



King County

Dow Constantine

King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818

206-263-9600 Fax 206-296-0194

TTY Relay: 711

www.kingcounty.gov

February 8 2017

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

Dear Councilmember McDermott,

Through Ordinance 18326, the Council amended the County's marijuana regulations to address concentration of retail uses and to otherwise refine development regulations. As part of that legislation, the Council requested additional studies on marijuana-related land use activity in unincorporated King County. This letter presents initial findings from our preliminary research, raises issues for further discussion, and makes recommendations for moving forward.

The Council requested three studies:

- An initial study analyzing the potential for allowing marijuana uses in the Neighborhood Business (NB) zone, due in 2016;
- A second study analyzing the potential for allowing marijuana uses in the Urban Reserve (UR) and Rural Area-10 (RA-10) zones, due in 2017; and
- A third study describing the marijuana industry in King County and analyzing any impacts of retail stores and marijuana processors on the residents of unincorporated King County, due in 2018.

The Department of Permitting and Environmental Review (DPER) has conducted a considerable amount of research and analysis on the NB study, and preliminary analysis on the UR/RA-10 study. DPER has yet to initiate the third study. In the course of their work, some issues and additional questions have arisen.

For the NB study, the Council asked us to identify ten areas in unincorporated King County where marijuana retail may be appropriate, provided there were no more than two areas per Council district. However, given the limited amount of NB zoning, and in consideration of the current uses on some NB-zoned sites, our preliminary conclusion is that there are less than ten sites with NB zoning that are practically available for marijuana retail uses. Further, our analysis shows that if available NB sites were opened up for retail uses, it could result in further concentration of marijuana retail uses in some unincorporated communities.

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Due to the nature of the NB zone and the way it has developed in different areas of the County, a policy allowing marijuana retail in some NB areas and not on others would present challenges for implementation. More time for study and some public engagement with unincorporated area communities near NB zones would help us to explore this further.

For the UR/RA-10 study, the Council asked us to examine the appropriateness of the zones for additional marijuana uses. The UR zone was originally established as a low density holding area for growth phasing and eventual annexation to cities. The purposes of the UR zone include rural, agricultural, and low-density residential uses. Allowing retail commercial uses in these zones would present a significant shift in County policy. Additionally, as the UR-zoned areas tend to be in PAAs, consideration of such a change would benefit from consultation with cities to discuss pre-annexation agreements, joint land use planning, and infrastructure commitments.

As marijuana production and processing are already allowed in the RA-10 zone, it was not immediately clear which additional aspects the Council would like us to study. Further discussion with the Council on this issue would help refine the scope of our work.

In consideration of the issues raised above, and in light of the continuing evolution of the recreational marijuana market, I request that the Council grant a postponement of the NB and UR/RA-10 studies, and that they be included as part of the broader study of the marijuana industry due in 2018. The benefits of doing so include giving the recreational market more time to mature, and giving DPER more time to consider the County's regulatory approach comprehensively. This would also give us time to conduct public outreach to unincorporated communities, industry stakeholders, and regional partners.

I appreciate the Council's interest in creating a strong recreational marijuana market, ensuring medical access for qualified patients, and monitoring the evolution of the marijuana industry.

Should you have questions about this request, please contact John Starbard, Director, Department of Permitting and Environmental Review, at 206-477-0382.

Sincerely,



Dow Constantine
King County Executive

cc: King County Councilmembers
 ATTN: Carolyn Busch, Chief of Staff
 Melani Pedroza, Acting Clerk of the Council
Carrie S. Cihak, Chief of Policy Development, King County Executive Office
Dwight Dively, Director, Office of Performance, Strategy and Budget
John Starbard, Director, Department of Permitting and Environmental Review