



City of Tacoma
Planning and Development Services

**Agenda Item
D-2**

To: Planning Commission
From: Elliott Barnett, Planning Services Division
Subject: **Marijuana Regulations (Permanent)**
Meeting Date: October 15, 2014
Memo Date: October 9, 2014

At the next meeting on October 15, 2014, the Planning Commission will begin the discussion of developing permanent land use regulations concerning the production, processing and retail sale of recreational marijuana. The City Council has directed staff and the Planning Commission to develop recommendations to replace the interim regulations currently in place. This item is on an accelerated schedule, as shown in the attached preliminary project timeline.

The current interim regulations were enacted in November 2013, effective for one year through November 2014, in response to the voter approved Initiative 502. The City Council recently extended the interim regulations for six months, through May 2015 (per Ordinance No. 28250, adopted on September 30, 2014), to allow adequate time for the City to evaluate the operations and impacts of the licensed marijuana businesses and for the State to rectify the outstanding problems with the existing, largely unregulated medical marijuana system. The City Council also expressed the imminent need and desire to replace the interim regulations with enhanced, permanent regulatory provisions.

Attached to facilitate the Commission's review and discussion on October 15th are a summary of key issues, three maps illustrating the locations of current and pending recreational and medical marijuana establishments, the tentative project schedule, and Ordinance No. 28250. If you have any questions, please contact me at 591-5389 or elliott.barnett@cityoftacoma.org.

Attachments

c: Peter Huffman, Director

Recreational Marijuana Land Use Regulations

Key Issues Summary

October 15th, 2014

SCOPE OF WORK: Develop permanent land use regulations governing Recreational Marijuana uses.

CURRENT INTERIM REGULATIONS:

Effective November 2013 to May 2015

Purposes:

- Respond to I-502 and WSLCB Rules
- Provide policy and regulatory guidance in the interim
- Evaluate impacts
- Set the stage for permanent regulations

Key Provisions:

- Meet standards of RCW 69.50 and WAC 314-55
 - State licenses required
 - Limits on statewide production
 - Limits on individual production operation size
 - Limits on the number of retail outlets (maximum 8 in Tacoma)
 - Buffering – 1,000 feet from public parks, playgrounds, recreation/community centers, libraries, child care centers, game arcades, and public transit centers
 - Not open between midnight and 8:00 am
 - Detailed security and tracking systems
 - Quality control/testing provisions
 - Labeling controls
 - State-level excise taxes (25% at each of the three levels)
- Zoning Districts
 - Marijuana Retailers: Allowed in most Commercial and Mixed-Use Districts, some Industrial Districts (M-1 and M-2), and in all Downtown Districts
 - Marijuana Processors and Producers: Allowed in Heavy Industrial Districts (M-2 and PMI)
- Location Requirements
 - Additional Buffering – Retail uses not allowed within 1,000 ft of correctional facilities, court houses, drug rehab facilities, substance abuse facilities, and detox centers
 - Not allowed in nonconforming use sites
- Development standards
 - Must prevent odors from travelling off-site
 - No drive-throughs, exterior, or off-site sales
 - No display of marijuana paraphernalia in exterior windows

LICENSING STATUS (TACOMA):

- Production and Processing:
 - Approximately 100 applications to the WSLCB
 - 4 licenses issued to date (combined facilities)
 - Approximately 21 licenses “pending”
- Retail:
 - Approximately 100 applications
 - 4 licenses issued
 - 4 licenses “pending”

KEY ISSUES:

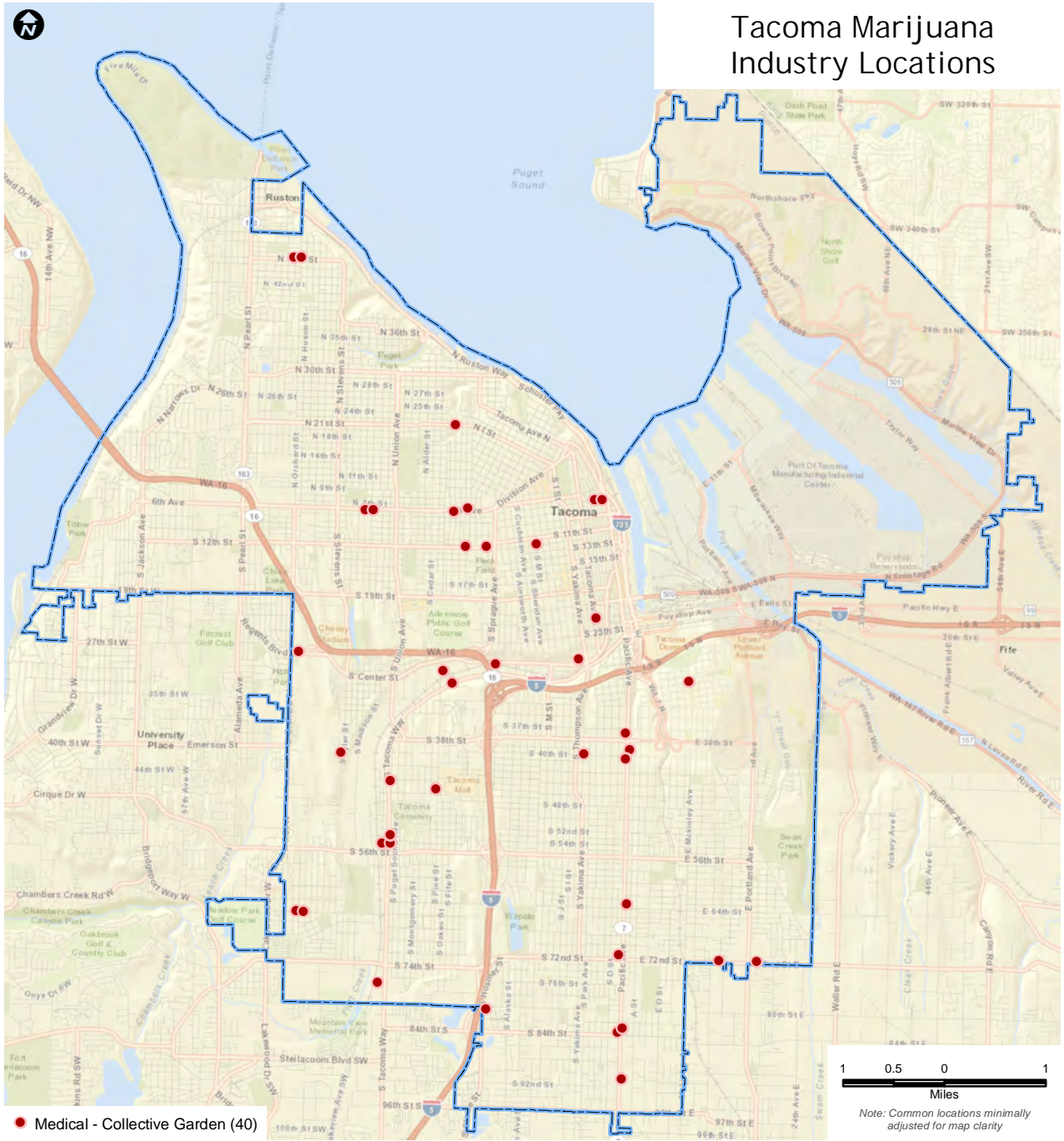
General:

- New industry at fledgling stage
- Medical Cannabis issues unresolved
- I-502 and federal law conflict unresolved
- Council desire to prepare for potential state action on Medical Marijuana

