

**City Council
COMMUNITY DEVELOPMENT COMMITTEE**

April 12, 2018 Meeting

The Community Development Committee met on April 12, 2018 with councilmembers Judy Williams, Rob Johnson, and Elizabeth Callaghan; as well as Ryan C. Larsen, Community Development Director. In addition Kathy Wooten and Tim Schmitt were also in attendance.

Senior Planner Amy Rusko reviewed and discussed the following items with the Committee.

1. Election of Chair

This item was postponed until the May 10, 2018 meeting

2. New Retail Recreational Marijuana Rules

City staff discussed the proposed rules relating to marijuana to the Committee. Below is a list of issues to discuss for Committee to discuss on recreational marijuana.

Number of Businesses

There are three types of potential I-502 businesses: Producers, processors and retailers. A retailer cannot be a producer or a processor, and a retail operation cannot take place in the same location as a producer or processor. However, a producer and a processor may co-locate in the same place.

There is no limit on the number of producers or processors that may choose to locate in a jurisdiction. The actual number in each jurisdiction will depend upon the number of applicants who meet the requirements of the WSLCB and the local jurisdiction.

The state has established a limit on the number of I-502 retail locations in each jurisdiction.

Location

One of the big changes to the rules is the allowance for reduce buffer setbacks. Under RCW 69.50.331 allows a city to reduce buffers from 1,000-feet to not less than 100-feet for recreation center or facility, child care center, public park, public transit center*, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older. Staff has produced a map showing recommended buffers in Attachment B.

* It should be noted the City currently does not have any public transit centers or game arcade admission to which is not restricted to persons aged twenty-one years or older.

Helpful RCW and WAC sections:

RCW 69.50.331

Application for license.

(8)(a) Except as provided in (b) through (d) of this subsection, the state liquor and cannabis board may not issue a license for any premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.

(b) A city, county, or town may permit the licensing of premises within one thousand feet but not less than one hundred feet of the facilities described in (a) of this subsection, except elementary schools, secondary schools, and playgrounds, by enacting an ordinance authorizing such distance reduction, provided that such distance reduction will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement interests, public safety, or public health.

(c) A city, county, or town may permit the licensing of research premises allowed under RCW 69.50.372 within one thousand feet but not less than one hundred feet of the facilities described in (a) of this subsection by enacting an ordinance authorizing such distance reduction, provided that the ordinance will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement, public safety, or public health.

(d) The state liquor and cannabis board may license premises located in compliance with the distance requirements set in an ordinance adopted under (b) or (c) of this subsection. Before issuing or renewing a research license for premises within one thousand feet but not less than one hundred feet of an elementary school, secondary school, or playground in compliance with an ordinance passed pursuant to (c) of this subsection, the board must ensure that the facility:

WAC 314-55-010

(4) "Child care center" means an entity that regularly provides child day care and early learning services for a group of children for periods of less than twenty-four hours licensed by the Washington state department of early learning under chapter 170-295 WAC.

(11) "Game arcade" means an entertainment venue featuring primarily video games, simulators, and/or other amusement devices where persons under twenty-one years of age are not restricted.

(26) "Public transit center" means a facility located outside of the public right of way that is owned and managed by a transit agency or city, county, state, or federal government for the express purpose of staging people and vehicles where several bus or other transit routes converge. They serve as efficient hubs to allow bus riders from various locations to assemble at a central point to take advantage of express trips or other route to route transfers.

(27) "Recreation center or facility" means a supervised center that provides a broad range of activities and events intended primarily for use by persons under twenty-one years of age, owned and/or managed by a charitable nonprofit organization, city, county, state, or federal government.

City staff created a map representing the 1,000 foot separation distances from such uses and the WSLCB has clarified that "The distance shall be measured as the shortest straight line distance from the

property line of the licensed premises to the property line of an elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, library or arcade where admission is not restricted to those age 21 and older". The map indicates that several locations may be viable to locate such facilities with the City.

Potential Impacts to City Services

State rules for I-502 regulate the majority of activities that are related to recreational marijuana businesses. I-502 does not specifically address impacts to City services such as traffic or utilities. However, I-502 prevents waste disposal from entering public utilities and specifically regulates how waste shall be transported from the facility to another location.

For the purposes of water and sewer use staff recommends that potential regulations include that applicants for marijuana producers and processors provide calculations estimating water and sewer use. By receiving an estimate of water and sewer use, and with the knowledge that waste is strictly controlled, the City can be better assured that the review and associated fees will be based on overall demand. For the purposes of water and sewer use, retail businesses would not be required to provide an estimate of water and sewer use. Instead the City would utilize existing Equivalent Residential Unit Calculations for retail businesses to determine the appropriate sanitary sewer General Facilities Fee.

For traffic impacts staff recommends using existing traffic impact fees for producers and processors due to the limited visitors to these operations, such as manufacturing uses and existing tables for retail sales of marijuana.

Odor

Marijuana can and does produce an odor during its life cycle. Some cities have taken the approach to regulating this through the new regulations within the proposed recreational marijuana regulations. They have accomplished this by considering the smell to be a nuisance and regulating for the installation of ventilation within the facility.

