



## NOTICE OF MARIJUANA LICENSE APPLICATION

### WASHINGTON STATE LIQUOR AND CANNABIS BOARD

License Division - 3000 Pacific, P.O. Box 43075

Olympia, WA 98504-3075

Customer Service: (360) 664-1600

Fax: (360) 753-2710

Website: <http://lcb.wa.gov>

RETURN TO: [localauthority@sp.lcb.wa.gov](mailto:localauthority@sp.lcb.wa.gov)

TO: CITY OF SEATTLE

DATE: 3/02/18

RE: CHANGE OF LOCATION APPLICATION

from SEATTLE CANNABIS COMPANY

3230 1ST AVE S STE B

SEATTLE, WA 98134-1818

APPLICANTS:

MARIGOLD PRODUCTS INC.

License: 414780 - 2C County: 17

UBI: 603-318-039-001-0003

Tradename: SEATTLE CANNABIS CO.

WAUN, DOUGLAS RAYMOND

1978-11-14

ELLIOTT, ANDREW ADAM

1984-05-28

New Loc: 1713 NW MARKET ST

SEATTLE, WA 98107-5225

ELLIOTT, CARRA JANAI

(Spouse) 1987-02-13

Mail: 9805 NE 116TH ST STE A266

KIRKLAND, WA 98034-4245

Phone No.: 206-617-3676 DOUG WAUN

Privileges Applied For:

MARIJUANA RETAILER

MEDICAL MARIJUANA ENDORSEMENT

**As required by RCW 69.50.331(7)** the Liquor and Cannabis Board is notifying you that the above has applied for a marijuana license. You have 20 days from the date of this notice to give your input on this application. If we do not receive this notice back within 20 days, we will assume you have no objection to the issuance of the license. If you need additional time to respond, you must submit a written request for an extension of up to 20 days, with the reason(s) you need more time. If you **need information on SSN, contact our Marijuana CHRI desk at (360) 664-1704.**

- |  | YES                      | NO                       |
|--|--------------------------|--------------------------|
| 1. Do you approve of applicant? .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Do you approve of location? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. If you disapprove and the Board contemplates issuing a license, do you wish to request an adjudicative hearing before final action is taken? .....  | <input type="checkbox"/> | <input type="checkbox"/> |
| (See WAC 314-55-160 for information about this process)  |                          |                          |
| 4. If you disapprove, per RCW 69.50.331(7)(c) you MUST attach a letter to the Board detailing the reason(s) for the objection and a statement of all facts on which your objection(s) are based. |                          |                          |

DATE

SIGNATURE OF MAYOR, CITY MANAGER, COUNTY COMMISSIONERS OR DESIGNEE



**Seattle  
Finance &  
Administrative Services**

---

March 19, 2018

Becky Smith, Director  
Licensing & Regulation Division  
Washington State Liquor and Cannabis Board  
P.O. Box 43098  
Olympia, WA 98504-3098

Re: Seattle Cannabis Company  
License # 414780  
1713 Northwest Market Street  
Seattle, WA 98107

Dear Ms. Smith:

The City of Seattle opposes the issuance of a marijuana retail and medical marijuana endorsement license to Seattle Cannabis Company, license number 414780, located at 1713 Northwest Market Street Seattle, Washington 98107.

During our investigation process for this proposed location, the City discovered that this location violates the City's dispersion requirement. This location is approximately 313 feet from Washington OG LLC's two retail licenses, number 420292 and 420382, located at 5300 17<sup>th</sup> Avenue Northwest, suites A and B. See Attachment A. This is in violation of Seattle Municipal Code (SMC). SMC 23.42.058 (C)(5) states that:

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

Because Seattle Cannabis Company violates the dispersion requirements of the SMC, the City respectfully objects to an issuance of a marijuana license.

Sincerely,

Mary Mitchell, Executive Director FAS

CC: Captain Sean O'Donnell, North Precinct Commander, Seattle Police Department  
Meagan Westphal, North Precinct Liaison Attorney, City Attorney's Office  
Lt. Abram Barker, North Precinct, Seattle Police Department

[illegible]

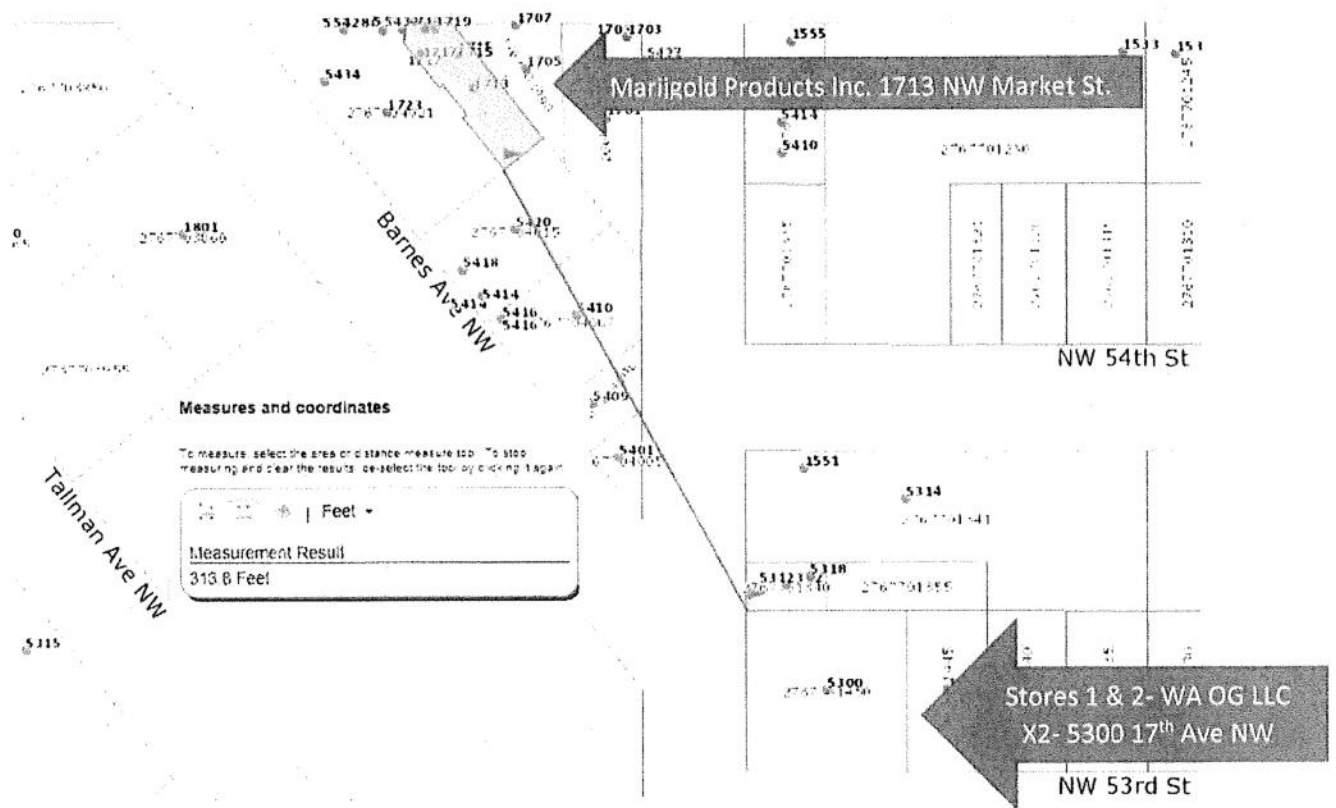
All three retail store licensees were sited prior to the effective date of dispersion (1/12/16).

