



PLANNING COMMISSION AGENDA

Regular Meeting Date: 06.21.2017

Planning Commission Meeting:

First Wednesday of every Month @ 7:00pm

Planning & Community Development Department

1812 Main Street
Lake Stevens, WA
98258 (425) 377-3235

www.lakestevenswa.gov

Municipal Code

Available online:

www.codepublishing.com/WA/LakeStevens/

- **CALL TO ORDER: 7:00pm**
Pledge of Allegiance
- **ROLL CALL**
- **GUEST BUSINESS**
- **ACTION ITEMS**
1. Approval of May 17, 2017 minutes
- **DISCUSSION ITEMS-I 502 Briefing** Director Russ Wright
- **COMMISSIONER REPORTS**
- **PLANNING DIRECTOR'S REPORT—**
- **ADJOURN**

SPECIAL NEEDS

The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact Steve Edin, City of Lake Stevens ADA Coordinator, at (425) 377-3227 at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service,

PLANNING COMMISSION REGULAR MEETING MINUTES

Community Center
1808 Main Street, Lake Stevens
Wednesday, May 17, 2017

CALL TO ORDER: 7:00 pm by Chair Jennifer Davis

MEMBERS PRESENT: Chair Jennifer Davis, Vicky Oslund, Tracey Trout, Karim Ali, Janice Huxford, Brett Gailey

MEMBERS ABSENT: Linda Hoult

STAFF PRESENT: Community Development Director Russ Wright, Associate Planner Dillon Roth and Clerk Jennie Fenrich

OTHERS PRESENT: none

Excused Absence: Commissioner Huxford made a motion to excuse Commissioner Hoult Commissioner Trout 2nd. Motion carried 6-0-0-1.

Guest business: None

Action Items: The minutes were approved for the April 5, 2017 as submitted. Commissioner Trout made a motion to approve minutes and Commissioner Ali 2nd. Motion passed 6-0-0-1.

Discussion items- Associate Planner Dillon Roth gave the commission a briefing on Permissible Use Codes. There have been two applications to change code in Local Business Zone, Chapter 14.40. The first one is to allow car washes in LB Zone if the business is located next to a State Highway. The second proposal is to have storage units along State Highways. Discussion followed. Planning department is looking for direction on review process for the Citizen request to have inside/outside storage facility, specifically Huber property on HWY 204. The Planning Commission was fine moving the car wash amendment forward. After discussion, the Planning Commission concluded the storage unit request did not meet the Comprehensive Plan and the city's vision of the Local Business Zone.

Commissioner Reports:

Commissioner Ali has been fielding questions regarding new businesses coming to town. Director Wright responded that no applications have been made but did note the city is working with national developers to promote the 20th Street Corridor. Commissioner Huxford was asked to be a part of Women in Business Forum and stated the City of Lake Stevens was well represented, Commissioner Trout attended the Design Review Board Meeting and encourages the commission to take a look at the developments going in, especially near the Trestle Station. Chair Davis feels there is a disconnect between the Growth Management Act and density requirements and suggested we let the community know more of what is planned, She also reported the 5-Rights Brewery is looking great and this will be a great addition to the City.

Director Report: Community Development Director Wright shared that City has

completed the Downtown Subarea Plan meetings and a draft proposal is being drawn up. The environmental impact study is underway and could be adopted by fall. North Cove Park plans are moving forward and invited all to a June 20th public meeting regarding park plans. Mr. Wright commented he knew there was a lot of anxiety in the community about development. He encouraged the commissioners to spread the word that there is a vision on how we are growing and that we are under mandate to regulate the growth.

Adjourn: Motion by Commissioner Oslund to adjourn Commissioner Gailey2nd. Motion carried 6-0-0-1. Meeting adjourned at 8:17 p.m.