Other Topics

Another question is to where to permit these types of facilities. Staff is suggesting allowing producers and processors within the Light Industrial and General Industrial zones and then to allow retail use within the Mainstreet Business I and II and in the General Commercial zones. Some cities are allowing for the retail use within industrial type zones and not allowing them within any of their retail zones. Also, we are suggesting to make them a permitted use with the zone.

The final area staff would like to draw attention to is that staff is proposing to have all marijuana uses located within a closed facility. This would assist in ensuring greater protection of the facility.

So, staff has drafted a set of rules that allow for the retail sale of marijuana as well as producers and processors in the City.

Here are a few highlights from the set of rules:

- Marijuana retailers may not locate within one thousand feet of any parcel containing an elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.
- Marijuana retailers may not locate within two thousand five hundred feet of any other legally established marijuana retailer whether said marijuana retailer is within the City limits or not.
- Customer parking for marijuana retailers must be on the public street side of the structure.
- Vehicular access to the parking lot for a marijuana retailer shall be from the public street frontage and may not be from an alley
- Marijuana retailers shall not be allowed on any parcel that is contiguous to a parcel containing residential use
- The Community Development Director shall have the authority to require improvements
- The front facade of marijuana retail stores shall consist of storefront window(s), doors, and durable, quality building materials consistent with the design standards of the zone in which the property is located.
- Design standards could apply if located in a zone that does not have them.
- The maximum number of retail marijuana stores allowed in the City of Stanwood shall not exceed two.

The Planning Commission at their public hearing on March 26, 2018 reviewed language for only allowing retail marijuana sales in Stanwood and did not consider any language around processing and/or production of marijuana. Again, at the public hearing a majority of individuals who spoke, spoke in opposition to allowing retail marijuana sales.

One of the biggest topics discussed surrounded a potential location for a retail shop. Many of the speakers expressed concern that the retail shop would end up on mainstreet zoning (MB I or MB II). Some speakers suggested limiting a potential retail shop to the industrial zone(s) rather than downtown if the retail shop was going to be permitted by Council. Also, there was concerns over potential sign size and location as well as potential color of the building. Council could consider listening to the public on this matter then make any suggested edits prior to having first reading of the ordinance. Staff has provided two recommended motions to consider.

The Committee felt at this time the Council should consider potential other locations within the City to allow for retail marijuana outside of the MB I or MB II zones.

3. Miscellaneous Code Edits to Title 16 and Title 17

City staff provided the Community Development Committee with a list of proposed edits staff would like to move forward with to the Planning Commission for review and consideration. Topics include: Final Plat changes; LI and GI zoning purpose statement, Park Open Space changes, separating and making separate ordinances for Parks, Traffic, and Fire Impact Fee, monument signage, edits to reconsideration for hearing examiners decision, and potential need for additional changes to the cell tower rules.

Also, City staff discussed section 17.95.455 Street standards of the PRD code with the Committee. Staff discussed whether or not temporary cul-de-sacs would be permitted under the code section. The Committee ask staff to bring something forward to consider for the Planning Commission.

17.95.455 Street standards.

PRDs shall be subject to the street and utility standards (Chapter 14.14 SMC), with the following exceptions:

- (1) All PRDs shall provide through-streets to streets. Cul-de-sacs, hammerheads, and other dead-ends shall not be permitted.
- (2) Cottage PRDs may propose alternate street sections for approval by the public works director.
- (3) The public works director may require provisions for future connections to adjoining developments. (Ord. 1356 § 23, 2013; Ord. 1164 § 4, 2004).

The Community Development Committee supported moving these edits forward to the Planning Commission.

4. Mineral Point Phase II – Final Plat

City staff discussed the proposed Mineral Point Phase II Final Plat to the Committee. The plat of Mineral Point was preliminarily approved for 69 new single family residential lots on approximately 19.92 acres. The property fronts 68th Avenue NW to the west and abuts Cederhome Elementary to the north. The Comprehensive Plan designation for the site is LDR – Low Density Residential and zoned SR 9.6 at the time of application. The plat of Mineral Point was split into three phases. The first phase, Mineral Point Phase I (20 lots) is complete. The second phase, Mineral Point Phase II consists of the next 32 lots.

City staff has reviewed the submittal documents for Mineral Point Phase II. The first paving and utility improvements have been completed for Phase II. The final plat is waiting for the sewer lift station to be built per City specifications. Community Development and Public Works Departments are waiting for the sewer lift station to be completed prior to signing the final plat documents. Based on staff review, the applicant has completed all other applicable conditions of the preliminary plat approval. Any conditions to be completed prior to building permit issuance and other restrictions are identified on the face of the plat map.

The applicant will need to submit the necessary bonds, performance bonds and as-built drawings that are satisfactory to both Public Works and Community Development, prior to the final plat signatures. Upon approval of by the City Council, the Mayor will sign the final plat along with city staff. The final plat

will be returned to the applicant to record with the Snohomish County Auditor. Also, the applicant has provided the necessary bonding for installed improvements.

Chair