Attachment A



Per King County Parcel Viewer- The distance between 1713 NW Market St. parcel and 4912 17<sup>th</sup> Ave NW parcel and is approximately 1233 feet.

Attachment A



Per King County Parcel Viewer- The distance between 1713 NW Market St parcel and 5300 17<sup>th</sup> Ave NW parcel is approximately 313 feet.



**Washington State  
Liquor and Cannabis Board**

April 12, 2018

Mary Mitchell, Executive Director  
Regulatory Compliance and Consumer Protection Division  
City of Seattle  
PO Box 94785  
Seattle, WA 98124-7085

Re: Application for Change of Location  
Seattle Cannabis Co.  
1713 NW Market St  
Seattle, WA 98107-5225  
License #: 414780  
UBI #: 603 318 039 001 0003

This letter is to inform you of our decision on the above application. We received your timely response to our March 2, 2018, notice of application. Your response, dated March 19, 2018, indicated disapproval of the location for this application due to municipal code dispersion requirements. While it is the Board's intention to fully support local authorities in their enforcement efforts, the Board's support to local jurisdictions is limited by the elements contained in WAC 314-55-050.

Additionally, in accordance with WAC 314-55-020(15) the issuance or approval of a license by the Washington State Liquor and Cannabis Board shall not be construed as a license for, or an approval of, any violation of local rules or ordinances.

Under these circumstances the Board must disapprove your request to deny the application. The right to an administrative appeal is not available on this matter.

If you have any questions, please contact Shannon Angell, Licensing Supervisor, at (360) 664-4539.

Sincerely,

Nicola Reid, Compliance & Policy Manager  
Licensing and Regulation Division

cc: Allen Wambold, Licensing Specialist, WSLCB Licensing and Regulation Division  
Shannon Angell, Licensing Supervisor, WSLCB Licensing and Regulation Division  
File copy

**From:** MacLeod, Cherie [<mailto:Cherie.MacLeod@seattle.gov>]

**Sent:** Thursday, April 12, 2018 8:51 AM

**To:** Doug ([dougwaun@icloud.com](mailto:dougwaun@icloud.com))

**Cc:** Masse, Christine

**Subject:** Market St Store

Doug,

We had our meeting yesterday and after much discussion, it's been decided that as the licenses at 5300 17<sup>th</sup> Ave NW are not existing marijuana businesses at the time of the LCB notice to the City of your application, the City would allow your store licensing process to continue. The licenses at 5300 17<sup>th</sup> Ave NW would also be allowed to begin operating once they have they have their permits and licenses in place.

Due to this precedence though, before both stores open, another applicant may apply in the same area and be granted the same consideration. So there may be additional future competition.



Cherie MacLeod

Strategic Advisor, Marijuana Program Coordinator

City of Seattle, [Department of Finance and Administrative Services](#)

O: 206-684-8402 | M: 206-240-1276 | [cherie.macleod@seattle.gov](mailto:cherie.macleod@seattle.gov)





**Seattle  
Finance &  
Administrative Services**

**ORDER OF THE DIRECTOR**

July 20, 2018

Marigold Products Inc.  
Attn: Doug Waun  
9805 NE 116<sup>th</sup> 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 17<sup>th</sup> 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 17<sup>th</sup> 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 17<sup>th</sup> AVE NW and is therefore prohibited under the Code.

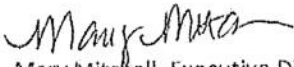


Opportunity to Appeal – SMC 6.202.270:

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 5<sup>th</sup> Ave Suite 4000, Seattle WA 98104, by fax at (206) 684-0536 or by e-file at <http://www.seattle.gov/assessor/cityclerk>

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

Sincerely,



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

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Webster's  
Third  
New International  
Dictionary  
OF THE ENGLISH LANGUAGE  
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**ex-is-ten-tial-ism** *ˌɛksɪˈtɛnʃəlɪzəm* *n* -s: an introspect  
humanism or theory of man that holds that human existence  
is not exhaustively describable or understandable in sci-  
entific or idealistic terms and esp. upon a phenom-  
ological approach that emphasizes the analysis of criti-  
cal borderline situations in man's life and esp. of such intense  
states as *existentialism* and *existentialism*

**exo-earal** \eksə'pyə-*n* *adj* [ISV e]  
**ex-occipital** \eksə'pī-*n* *adj* [ISV e]  
relating to a bone or region on the  
magnum of the skull  
**2exoccipital** \eksə'pī-*n* *n* : either of a pair  
each side of the foramen magnum and  
but forming in man a part of the occipital  
**exo-centric** \eksə'sē-*n* *adj* [exo- +  
same grammatical function as a



Permit Number:  
**6422721**



# CITY OF SEATTLE

## Construction Permit

Seattle Department of  
Construction and Inspections  
700 Fifth Ave., Suite 2000  
P.O. Box 34019  
Seattle, WA 98124-4019  
(206) 684-8600

DISTRICT 11

APN #:  
276770-1450

**Site Address: 5300 17TH AVE NW, SEATTLE, WA**

**Building ID:** 000020422 - COMMERCIAL BLDG

**Location:**

**Legal Description:** APN 276770-1450: LTS 23, 24, BLK 62, GILMAN PARK ADDITION.

**Records Filed At:** 5300 17TH AVE NW

### OWNER

DAVID SCHRAER  
4031 41ST AV S  
SEATTLE, WA 98118-1114  
Ph: (206) 235-0607

### CONTRACTOR

**Application Date:** 08/28/2014

**Issue Date:** 01/11/2016

**Expiration Date:** 01/11/2019

**Fees Paid:** \$6,905.25

**As of Print Date:** 08/23/2017

**Description of Work:** Change use from office to general retail sales and services and construct alterations to office and retail tenant spaces, occupy per plan.

