



ORDER OF THE DIRECTOR

July 20, 2018

Marigold Products Inc. Attn: Doug Waun 9805 NE 116th St Ste A266 Kirkland, WA 98034-4245

Email: doug@seattlecannabis.co

Re: Denial of City of Seattle Marijuana Business License for Seattle Cannabis Company at 1713 NW Market Street in Seattle

Dear Applicant,

Your application for a Seattle Marijuana Business License at 1713 NW Market Street in Seattle, Washington 98107 is DENIED.

Summary of application materials:

FAS received a Marijuana Business License Application for Marigold Products Inc. on June 4, 2018 with attachments received June 5 and June 6, 2018. After reviewing the application and attachments, FAS notified the applicant that the application was missing: (1) a copy of approval for the Change of Location from the Washington State Liquor and Cannabis Board (WSLCB); and (2) the Certificate of Occupancy for intended use issued by the Seattle Department of Construction and Inspection (SDCI). On June 5th, the applicant submitted the relevant WSLCB approval for change of location to 1713 NW Market Street. On June 6th, the applicant submitted the SDCI-issued Certificate of Occupancy for 1713 NW Market Street for "M Retail."

Reason for Denial:

Seattle Finance and Administrative Services (FAS) denies this license pursuant to Seattle Municipal Code (SMC) 6.500.090(A)(1) which authorizes the Director to deny a marijuana license for the reasons listed. One of those reasons is the application does not meet the requirements of Chapter 6.500. SMC 6.500.050(E) requires that all applicants "comply with all City and State laws...." During our investigation of this proposed location, the City discovered that this location violates the City's dispersion requirement from other major marijuana activity under the City's Land Use Code. This location is approximately 313 feet from Washington OG LLC's two retail licenses, Nos. 420292 and 420382 (located at 5300 17th Avenue Northwest, suites A and B) and Washington OG's two licenses are within 1,000 feet of Ballard Stash LLC's (aka Lux) retail license No. 414532 located at 4912 17th Avenue Northwest). SMC 23.42.058(C)(5) which went into effect on January 12, 2016 requires:

No more than two properties with major marijuana activity that includes the retail sale of marijuana products are allowed within 1000 feet of each other; where any lot lines of two properties with existing major marijuana activity that includes the retail sale of marijuana products are located within 1000 feet of each other, any lot line of another property with a new major marijuana activity that includes the retail sale of marijuana products must be 1000 feet or more from the closest lot line of the property containing existing major marijuana activity that includes the retail sale of marijuana products;

Washington OG has two licenses in Ballard because their Local Authority Notice predates the ordinance which created dispersion. Ballard Stash (aka Lux) also predated the dispersion law. The proposed location for Seattle Cannabis is less than 1,000 feet away from the Washington OG locations at 5300 17th AVE NW and is therefore prohibited under the Code.

Opportunity to Appeal - SMC 6,202.270:

An applicant may contest the denial by filing a notice of appeal and request for hearing with the City of Seattle Hearing Examiner within ten (10) days after service or mailing of this order. If a timely request for hearing is filed by the applicant, a hearing shall be scheduled before the Hearing Examiner and shall be conducted by the Hearing Examiner according to his/her rules for contested cases. If a timely appeal is not filed by the applicant, this order of the Director denying the license shall be final. A written notice of appeal and hearing request (with a copy of this order) must be received by the Office of Hearing Examiner within ten (10) days of the date of this order by mail at PO Box 94729, Seattle, WA 98124-4729, by personal delivery at 700 5th Ave Suite 4000, Seattle WA 98104, by fax at (206) 684-0536 or by e-file at http://www.seattle.gov/example/columns/

SMC 6.202.280(A) provides in part that an applicant not licensed in the preceding license year may <u>not</u> engage in the activity for which the license is required pending decision by the Hearing Examiner.

Sincerely,

Mary Motor
Mary Mitchell, Executive Director
Regulatory Compliance and Consumer Protection
Finance and Administrative Services

City of Seattle PO Box 94785

Seattle, WA 98124-7085

cc: Seattle Department of Construction and Inspection and Frank O'Dell, Supervisor, WSLCB Licensing and Regulation Division