Jennifer Davis, Chair

Jennie Fenrich, Clerk,
Planning & Community
Development

DRAFT



Staff Report
City of Lake Stevens Planning Commission

Planning Commission Briefing
Date: **June 21, 2017**

Subject: **Recreational Marijuana Regulations (LUA2017-0083) – Briefing**
Contact Person/Department: **Russell Wright**, Community Development Director

BACKGROUND/HISTORY:

Washington state voters approved Initiative Measure No. 502 (I-502) November 6, 2012 to legalize the production, processing, sale and use of marijuana and marijuana products, purchased from state licensed stores. The Liquor and Cannabis Board (AKA Liquor Control Board) prepared state rules to implement I-502 as Chapter 314-55 of the Washington Administrative Code (WAC). The Lake Stevens City Council adopted local regulations related to the siting and administration of marijuana facilities and uses on February 10, 2014 and amended rules on May 10, 2016.

LSMC 14.40.090 – Table 14.40-I allows the retail sale of marijuana in the Light Industrial and General Industrial zoning districts and LSMC 14.38.020(b)(4) allows the same in the Commercial District. LSMC 14.44.097(f) restricts marijuana sales to a single location.

LSMC 14.44.097(f) Size and Number.

- (1) State-licensed marijuana producers will be limited in size to Tier 2 production facilities, pursuant to WAC [314-55-075](#).
- (2) The maximum amount of space allotted for State-licensed marijuana production will be limited to 70,000 square feet Citywide.
- (3) A marijuana retailer will be limited in size to 1,000 total square feet or less including sales, storage, office and other incidental spaces.
- (4) The total number of marijuana retailers shall be one.

Earlier this year, City Council indicated that it was willing to re-examine marijuana retail limitations based on public comment. On May 05, 2017, the City received a citizen-initiated application (Attachment 1) to amend the municipal code to allow a second retail location, which is the current state allocation for marijuana facilities in Lake Stevens and supporting narrative that describes compliance with the comprehensive plan, growth management act and state law (Attachment 2). If approved, Subsection (f)(4) above would be modified to read, **“The total number of marijuana retailers shall be per the current state allocation.”** No other changes to the city’s marijuana regulations are proposed.

NEXT STEPS:

1. Issue an environmental determination;
 2. Hold a public hearing; and
 3. Provide a recommendation to City Council.
-

ATTACHMENT:

1. Application
2. Narrative



Planning and Community Development
 1812 Main Street, P O Box 257
 Lake Stevens WA 98258
 Phone Number (425) 377-3235

To Be Completed By Staff
 Date of Application: _____
 Staff Initials: _____
 Permit Number: LUA.2017-0083

**TYPE IV, V AND VI - COUNCIL DECISIONS
 LAND USE DEVELOPMENT APPLICATION**

CHECK ONE

<p>TYPE IV – Quasi-judicial</p> <p><input type="checkbox"/> Essential Public Facility</p> <p><input type="checkbox"/> Planned Neighborhood Development</p> <p><input type="checkbox"/> Rezone – Site Specific Zoning Map Amendment</p> <p><input type="checkbox"/> Secure Community Transition Facility</p> <p><input type="checkbox"/> Type IV Other: _____</p>	<p>TYPE V – Quasi-judicial</p> <p><input type="checkbox"/> Final Plats</p> <p><input type="checkbox"/> Plat Alterations</p> <p><input type="checkbox"/> Plat Vacations</p> <p><input type="checkbox"/> Right-of-Way Vacations</p> <p><input type="checkbox"/> Type V Other: _____</p>	<p>TYPE VI – Legislative</p> <p><input type="checkbox"/> Comprehensive Plan Amendment, Map and Text</p> <p><input type="checkbox"/> Development Agreements</p> <p><input checked="" type="checkbox"/> Land Use Code Amendments</p> <p><input type="checkbox"/> Rezones – Area Wide Zoning Map Amendments</p> <p><input type="checkbox"/> Type VI Other: _____</p>
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ARE ANY LOWER LEVEL PERMITS REQUIRED? Yes No Describe: _____