### Permit Remarks:

**Building Code:** SEBC2012PF

**SDCI Valuation:** \$255,750

**Occupancy Cert Required:** Y

**Special Inspections:** N

**Land Use Conditions:** N

### Building Info:

**Basements:** 0

**Stories:** 0

**Mezzanines:** 0

### Housing & Dwelling Units this Permit:

House Type	DU	Add	Remove
None	N	0	0

### Zoning/Overlays:

Neighborhood Commercial3-65

Lowrise-3

Urban Village Overlay

Airport Height District

### Occupancy per Building Code

Floors	Type	Occupancy Group	Occupancy	Asmby Load	Fire
1	VB	M Retail		N/A	NONE
1	VB	B Office		N/A	NONE

### Approved Use per Land Use Code

Use	Location
General Retail	

A/P #	Related Cases/Permits	Project Contacts	Name	Phone
6614170	Post Issuance Submittal	Ord/Struct Reviewer	BRIAN NEWSON	(206) 233-7894
6573179	Post Issuance Submittal	Zoning Reviewer	LUCAS DEHERRERA	(206) 615-0724
		Primary Applicant	JONATHAN RADER	(206) 883-4510

**Applicant Signature:**

**Date:**

Permitted work must not progress without prior inspection approval. When ready for inspection, make request with the Seattle Department of Construction and Inspections at (206) 684-8900 or on the internet at: [www.seattle.gov/dpd/permits/inspections/](http://www.seattle.gov/dpd/permits/inspections/). Provide the permit number, site address, and contact phone. Permission is given to do the above work at the site address shown, according to the conditions hereon and according to the specification pertaining thereto, subject to compliance with the Ordinances of the City of Seattle. Correct information is the responsibility of the applicant. Permits with incorrect information may be subject to additional fees.

**You Must Have a Paper Copy of Your Approved and Stamped Plan Set Available at Your Job Site for the City Inspector to Review. If You Do Not Have Your Plans Printed and Ready for Review, You May Fail Your Inspection.**

**EXHIBIT** G



# SEATTLE CITY COUNCIL

## Legislative Summary

CB 118580

Record No.: CB 118580

Type: Ordinance (Ord)

Status: Passed

Version: 3

124969

In Control: City Clerk

File Created: 11/04/2015

Final Action: 01/12/2016

**Title:** AN ORDINANCE relating to land use and zoning; repealing Ordinance 124552 and amending Sections 23.42.058, 23.47A.002, 23.47A.004, 23.47A.020, 23.48.002, 23.48.005, 23.48.065, 23.49.002, 23.49.025, 23.49.042, 23.49.090, 23.49.142, 23.49.300, 23.49.320, 23.49.338, 23.50.002, 23.50.012, 23.50.014, 23.50.044, 23.66.122, 23.66.322, and 23.84A.025 of the Seattle Municipal Code to change marijuana zoning regulations and make technical corrections.

### Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: O'Brien

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

### History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	11/10/2015	Mayor's leg transmitted to Council	City Clerk			
	<b>Action Text:</b> The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk <b>Notes:</b>						
1	City Clerk	11/10/2015	sent for review	Council President's Office			
	<b>Action Text:</b> The Council Bill (CB) was sent for review. to the Council President's Office <b>Notes:</b>						
1	Council President's Office	11/12/2015	sent for review	Planning, Land Use, and Sustainability Committee			
	<b>Action Text:</b> The Council Bill (CB) was sent for review. to the Planning, Land Use, and Sustainability Committee						



Notes:

- 1 Full Council 11/30/2015 referred Planning, Land Use, and Sustainability Committee

Action Text: The Council Bill (CB) was referred. to the Planning, Land Use, and Sustainability Committee

Notes:

- 1 Planning, Land Use, and Sustainability Committee 12/01/2015 discussed

Action Text: The Council Bill (CB) was discussed in Committee.

- 1 Planning, Land Use, and Sustainability Committee 12/15/2015 pass as amended

Pass

Action Text: The Committee recommends that Full Council pass as amended the Council Bill (CB).

In Favor: 5 Chair O'Brien, Vice Chair Burgess, Member Licata, Alternate González, Godden

Opposed: 0

Abstain: 1 Harrell

- 2 Full Council 01/11/2016 passed

Pass

Action Text: The Motion carried, the Council Bill (CB) was passed as amended by the following vote, and the President signed the Bill:

Notes: ACTION 1:

Motion was made by Councilmember O'Brien, duly seconded and carried, to amend Council Bill 118580, Section 2, Section 23.42.058 of the Seattle Municipal Code, as shown in the underlined and strike through language below:

\*\*\*

C. Major marijuana activity is allowed in all other zones if the activity and site meet the following requirements:

1. The person operating the major marijuana activity must have a current license issued by the State of Washington pursuant to Title 69 RCW authorizing the person to produce, process, or sell, at the proposed site, marijuana, marijuana-infused products, useable marijuana, or marijuana concentrates, or to research or test any of those products at the proposed site for quality assurance pursuant to Title 69 RCW;

2. Any lot line of property having a major marijuana activity must be 1,000 feet or more from any lot line of property on which any of the following uses as defined in WAC 314-55-010 is located: elementary school;

secondary school; or playground;

3. Any lot line of property having a major marijuana activity that includes the retail sale of marijuana products must be 500 feet or more from any lot line of property on which any of the following uses as defined in WAC 314-55-010 is established and operating: child care center; game arcade; library; public park; public transit center; or recreation center or facility;

4. Any lot line of property having a major marijuana activity that does not include the retail sale of marijuana products must be 250 feet or more from any lot line of property on which any of the following uses as defined in WAC 314-55-010 is established and operating: child care center; game arcade; library; public park; public transit center; or recreation center or facility;

45. Any lot line of property having a major marijuana activity that includes the retail sale of marijuana products must be 350 feet or more from any lot line of other property containing major marijuana activity that includes the retail sale of marijuana products;

56. Whether a major marijuana activity complies with the locational requirements prescribed by subsections 23.42.058.C.2, 23.42.058.C.3, ~~or 23.42.058.C.4~~, or 23.42.058.C.5 shall be based on facts that exist on the date the Washington State Liquor and Cannabis Board issues a "Notice of Marijuana Application" to The City of Seattle.

