to those allowed for retail sales, and reduced buffers on restricted land uses to 500 feet, except for schools and playgrounds, which remain at 1,000 feet. There was no change to the zoning requirements for producers/processors.

Neighborhood/Community Interests (if known):

City Council conducted a public hearing on the interim regulations.

Representatives of Green Lady Inc., a licensed retail marijuana establishment located on Pacific Avenue, requested a separation requirement be considered for the regulations. City Council declined to consider such a requirement, indicating that no other types of businesses have one.

Options:

Briefing only. Staff will bring proposed permanent regulations forward to the Planning Commission later in the year for public hearing and consideration.

Financial Impact:

None