Property Information	Site Address: <u>909 Frontage RD. Lake Stevens WA, 98258</u>			
	Assessor Parcel No: <u>0180000201</u>	Area of property	Square Feet: <u>2640</u>	Acres: <u>0.53</u>
	Land Use Designation: <u>Retail</u>		Zoning:	
	Number of Buildings on Site/: <u>1</u>		Number to be Retained: <u>1</u>	
	Existing Impervious Surface Area:		Proposed Impervious Surface Area:	
Applicant	Name/Company: <u>SMP Retail LLC</u>			
	Address: <u>PO Box 1429</u>		City/State/Zip: <u>Lake Stevens WA, 98258</u>	
	Phone: <u>425-471-0283</u>		Applicants relationship to owner:	
	Fax:		Email: <u>SMPreder@gmail.com</u>	
Primary Contact	Name/Company: <u>Shawn Preder</u>			
	Address: <u>PO Box 1429</u>		City/State/Zip: <u>Lake Stevens WA, 98258</u>	
	Phone: <u>425-471-0283</u>		Email: <u>SMPreder@gmail.com</u>	
	Fax:			

Property Owner	Name/Company:				
	Address:		City/State/Zip:		
	Phone:		Email:		
	Fax:				
Project Description	Grading Quantities		Cut:		Fill:
	Proposed project/land use (attach additional sheets if necessary):				
	USE EXISTING SPACE FOR RETAIL				
Building Information	Gross Floor Area of Existing and Proposed Buildings:				
	Bldg 1: 2640	Bldg 2:	Bldg 3:	Bldg 4:	Bldg 5:
	Gross Floor Area by Use of Buildings (please describe use as well as floor area):				
	Use 1: 2640				
	Use 2:				
	Use3:				
	Use4:				

You may not begin any activity based on this application until a decision, including the resolution of any appeal, has been made. Conditions or restrictions may be placed on your permit if it is approved. After the City has acted on your application, you will receive notice of the outcome. If an appeal is filed, you may not begin any work until the appeal is settled. You may also need approvals from other agencies; please check this before beginning any activity.

This application expires 180 days after the last date that additional information is requested (LSMC 14316A.245)

If you suspect that your site contains a stream or wetland or is adjacent to a lake, you may need a permit from the state or federal government.

I DECLARE UNDER PENALTY OF THE PERJURY LAWS THAT THE INFORMATION I HAVE PROVIDED ON THIS APPLICATION IS TRUE, CORRECT AND COMPLETE.



Signature of Property Owner/Agent



Date of Application

By affixing my signature I certify that I am the legal owner of the property for which this application is issued or an authorized agent of the owner.



Planning and Community Development
1812 Main Street, P O Box 257
Lake Stevens WA 98258
Phone Number (425) 377-3235

To be completed by staff

Date of Application: _____
 Staff Initials: _____
 Permit Number: _____

STATEMENT OF OWNERSHIP/APPLICANT AUTHORITY

I certify or declare under penalty of perjury under the laws of the state of Washington that:

1. This application is authorized by all the land owners with authority to bind the land/property;
2. That the developer is operating under the landowner's authority;
3. That the developer and/or landowner is either an individual or a duly formed and qualified corporation, partnership, or other legal entity; and
4. That the person signing all applications or other legal documents is authorized by the legal entity and/or landowner to do so; and
5. That the application and submittals are true and correct to the best of my information.