\*\*\*

ACTION 2:

Motion was made by Councilmember Herbold, duly seconded and carried, to amend Council Bill 118580, Section 2, Section 23.42.058 of the Seattle

Municipal Code, as shown in the underlined language below:

\*\*\*

C. Major marijuana activity is allowed in all other zones if the activity and site meet the following requirements:

1. The person operating the major marijuana activity must have a current license issued by the State of Washington pursuant to Title 69 RCW authorizing the person to produce, process, or sell, at the proposed site, marijuana, marijuana-infused products, useable marijuana, or marijuana concentrates, or to research or test any of those products at the proposed site for quality assurance pursuant to Title 69 RCW;

2. Any lot line of property having a major marijuana activity must be 1,000 feet or more from any lot line of property on which any of the following uses as defined in WAC 314-55-010 is located: elementary school; secondary school; or playground;

3. Any lot line of property having a major marijuana activity must be 500 feet or more, except that in Downtown Mixed Residential and Downtown Mixed Commercial zones within that portion of the Downtown Urban Center that is west of Interstate 5, north of Yesler Way, and south of Denny Way major marijuana activity that includes the retail sale of marijuana products must be 250 feet or more, from any lot line of property on which any of the following uses as defined in WAC 314-55-010 is established and operating: child care center; game arcade; library; public park; public transit center; or recreation center or facility;

4. Any lot line of property having a major marijuana activity that

includes the retail sale of marijuana products must be 350 feet or more from any lot line of other property containing major marijuana activity that includes the retail sale of marijuana products;

5. Whether a major marijuana activity complies with the locational requirements prescribed by subsections 23.42.058.C.2, 23.42.058.C.3, or 23.42.058.C.4 shall be based on facts that exist on the date the Washington State Liquor and Cannabis Board issues a "Notice of Marijuana Application" to The City of Seattle.

\*\*\*

ACTION 3:

Motion was made by Councilmember Burgess, duly seconded and carried, to amend Council Bill 118580, Section 2, Section 23.42.058 of the Seattle Municipal Code, as shown in the underlined and strike through language below:

\*\*\*

C. Major marijuana activity is allowed in all other zones if the activity and site meet the following requirements:

\*\*\*

4. 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; Anywhere 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 having with a new major marijuana activity that includes the retail sale of marijuana products must be 350-1000 feet or more from any the closest lot

line of ~~either~~the property containing existing major marijuana activity that includes the retail sale of marijuana products;

\*\*\*

\*\*\*

ACTION 4:

Motion was made by Councilmember O'Brien, duly seconded and carried, to amend Council Bill 118580, by adding a new Section 1 and renumbering subsequent bill sections, as shown in the language below:

\*\*\*

Section 1. Pursuant to the authority granted by RCW 69.50.331(8)(b), Section 3.C of this ordinance is intended to reduce the minimum distances between state-licensed marijuana premises and the facilities described in RCW 69.50.331(8)(a), except elementary schools, secondary schools, and playgrounds, from 1,000 feet to 500 feet for facilities that include the retail sale of marijuana products; from 1,000 feet to 250 feet for premises that do not include retail sale of marijuana products; and, within a portion of the downtown core only, from 1,000 feet to 250 feet for premises that include the retail sale of marijuana products. The City Council finds that reducing these minimum distances will not negatively impact the City of Seattle's civil regulatory enforcement, criminal law enforcement interests, public safety, or public health.

[Renumber Sections]

\*\*\*

ACTION 5:

Motion was made and duly seconded to pass Council Bill 118580 as amended.

Legislative Summary Continued (CB 118580)

---

In Favor: 9 Councilmember Bagshaw, Councilmember Burgess, Councilmember  
González, Council President Harrell, Councilmember Herbold,  
Councilmember Johnson, Councilmember Juarez, Councilmember  
O'Brien, Councilmember Sawant

Opposed: 0

- 3 City Clerk 01/12/2016 submitted for Mayor  
Mayor's signature  
Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor  
Notes:
- 3 Mayor 01/12/2016 Signed  
Action Text: The Council Bill (CB) was Signed.  
Notes:
- 3 Mayor 01/12/2016 returned City Clerk  
Action Text: The Council Bill (CB) was returned. to the City Clerk  
Notes:
- 3 City Clerk 01/12/2016 attested by City  
Clerk  
Action Text: The Ordinance (Ord) was attested by City Clerk.  
Notes:
-



**CITY OF SEATTLE**  
**ORDINANCE** 124969  
**COUNCIL BILL** 118580

AN ORDINANCE relating to land use and zoning; repealing Ordinance 124552 and amending Sections 23.42.058, 23.47A.002, 23.47A.004, 23.47A.020, 23.48.002, 23.48.005, 23.48.065, 23.49.002, 23.49.025, 23.49.042, 23.49.090, 23.49.142, 23.49.300, 23.49.320, 23.49.338, 23.50.002, 23.50.012, 23.50.014, 23.50.044, 23.66.122, 23.66.322, and 23.84A.025 of the Seattle Municipal Code to change marijuana zoning regulations and make technical corrections.

WHEREAS, on October 7, 2013, Seattle City Council passed Ordinance 124326, implementing zoning restrictions on businesses involved in the production, processing, sale, and delivery of marijuana, marijuana-infused products, or useable marijuana; and

WHEREAS, a significant number of new businesses involved in the production, processing, and sale of marijuana, marijuana-infused products, or useable marijuana that are not licensed by the Washington State Liquor and Cannabis Board have opened since ordinance 124326 was passed; and

WHEREAS, state legislation amended the Revised Code of Washington (RCW), Title 69, to create a highly regulated system for the production, processing, and distribution of medical marijuana; and

WHEREAS, Seattle Resolution 31595 adopted on July 13, 2015, describes enforcement priorities for non-state-licensed marijuana businesses; and

WHEREAS, the Seattle Marijuana Business License Ordinance adopted on July 13, 2015 requires all marijuana businesses to obtain a City marijuana license;

WHEREAS, it is in the interest of the people of the City of Seattle to have clear regulations regarding where permitted marijuana businesses will be allowed to operate; and

1 WHEREAS, it is in the interest of the people of the City of Seattle to ensure that legitimate  
2 patients continue to have the authority to grow and process marijuana for their personal  
3 use under specific guidelines; and