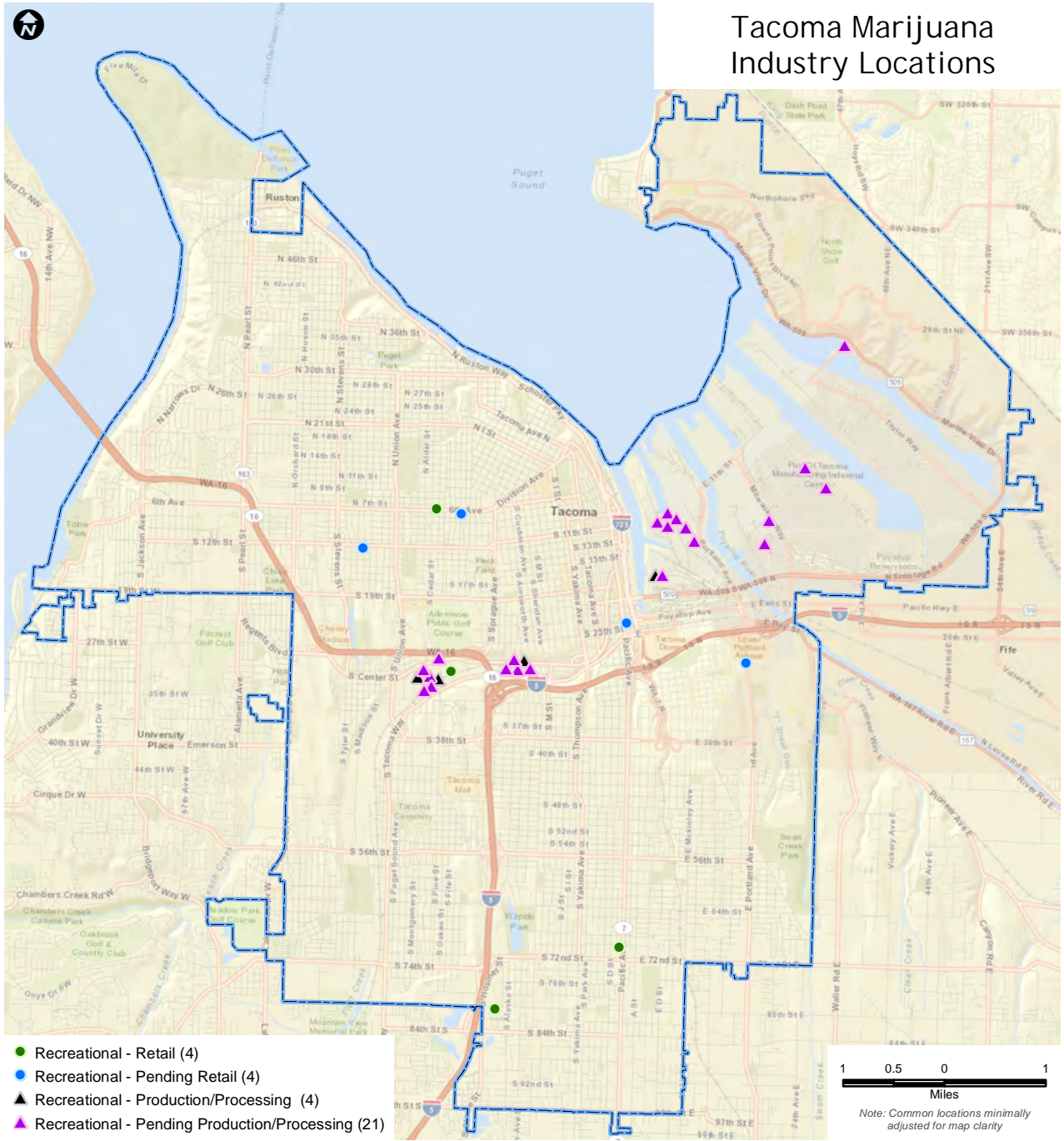
Concerns/comments and potential changes suggested to date:

- Comments and concerns largely pertain to Retail, rather than Production or Processing
- Should retail uses not be allowed in certain areas, such as...
 - Commercial and/or Mixed-Use Districts?
 - Alcohol Impact Areas?
- Should there be limits on how many are allowed in particular areas, such as...
 - Mixed-Use Centers or Business District?
- Should there be standards to prevent concentrations of marijuana uses with...
 - Other recreational marijuana uses?
 - Medical marijuana establishments?
 - Establishments serving alcohol?
- Should there be additional buffering, such as...
 - From other land uses that cater to children?
- Should production & processing be allowed in more areas, such as...
 - Production and/or processing allowed in zones that allow light industrial uses?
 - “Light” processing be treated differently / allowed in other zones?
- Lack of public notice/process
 - Should there be some level of local, discretionary permitting (such as a Conditional Use Permit)?
 - Should there be some mechanism for notification at the local level?
- Should other development standards be modified, such as...
 - Hours of operation?
- Other issues/concerns/potential changes to explore?