Applicant
Signature: Shawn Preder

Name: Shawn Preder

Address: 2523 85th AVE NE
Lake Stevens WA 98258

Phone: 425-471-0283

Email address: Sh.Preder@gmail.com

Property Owner(s)
Signature: Heidi A Groome

Name: Heidi A Groome, Manager

Address: 9612-137th St NE
Arlington WA 98223

Phone: 425 239 6506

Email address: heidig@washtruck.com

Signature: _____

Name: _____

Address: _____

Phone: _____

Email address: _____

on behalf of Esart, LLC

NOTE ON ENTERING PROPERTY

The City of Lake Stevens may enter onto the property, which is the subject of this application during the hours of 7:00 a.m. to 5:00 p.m., Monday – Friday, for the sole purpose of inspecting the limited area of the property, which is necessary to process this application. In the event the City determines that such an inspection is necessary during a different time or day, the City employees or agents will contact applicant verbally or in writing at least 24 hours before entering.

LEGAL DESCRIPTION

Parcel # 00518000000201
Montlake Plat of BIR 000 D-01 - That Portion Lots 2
and 3 DAF - Beg. at S ELY COR SD LOT 3 TH N89° 40'00"
W 40.07 FT TO ELY MGN SEC 5/HY 1-A SR 9 TH
N24°00'22" W ALG SD ELY MGN 208.45 FT TH CONT
ALG SD MGN N07°16'52"



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File No. LUA2017-0083
Narrative Statement

Introduction

Mr. Shaun Preder (Mr. Preder) is an experienced cannabis entrepreneur who has been involved in I-502 since the Washington State Liquor and Cannabis Board (WSLCB) began taking applications in 2013.

In addition to running successful stores in Wenatchee and Tacoma, Mr. Preder has an exemplary record with WSLCB as relates to following the administrative guidelines in Washington Administrative Code 314-55 et seq.

Mr. Preder's experience in Wenatchee and Tacoma has provided him with the important and unique experience of working with a small, local government concerned about the health, welfare, and safety of its residents. Mr. Preder understands that listening to and working with local governments is of vital importance to the communities in which he does business.

However, Mr. Preder understands that every locale is a bit different. At his request, we have reviewed Lake Steven's Comprehensive Plan (LSCP). Mr. Preder has taken it upon himself to explain, in detail, how his business intent will be compatible with the goals of the LSCP.

While he is our client, it is clear to us that he is willing and eager to work with Lake Stevens to ensure the goals of his business and the community are in alignment. We believe you will strongly agree with our assessment.

In support of the proposed municipal code amendment to increase the number of marijuana retailers, we specifically will address whether Mr. Preder's plan is (1) consistent with the adopted Lake Stevens Comprehensive Plan; (2) compliant with the Growth Management Act; and (3) serves to advance public health, safety and welfare.

Mr. Preder's plan is consistent with Lake Stevens Comprehensive Plan (LSCP)

Mr. Preder understands and appreciates Lake Stevens's goal to maintain a vibrant sustainable community that provides a positive development atmosphere and maintains a strong community image with excellent schools and neighborhoods.

The Importance of Experience in a Regulated Industry

A community's vibrancy is depends upon its diversity, and the diversity of businesses it offers. While it may be unreasonable to expect everyone to accept Washington's cannabis experiment, we can all agree that, if cannabis is going to be consumed by the residents of Lake Stevens (as must be beyond doubt), then any such activity must be undertaken in a highly regulated fashion to ensure the image of Lake Stevens is enhanced by virtue of allowing additional cannabis retailers.



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Mr. Preder is uniquely suited to this goal, because he has a positive administrative record, a fantastic working relationship with WSLCB, and the core know-how and key, compliance affiliates to make sure his businesses follow the rules.

The Importance of a Fair Wage and Opportunities to Advance

Mr. Preder is also aware of Lake Stevens focus on responsible sustainability that is manifested through environmental protection, conscientious community development and sound economic policy, and is excited to open a business that will provide a job at a fair wage to individuals that might otherwise struggle to find employment in the current economic environment.

Retail positions such as those offered by Mr. Preder are generally considered entry level positions that do not require advanced education. However, these positions typically pay better than other, non-cannabis retail operations, and most certainly offer better opportunities for advancement in a new field. Unlike many of the “big box” retail stores that come to small, local communities with the intent of exploiting low-skilled labor, Mr. Preder’s business model is one that relies upon low turnover, fostering strong staff relations, and making sure employees economic, as well as personal, needs are met.