4 WHEREAS, it is in the interest of the City of Seattle to enact clear and enforceable standards for  
5 businesses involved in the production, processing, and sale of marijuana, marijuana-  
6 infused products, or useable marijuana and to prohibit unlawful businesses that operate  
7 without a Washington State Liquor and Cannabis Board license in order to ensure  
8 appropriate oversight of product purity, packaging, security, signage and other business  
9 practices; and

10 WHEREAS, buffering and dispersion provisions are necessary to ensure there are sufficient  
11 business locations, but no concentration of permitted marijuana businesses; NOW,

12 THEREFORE,

13 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

14 Section 1. Pursuant to the authority granted by RCW 69.50.331(8)(b), Section 3.C of this  
15 ordinance is intended to reduce the minimum distances between state-licensed marijuana  
16 premises and the facilities described in RCW 69.50.331(8)(a), except elementary schools,  
17 secondary schools, and playgrounds, from 1,000 feet to 500 feet for facilities that include the  
18 retail sale of marijuana products; from 1,000 feet to 250 feet for premises that do not include  
19 retail sale of marijuana products; and, within a portion of the downtown core only, from 1,000  
20 feet to 250 feet for premises that include the retail sale of marijuana products. The City Council  
21 finds that reducing these minimum distances will not negatively impact the City of Seattle's civil  
22 regulatory enforcement, criminal law enforcement interests, public safety, or public health.

1 Section 2. Ordinance 124552 is repealed.

2 Section 3. Section 23.42.058 of the Seattle Municipal Code, enacted by Ordinance  
3 124326, is amended as follows:

4 **23.42.058 Marijuana**

5 A. ~~((On any lot or on any combination of contiguous lots held in common ownership that~~  
6 ~~contains no dwelling unit or business establishment, major marijuana activity may not be~~  
7 ~~conducted.~~

8 B. ~~On any lot or any combination of contiguous lots held in common ownership that~~  
9 ~~contains one or more dwelling units:~~

10 1. ~~no production, processing, selling, or delivery of marijuana, marijuana infused~~  
11 ~~products, or useable marijuana may be conducted unless it is in association with a dwelling unit~~  
12 ~~or is in association with a business establishment meeting the limitations imposed by subsection~~  
13 ~~23.42.058.C; and~~

14 2. ~~major marijuana activity may not be conducted in association with any~~  
15 ~~dwelling unit.~~

16 C. ~~Except as provided in subsection 23.42.058.D, major marijuana activity may not be~~  
17 ~~conducted in association with all business establishments combined on a lot or combination of~~  
18 ~~contiguous lots held in common ownership.~~

19 D. ~~Licensed marijuana business establishments described in subsection 23.42.058.D.1 are~~  
20 ~~exempt from subsection 23.42.058.C if not located in any of the restricted areas listed in~~  
21 ~~subsection 23.42.058.D.2.~~

22 1. A "licensed marijuana business establishment" within the meaning of  
23 subsection 23.42.058.D is a business establishment acting in compliance with a license issued by

1 the state for the production, processing, selling, or delivery of marijuana, marijuana infused  
2 products, or useable marijuana under Title 69 of the Revised Code of Washington.

3 2. The "restricted areas" within the meaning of subsection 23.42.058.D are:))

4 Major marijuana activity is prohibited in any dwelling unit, regardless of the zone in which the  
5 dwelling unit is located, except that major marijuana activity is allowed in caretaker's quarters  
6 unless the quarters are located in a zone or district identified in subsection 23.42.058.B.

7 B. Major marijuana activity is prohibited in the following zones and districts:

8 ((a))1. ((Any)) Single-family zones;

9 ((b))2. ((Any)) Multifamily zones;

10 ((e))3. ((Any)) Neighborhood Commercial 1 (NC1) zones;

11 ((d. Any of the following Downtown zones:))

12 ((1))4. Pioneer Square Mixed (PSM);

13 ((2))5. International District Mixed (IDM);

14 ((3))6. International District Residential (IDR);

15 ((4))7. Downtown Harborfront 1 (DH1);

16 ((5))8. Downtown Harborfront 2 (DH2); or

17 ((6))9. Pike Market Mixed (PMM); or

18 ((e. Any of the following districts:))

19 ((1))10. Ballard Avenue Landmark District;

20 ((2))11. Columbia City Landmark District;

21 ((3))12. Fort Lawton Landmark District;

22 ((4))13. Harvard-Belmont Landmark District;

23 ((5))14. International Special Review District;



1                   ~~((6))~~15. Pike Place Market Historical District;

2                   ~~((7))~~16. Pioneer Square Preservation District;

3                   ~~((8))~~17. Sand Point Overlay District; or

4                   ~~((9))~~18. Stadium Transition Area Overlay District.

5                   C. Major marijuana activity is allowed in all other zones if the activity and site meet the  
6 following requirements:

7                   1. The person operating the major marijuana activity must have a current license  
8 issued by the State of Washington pursuant to Title 69 RCW authorizing the person to produce,  
9 process, or sell, at the proposed site, marijuana, marijuana-infused products, useable marijuana,  
10 or marijuana concentrates, or to research or test any of those products at the proposed site for  
11 quality assurance pursuant to Title 69 RCW;

12                 2. Any lot line of property having a major marijuana activity must be 1,000 feet or  
13 more from any lot line of property on which any of the following uses as defined in WAC 314-  
14 55-010 is located: elementary school; secondary school; or playground;

15                 3. Any lot line of property having a major marijuana activity that includes the  
16 retail sale of marijuana products, except that in Downtown Mixed Residential and Downtown  
17 Mixed Commercial zones within that portion of the Downtown Urban Center that is west of  
18 Interstate 5, north of Yesler Way, and south of Denny Way major marijuana activity that  
19 includes the retail sale of marijuana products must be 250 feet or more, must be 500 feet or more  
20 from any lot line of property on which any of the following uses as defined in WAC 314-55-010  
21 is established and operating: child care center; game arcade; library; public park; public transit  
22 center; or recreation center or facility;

1                   4. Any lot line of property having a major marijuana activity that does not include  
2 the retail sale of marijuana products must be 250 feet or more from any lot line of property on  
3 which any of the following uses as defined in WAC 314-55-010 is established and operating:  
4 child care center; game arcade; library; public park; public transit center; or recreation center or  
5 facility;

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

13                   6. Whether a major marijuana activity complies with the locational requirements  
14 prescribed by subsections 23.42.058.C.2, 23.42.058.C.3, 23.42.058.C.4, or 23.42.058.C.5 shall  
15 be based on facts that exist on the date the Washington State Liquor and Cannabis Board issues a  
16 "Notice of Marijuana Application" to The City of Seattle.