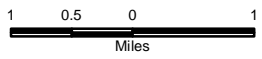
Tacoma Marijuana Industry Locations



Tacoma Marijuana Industry Locations

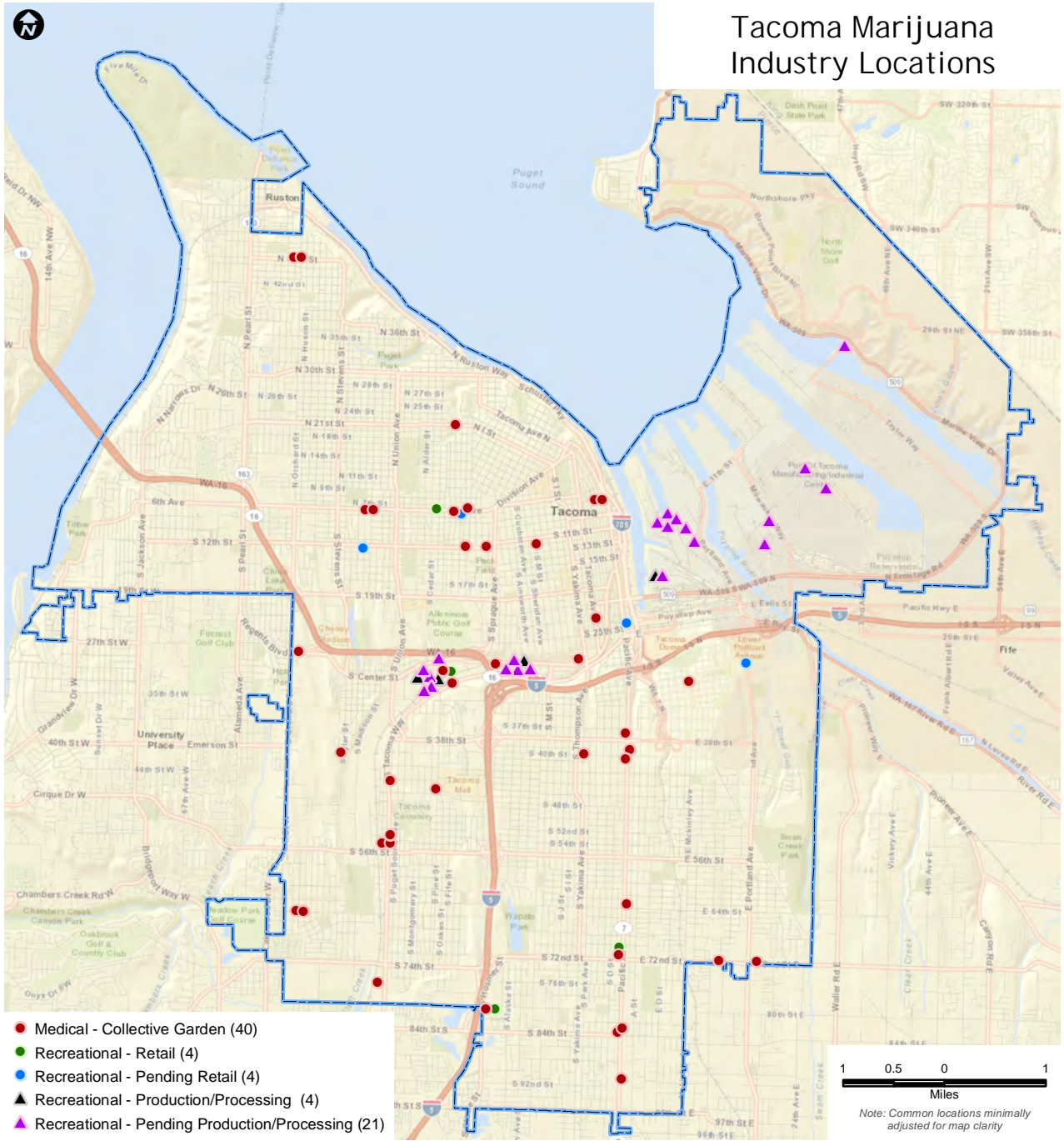


- Recreational - Retail (4)
- Recreational - Pending Retail (4)
- ▲ Recreational - Production/Processing (4)
- ▲ Recreational - Pending Production/Processing (21)



