



King County

Dow Constantine

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October 24, 2013

The Honorable Larry Gossett
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Gossett:

I am pleased to transmit for your review and consideration two ordinances proposed in response to Initiative 502 which legalized recreational marijuana in the State of Washington and was approved by voters in November 2012. The first proposed ordinance amends our unincorporated area zoning regulations (King County Code (K.C.C.) Title 21A) to accommodate the siting of marijuana-related businesses. The second ordinance amends a section in K.C.C. Chapter 2.16 related to the County's review of state license applications.

Initiative 502 (I-502) created a statewide regulatory framework for marijuana legalization administered by the Washington State Liquor Control Board (WSLCB). On October 15, 2013 the WSLCB approved rules for the licensing of marijuana producers, processors and retailers. I support the implementation of I-502 in line with federal prosecutorial guidance, as laid out in the U.S. Department of Justice memorandum of August 2013.

As King County's zoning code does not currently address marijuana-related businesses, the attached zoning ordinance is necessary to establish a clear regulatory scheme to govern the siting of state-licensed businesses. My goals in proposing this legislation are to ensure that the new legalized recreational market is tightly regulated and controlled through strong, clear rules without creating unnecessary barriers to business entry. At the same time, King County should ensure that the benefits and impacts of marijuana legalization do not disproportionately impact particular geographic, ethnic, or other communities or groups.

The attached zoning ordinance is drafted to address the needs of our unincorporated communities. Unlike cities, counties must create a regulatory scheme that is workable for both urban and rural areas. For example, King County's rural zoning allows residential development alongside many other types of uses. This flexibility is needed to support the diverse needs of our rural communities, but also means there is greater potential for conflict

among uses. We want our designated agricultural areas to be preserved primarily for long-term commercial food production, while allowing for some growing and processing of marijuana.

The general provisions of the attached zoning ordinance which will govern marijuana production, processing and retailing in unincorporated King County are as follows:

- Small marijuana-related businesses are likely to have fewer impacts and are allowed outright. Commercial scale operations are likely to have greater impact and will require a conditional use permit, which allows community input and an opportunity to tailor conditions to specific circumstances.
- Outdoor growing of limited scale is allowed in the Agriculture and Rural Area zones. This will allow farmers and residents who have an interest in obtaining a state license an opportunity to supplement their income without removing significant areas from food production, which is important to the health and vibrancy of all our communities.
- The type and scale of marijuana related businesses allowed in different zones are based on the purpose of the zone and the potential impacts of those businesses on the surrounding community. For example, larger processing facilities are allowed in the industrial zone, while no facilities are allowed in the Neighborhood Business zone.

A detailed summary of the proposed zoning ordinance is included in the transmittal package.

The Department of Permitting and Environmental Review (DPER) developed this proposed legislation in consultation with King County's Interbranch team on cannabis legalization policy, which was formed to coordinate our response across County agencies. In addition, DPER conducted a public outreach process which included four public meetings as well as outreach to community groups and marijuana industry representatives. The outreach process provided the public with an opportunity to review both an initial draft ordinance as well as a second draft ordinance. Drafts of the proposed ordinance were also posted to DPER's website.

In response to comments received during the public comment period, several changes were made to the zoning proposal. For example, marijuana-related businesses are excluded from the Neighborhood Business zone, which recognizes historic commercial areas and is intended to provide convenient daily retail and personal services for a limited service area. Additionally, the requirement for a conditional use permit for all marijuana-related businesses now applies only to commercial scale operations, rather than to all businesses.

The zoning ordinance does not include provisions governing medical marijuana collective gardens or medical marijuana dispensaries. The WSLCB and two other state agencies have just released draft recommendations for integrating the medical and recreational marijuana systems and will be making final recommendations to the Legislature prior to the 2014

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session. We will adjust our regulatory framework on medical marijuana as the approach at the state level evolves.

A SEPA Determination of Non-Significance (DNS) was issued by DPER on October 24, 2013. The associated comment period will close prior to final action by the County Council. A copy of the SEPA Checklist, DNS, and any comments received will be forwarded to the Council at the end of the comment period.

DPER requested Expedited Review from the Washington State Department of Commerce (Commerce) under the Growth Management Act on July 10, 2013. Commerce granted the request on July 30, 2013. There were no comments from Commerce or other state agencies.

The ordinance amending K.C.C. Chapter 2.16 addresses a provision of I-502 that gives county legislative bodies the authority to comment on state license applications and renewals. The ordinance would delegate this authority to the Executive. This proposal is consistent with our current practice for state liquor license applications. This ordinance is not subject to SEPA and does not require advertisement.

This legislative package furthers several King County Strategic Plan goals:

- Support safe communities and accessible justice systems for all with the objective of keeping people safe in their homes and communities.
- Encourage a growing and diverse King County economy and vibrant, thriving and sustainable communities with the objectives of shaping a built environment that allows communities to flourish and preserving the unique character of rural communities in collaboration with rural residents.
- Safeguard and enhance King County's natural resources and environment with the objective of encouraging sustainable agriculture.
- Establish a culture of customer service and deliver services that are responsive to community needs with the objectives of building a culture of performance and improving the effectiveness of county programs, services and systems.

If you have any questions about either of these proposed ordinances, please contact John Starbard, Director, Department of Permitting and Environmental Review, at 206-477-0382.

Thank you for your review and consideration of this important legislation.

Sincerely,



Dow Constantine
King County Executive

Enclosures

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cc: King County Councilmembers

ATTN: Michael Woywod, Chief of Staff

Anne Noris, Clerk of the Council

Carrie S. Cihak, Chief Advisor Policy and Strategic Initiatives, King County

Executive Office

Dwight Dively, Director, Office of Performance, Strategy and Budget

John Starbard, Director, Department of Permitting and Environmental Review