17                   Section 4. Section 23.47A.002 of the Seattle Municipal Code, last amended by Ordinance  
18 123770, is amended as follows:

19 **23.47A.002 Scope of provisions**

20                   A. This ((e))Chapter 23.47A describes the authorized uses and development standards for  
21 the following zones:

22                   Neighborhood Commercial 1 (NC1) ((5)) ;

23                   Neighborhood Commercial 2 (NC2) ((5)) ;



19. Plant nurseries;

20. Retail ice dispensaries;

21. Shooting galleries;

22. Skating rinks;

23. Mobile home parks;

24. Transportation facilities except: passenger terminals, rail transit facilities, and parking and moorage uses;

25. Animal shelters and kennels;

26. Jails;

27. Major marijuana activity; and

28. Work-release centers.

B. In addition to the prohibited uses listed in subsection 23.66.322.A, light manufacturing uses that occupy more than 10,000 square feet are prohibited in that portion of the International Special Review District west of Interstate 5.

C. All light manufacturing uses are prohibited in that portion of the District in an IDR zone.

Section 24, Section 23.84A.025 of the Seattle Municipal Code, last amended by Ordinance 124326, is amended as follows:

23.84A.025 "M"

\* \* \*

"Marijuana activity, major" means, except as provided below, ~~((the))~~ any production, processing, or selling ~~((, or delivery))~~ of marijuana, marijuana-infused products, ~~((or useable))~~ usable marijuana ~~((that involves more than 45 marijuana plants, 72 ounces of useable marijuana, or an~~

1 ~~amount of marijuana-infused product that could reasonably be produced with 72 ounces of~~  
2 ~~useable marijuana.))~~ , or marijuana concentrates. Major marijuana activity does not include the  
3 following activities when they occur within a dwelling unit occupied by a qualifying patient or  
4 designated provider, as those terms are defined in RCW 69.51A.010, or within an enclosed  
5 structure that is accessory to such a dwelling unit:

6 a. production of marijuana involving up to 15 plants;

7 b. production of marijuana involving up to 60 plants if the production is  
8 conducted by a cooperative that is registered with the Washington State Liquor and Cannabis  
9 Board and operates in compliance with RCW 69.51A.043;

10 c. drying or incorporation into food of up to 15 marijuana plants; or

11 d. drying or incorporation into food of up to 60 marijuana plants if such  
12 processing is conducted by a cooperative that is registered with the Washington State Liquor and  
13 Cannabis Board and operates in compliance with chapter 69.51A RCW.

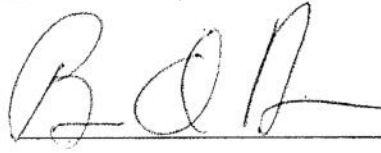
14 "Marijuana concentrates" means products consisting wholly or in part of the resin extracted from  
15 any part of the plant *Cannabis* and having a THC concentration greater than ten percent.

16 \* \* \*

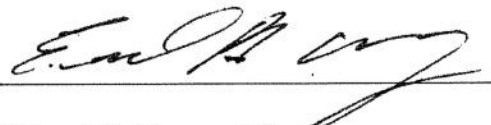
17 Section 25. The provisions of this ordinance are declared to be separate and  
18 severable. The invalidity of any clause, sentence, paragraph, subdivision, section or  
19 portion of this ordinance, or the invalidity of its application to any person or  
20 circumstance, does not affect the validity of the remainder of this ordinance, or the  
21 validity of its application to other persons or circumstances.  
22

1 Section 26. This ordinance shall take effect and be in force immediately upon the  
2 approval by the Mayor; or if returned to the Council by the Mayor unsigned, then immediately  
3 upon its return; or if not approved and returned by the Mayor within 10 days after presentation,  
4 then on the 11<sup>th</sup> day after its presentation to the Mayor; or if vetoed by the Mayor, then  
5 immediately after its passage over his veto.

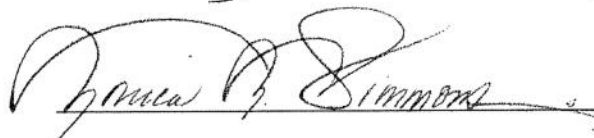
6  
7 Passed by the City Council the 11<sup>th</sup> day of January, 2016, and  
8 signed by me in open session in authentication of its passage this  
9 11<sup>th</sup> day of January, 2016.

10   
11 \_\_\_\_\_  
12 President \_\_\_\_\_ of the City Council

13  
14 Approved by me this 12<sup>th</sup> day of January, 2016.

15   
16 \_\_\_\_\_  
17 Edward B. Murray, Mayor

18  
19 Filed by me this 12<sup>th</sup> day of January, 2016.

20   
21 \_\_\_\_\_  
22 Monica Martinez Simmons, City Clerk  
23

1

2 (Seal)

3

4

STATE OF WASHINGTON -- KING COUNTY

--SS.

333043

No. 124969,973,974,975,976

CITY OF SEATTLE, CLERKS OFFICE

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLE ONLY ORDINANCES

was published on

01/29/16

The amount of the fee charged for the foregoing publication is the sum of \$103.68 which amount has been paid in full.



Affidavit of Publication

Subscribed and sworn to before me on

01/29/2016

Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle Title Only Ordinances

The full text of the following legislation, passed by the City Council on January 11, 2016, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

### Ordinance 124969

AN ORDINANCE relating to land use and zoning; repealing Ordinance 124552 and amending Sections 23.42.063, 23.47A.002, 23.47A.004, 23.47A.020, 23.48.002, 23.49.005, 23.48.065, 23.49.002, 23.49.025, 23.49.042, 23.49.090, 23.49.142, 23.49.300, 23.49.320, 23.49.335, 23.50.002, 23.50.012, 23.50.014, 23.50.044, 23.65.122, 23.66.832, and 23.84A.025 of the Seattle Municipal Code to change marijuana zoning regulations and make technical corrections.

### Ordinance 124973

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

### Ordinance 124974

AN ORDINANCE, relating to City employment, to be known as the Pay Zone Ordinance; adjusting the pay zone structures for the City's discretionary pay programs; and ratifying and confirming certain prior acts.