Note: Common locations minimally adjusted for map clarity

Tacoma Marijuana Industry Locations





Permanent Regulations on Marijuana-Related Uses

TENTATIVE SCHEDULE (As of October 1, 2014)

Color Key

Planning Commission

City Council

Date	Event
September 30, 2014	City Council Final Reading of Ordinance – Extends the Interim Regulations until May 16, 2015
October 1, 2014	Planning Commission – Brief discussion of schedule
October 15, 2014	Planning Commission – Initial review of key issues and potential regulatory options
November 5, 2014	Planning Commission – Initial review of draft permanent regulations
November 19, 2014	Planning Commission – Final review of draft permanent regulations and set public hearing date
December 3, 2014	Planning Commission – Public Hearing
December 17, 2014	Planning Commission – Review public comments, consider modifications, and make final recommendation to City Council
January 6, 2015	City Council – Study Session – Review Planning Commission’s recommendation
January 6, 2015	City Council – Public Hearing
January 13, 2015	City Council – Study Session – Review public comments and discuss potential modifications
January 13, 2015	City Council – First Reading
January 20, 2015	City Council – Final Reading
February 1, 2015	Effective date of the permanent regulations and the expiration date of the interim regulations.



ORDINANCE NO. 28250

1 AN ORDINANCE relating to land use regulations associated with Initiative 502;
2 extending interim land use regulations for a six-month term,
3 to May 16, 2015, concerning the production, processing, and retail sale of
4 recreational marijuana.

5 WHEREAS Initiative 502 ("I-502"), approved by Washington voters in
6 November 2012, provides a framework for licensing and regulating the production,
7 processing, and retail sale of recreational marijuana, and

8 WHEREAS the Washington State Liquor Control Board ("WSLCB") is
9 tasked with establishing rules and procedures to implement I-502 and determining
10 a "maximum number of retail outlets that may be licensed in each county," and

11 WHEREAS, according to the WSLCB's timeline, the rules became effective
12 on November 16, 2013, and the state began accepting applications for all license
13 types on November 18, 2013, and

14 WHEREAS, on November 5, 2013, the City Council adopted Substitute
15 Ordinance No. 28182, and enacted the interim land use regulations concerning the
16 production, processing, and retail sale of recreational marijuana, effective for one
17 year from November 17, 2013, to November 16, 2014, and

18 WHEREAS the interim regulations were intended to provide policy and
19 regulatory guidance to facilitate the review, in a proactive and timely manner, of
20 those marijuana license applications within the City limits that were expected to
21 come forward starting December 2013, and
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1 WHEREAS the interim regulations were also intended to provide adequate
2 time for the City to evaluate the operations and impacts of the licensed marijuana
3 businesses and allow the state to rectify the outstanding problems with the
4 existing, largely unregulated medical marijuana system before deliberating on a
5 permanent local regulatory resolution, and
6

7 WHEREAS the WSLCB did not begin issuing marijuana production and
8 processing licenses until March 2014, and marijuana retailing licenses until July
9 2014, and as of early September 2014, only two production/processing licenses
10 and three retail licenses within Tacoma have been issued, and
11

12 WHEREAS, while the state legislature deliberated regarding potential
13 changes to address the medical marijuana industry in 2014, they have not as yet
14 adopt any changes, and
15

16 WHEREAS, considering the fledgling stage of recreational marijuana
17 licensing and operation within the City, the unresolved issues regarding medical
18 marijuana at the state level, and the unresolved conflict between Initiative 502 and
19 federal law, it is premature to develop a permanent regulatory solution, and
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21 WHEREAS it is in the best interest of the City to keep the interim regulations
22 in effect upon their expiration in November 2014 and extend the interim land use
23 regulations for a six-month term, to May 16, 2015; Now, Therefore,
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BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council hereby extends the interim land use regulations for a six-month term, to May 16, 2015, concerning the production, processing, and retail sale of recreational marijuana.

Passed SEP 30 2014



Mayor

Attest:



City Clerk

Approved as to form:



City Attorney