### Ordinance 124975

AN ORDINANCE relating to City employment; providing wage increases effective December 31, 2014, December 30, 2015, December 28, 2016 and December 27, 2017 for certain non-represented City employees and officers; providing adjustments to certain pay titles in addition to the 2016 wage increase; authorizing a \$15 per hour minimum wage for all non-represented City of Seattle employees; authorizing and directing the Seattle Human Resources Director to change rates of pay for certain job titles to a minimum of \$15 per hour effective April 1, 2015; authorizing paid leave for City employees who took furloughs in 2010; and ratifying and confirming certain prior acts.

### Ordinance 124976

AN ORDINANCE relating to City employment; authorizing the execution of collective bargaining agreements between The City of Seattle and certain unions in the Coalition of City Unions, for the time period January 1, 2016 through December 31, 2018; and ratifying and confirming certain prior acts.

Date of publication in the Seattle Daily Journal of Commerce, January 20, 2016.

1/28(333043)



## **City of Seattle Update to Marijuana Zoning Restrictions Report**

### **Introduction**

The City of Seattle is proposing to update existing marijuana zoning restrictions in order to make them easier to enforce and more consistent with state regulations.

The proposed ordinance would update the definition of major marijuana activity to reduce the threshold at which marijuana activity must meet the locational and licensing requirements of Land Use Code Section 23.42.058. The ordinance would also add new separation requirements for marijuana activities, apply existing standards for odor control, and reorganize Section 23.42.058 to clarify existing rules.

### **Background and Analysis**

#### Washington State Law

In 2011, the Washington State Legislature passed ESSB 5073, which implemented new regulations that permit qualified patients to grow marijuana for their own medical use through the creation of collective gardens. Although Governor Gregoire vetoed certain provisions of ESSB 5073, the remainder of the law went into effect on July 22, 2011 as the Medical Use of Cannabis Act (See Laws of 2011, Chapter 181; Revised Code of Washington (RCW) Chapter 69.51A). The act defines collective gardens as groups of up to 10 patients who grow, process, or dispense marijuana (or any combination of these activities) provided none of the following are exceeded:

- no more than 15 plants per patient with a maximum limit of 45 plants;
- no more than 24 ounces of usable marijuana per patient with a maximum limit of 72 ounces; and
- no more marijuana-infused products than could be made from 24 ounces of usable marijuana per patient or 72 ounces of usable marijuana in total.

In 2012, the people of Washington State passed Initiative 502 legalizing the possession of small amounts of marijuana and directing the Washington State Liquor Control Board to develop a process for regulating the production, processing, selling, and delivery of marijuana. This initiative, however, did not modify the existing provisions for medical marijuana; it is generally viewed as creating a separate licensing process for operations providing marijuana for recreational use. Consequently, many operations continue to produce, process, sell, or deliver marijuana for medical use under the 2011 Medical Use of Cannabis Act without a license from the Washington State Liquor Control Board.

In 2015, the Washington State Legislature passed SSB 5052 to align the recreational and medical marijuana markets. As part of this legislation, the allowance for Collective Gardens would be eliminated as of July 1, 2016 and be replaced with a new allowance for Cooperatives. Cooperatives allow groups of up to 4 patients who grow and process for their own medical use provided the cooperative:

- is registered with the Washington Liquor and Cannabis Board (formerly the Liquor Control Board)
- is located within a residence;
- is not located within 1 mile of a marijuana retailer; and
- does not grow more than the number of plants authorized by their recognition cards, up to a maximum limit of 60 plants.

#### Current Seattle Land Use Regulations

Marijuana businesses are expected to meet all the requirements for their use category under the Land Use Code. Generally, production is considered an agriculture use, processing is considered food processing or light manufacturing, and selling or delivery is considered retail sales and services. Additionally, the Land Use Code establishes a threshold for major marijuana activity as well as locational and licensing requirements for major marijuana activity. TIP 134 summarizes rules for marijuana businesses in detail and is available at: <http://web1.seattle.gov/dpd/cams/CamDetail.aspx?cn=134>.

Major marijuana activity is currently defined as the production, processing, selling, or delivery of marijuana, marijuana-infused products, or useable marijuana that involves more than:

- 45 marijuana plants;
- 72 ounces of useable marijuana; or
- an amount of marijuana-infused product that could reasonably be produced with 72 ounces of useable marijuana.

Activity below this threshold is allowed throughout the city without a license from the Washington Liquor and Cannabis Board, provided the use (agriculture, food processing, light manufacturing, retail sales and service) is allowed in the applicable zone. Major marijuana activity is not allowed unless it is part of a business establishment that has a license from the Washington Liquor and Cannabis Board and is not located in any of the following areas:

- Any Single-family zone;
- Any Multifamily zone;
- Any Neighborhood Commercial 1 (NC1) zone;
- Any of the following Downtown zones:
  - Pioneer Square Mixed (PSM);
  - International District Mixed (IDM);
  - International District Residential (IDR);

- Downtown Harborfront 1 (DH1);
  - Downtown Harborfront 2 (DH2); or
  - Pike Market Mixed (PMM); or
- Any of the following districts:
  - Ballard Avenue Landmark District;
  - Columbia City Landmark District;
  - Fort Lawton Landmark District;
  - Harvard-Belmont Landmark District;
  - International Special Review District;
  - Pike Place Market Historical District;
  - Pioneer Square Preservation District;
  - Sand Point Overlay District; or
  - Stadium Transition Area Overlay District.

#### Challenges with Existing Land Use Regulations

The intent of the existing marijuana regulations was to allow individual collective gardens to continue operating throughout Seattle in order to allow an adequate supply of medical marijuana for patients. Consequently, the activity thresholds were established to be consistent with the state thresholds for individual collective gardens.

An unintended consequence of these regulations is that commercial operations producing, processing, selling, and delivering both medical and recreational marijuana and operating without a state license, have been allowed to open new facilities. In practice, it is possible for a commercial business to meet the requirements of the code by selling marijuana to retail facilities for distribution, or by operating processing and retail facilities that regularly restock their supply to avoid violating the threshold at any one time. Because the City does not have the authority or resources to ensure that this marijuana is actually being used for medical purposes, these commercial businesses may in effect be competing with licensed recreational stores. The potential impact of this outcome is particularly concerning as the unregulated businesses do not have to follow security, product testing, safety, or advertising requirements and do not pay marijuana-specific taxes. Consequently, they may also be able to provide products at a much lower cost than the licensed recreational businesses.

#### **Proposed Changes**

Land Use Code Section 23.42.058, Marijuana, would be reorganized to clarify how the rules apply to residential and other uses. The proposal requires a license to be obtained from the state and the City. In addition, the 'scope of provisions' and use provisions of applicable zones are amended to reflect the use regulations in Section 23.42.058. Three key elements are explained in more detail below:

1. The definition of major marijuana activity;
2. Separation requirements for major marijuana activity; and
3. Odor control standards.

#### 1. Major Marijuana Activity.

The proposed bill would change the definition for major marijuana related activities as follows:

	<b>Current threshold to be considered major marijuana activity</b>	<b>Proposed threshold to be considered major marijuana activity</b>
<b>Production</b>	45 plants	<ul style="list-style-type: none"><li>• Any production outside a dwelling unit</li><li>• Production inside a dwelling unit including more than 15 plants, except that 60 plants are allowed for state registered cooperatives</li></ul>
<b>Processing</b>	72 ounces of useable marijuana or an amount of marijuana-infused product that could reasonably be produced with 72 ounces of useable marijuana on-site	<ul style="list-style-type: none"><li>• Any processing outside of a dwelling unit</li><li>• Any processing within a dwelling unit other than the drying or incorporation into food of the product of 15 plants, except that the drying or incorporation into food of the product of 60 plants is allowed for state registered cooperatives</li></ul>
<b>Selling &amp; Delivery</b>	72 ounces of useable marijuana or an amount of marijuana-infused product that could reasonably be produced from 72 ounces of useable marijuana on-site	Any selling or delivery

These new thresholds would more clearly regulate the production, processing and sale of marijuana and marijuana products in order to ensure appropriate oversight and business practices consistent with state law.

## 2. Separation Requirements for Major Marijuana Activity.

The proposal includes provisions that require certain marijuana related businesses to be separated by a minimum distance from each other and from a list of uses as follows:

<b>Applicable Uses*</b>	<b>Separation Requirement**</b>
New or expanding major marijuana activity from: <ul style="list-style-type: none"><li>• elementary school;</li><li>• secondary school; or</li><li>• playground.</li></ul>	1000 feet
New or expanding major marijuana activity from: <ul style="list-style-type: none"><li>• child care center;</li><li>• game arcade;</li><li>• library; public park;</li><li>• public transit center; or</li><li>• recreation center or facility.</li></ul>	500 feet
New or expanding major marijuana activity involving retail transactions from:  Any other major marijuana activity involving retail transactions.	A major marijuana activity involving retail transactions may not be located within 500 feet of any other property containing state-licensed major marijuana activity involving retail transactions.

\*The uses are defined in the Washington Administrative Code section 314-55-010.

\*\*Distances are measured from any lot line of property on which any of the listed uses are located or proposed to be located.

The separation requirements are intended to balance the public, health, safety and welfare interests in having sufficient areas within which these activities may locate and prevent concentration of these activities in any one area.

## 3. Odor Control Standards.

Since the production and processing of marijuana can result in odors that may impact neighboring properties, the proposal is to add these marijuana related activities to existing odor control standards that are currently in the code for the applicable zones where these activities would be allowed. The odor standards are also proposed to be



amended to clarify that vents should be directed away from all neighboring uses when possible.

The odor control standards give the Director, in consultation with the Puget Sound Clean Air Agency, the authority to require mitigation such as directing vents and pipes away from neighboring uses or the use of filters to reduce or eliminate odor causing emissions.

### **Recommendation**

The Director recommends adoption of the proposed ordinance.





**City of Seattle**  
Edward B. Murray  
Mayor

November 10, 2015

Honorable Tim Burgess, President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor  
600 4<sup>th</sup> Avenue  
Seattle, WA 98104

Dear Council President Burgess:

I am pleased to transmit the attached proposed Ordinance that will help ensure neighborhoods are not overburdened with clusters of cannabis retail stores and that patients in the new medical cannabis retail system will have access to stores throughout the city.

Two concerns that I've heard from residents throughout the City since my first days in office were of the unregulated growth and clustering of medical cannabis dispensaries. To help address the problem of the growing number of dispensaries, I introduced and City Council unanimously passed a package of bills that would allow the City to stop the opening of new unregulated dispensaries, close bad actors, and close those locations that have opened since January 2013. Since enactment of those bills, 59 dispensaries have voluntarily closed due to their being out of compliance with the new ordinance; including 3 locations that sold FAS Inspectors medical cannabis without a medical authorization. There are approximately 49 medical dispensaries that remain open and have an opportunity to obtain their state license; in addition to the 19 fully-licensed recreational stores.

Currently, the Liquor and Cannabis Board is accepting applications for new cannabis retail stores and of the 600 applications they have received; 200 are being proposed for Seattle. In addition, the LCB has informed my staff that they expect to begin issuing new licenses in December. The legislation that I am now sending to the City Council will help ensure that our City will be able to address the current clustering of medical cannabis retail locations and ensure that any new locations that open are reasonably distanced from other cannabis retail stores.

The proposal is two-fold. Per authority granted local jurisdictions by the state legislature this past summer, this ordinance would reduce the 1000 foot buffer zone that all marijuana businesses must locate away from to 500 feet for any entity that is not a school or public playground. The buffer zone for schools and public playgrounds would remain at 1000 feet. The second part of the proposal would then create a new 500 foot dispersion zone around each cannabis retail store so that no cannabis store is closer than 500 feet to another cannabis retail store; which is approximately one to two blocks.

Office of the Mayor  
Seattle City Hall, 7<sup>th</sup> Floor  
600 Fourth Avenue  
PO Box 94749  
Seattle, Washington 98124-4749

Tel (206) 684-4000  
Fax: (206) 684-5360  
Hearing Impaired use the Washington Relay Service (7-1-1)  
[www.seattle.gov/mayor](http://www.seattle.gov/mayor)

These changes go hand in hand. Current fully-licensed cannabis retailers have told me of their difficulty in finding suitable locations to site their businesses under the current rules. They have confronted either exorbitant rents or landlords unwilling to speak with them due to the nature of their business. Further, at a 1000 foot buffer, only a handful of neighborhoods which are predominately in the south end of the city, have the capacity to locate businesses. Reducing the buffer zone allows for new areas to site a potential business in a more fair and equitable manner throughout the city. Additionally, creating a new dispersion zone will prevent the undesirable clustering of dispensaries in neighborhoods.

In order to ensure no single neighborhood is overburdened with stores and patients have access to medical cannabis throughout the City, I ask you and other members of the Seattle City Council to adopt this ordinance. Thank you for your consideration of this proposal. Should you have questions, please contact David B. Mendoza at (206) 386-1256.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ed Murray", with a stylized flourish at the end.

Edward B. Murray  
Mayor of Seattle

cc: Seattle City Council