Consistency with Community Goals

Lake Stevens residents’ responses to a community survey lend further support to expanding the retail, cannabis licenses in the city, particularly for Mr. Preder.

Retail businesses were identified as a priority for Lake Stevens, alongside high end tech and professional office jobs. Mr. Preder’s business is the sale of retail cannabis, and therefore meets that definition. However, there is an even more important point related to Lake Stevens’s goals of attracting more tech-based employees.

While the sale of cannabis is not directly tied to the technological sector, there are strong overlaps, and many of the most recently successful tech startups, including Leafly, Biotrack, and Greenbits, are all multi-million dollar companies exclusively servicing the cannabis commerce sector.

Additionally, one fact is quite clear. Broadly speaking, the individuals working in these sectors are younger professionals that tend to strongly support and consume cannabis. If Lake Stevens wants to attract the sorts of companies and individuals associated with the “new economy” then Lake Stevens should embrace cannabis as part of that the new economy. Lake Stevens’s expansion of the cannabis experiment sends a strong message that it’s a dynamic, flexible, community willing to consider common sense changes that grow its economy in a safe manner.

Finally, Lake Stevens has a vision for economic development that includes a sustainable local economy by supporting a varied job sector for residents, promoting excellent shopping and service options, providing a stable and predictable permitting process, and fostering accountable government oversight of public funds, because 25% of survey respondents indicated economic development (increased shopping and jobs) should be a priority, followed by public services over the next 20 years.



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With this in mind, Lake Stevens should allow for more competition amongst its cannabis purveyors, because competition is the best way to ensure the residents of Lake Stevens have access to the most compliant, friendly, and successful retail cannabis stores possible.

Excellent Schools and Neighborhoods

One might reasonably ask themselves, “How does allowing for the retail sale of cannabis improve our schools, neighborhoods, and community?” This is a fair question that we will answer directly.

The residents of Lake Stevens have every right and reason to be proud of their community, and part of this pride must surely extend to the goal of ensuring a drug free environment in schools, playgrounds, and the many children of the neighborhoods within the community, generally.

In considering allowing additional retail, cannabis businesses, Lake Stevens is actually asking a tremendously important question: What is the *best* way to keep our children safe?

All of the data available so far suggests one very clear conclusion: legalized cannabis makes the community safer, because drug dealers don’t check for identification.

Mr. Preder and his trained, experienced staff *do* check for identification, because the state requires him to, and because he is a committed business person operating in the light of day with a track record of operational compliance.

Mr. Preder is able and willing to work with the local community and address the concerns of the community in a manner that would be inconceivable for the average black market drug dealer. Mr. Preder believes, and hopes Lake Stevens agrees, that the answer to a safer community with great schools, parks, and playgrounds is regulations that were passed by voters that share these same concerns.

Other Benefits

Mr. Preder’s plan will also include these benefits:

- Excise tax will be a critical financial injection to the city (direct economic growth).
- Valid expectation that other business establishments will see an increase in traffic after another retail location is added (specifically restaurants).
- Fosters government accountability in the sense that approving the amendment would show that the City Council’s top priority is the growth and progression of Lake Stevens.



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Mr. Preder's Plan is Compliant with Growth Management Act

What is the GMA?

The Washington State Growth Management Act (GMA) requires state and local governments to manage Washington's growth by identifying and protecting critical areas and natural resource lands, designating urban growth areas, preparing comprehensive plans, and implementing them through capital investments and development regulations.

The Legislature found that uncoordinated and unplanned growth poses a threat to the environment, sustainable economic development, and the high quality of life enjoyed by residents of the State. The GMA requires counties of a certain size and growth rate, and the cities within them, to adopt comprehensive plans and development regulations which are guided by 14 goals:

1. Focus urban growth in urban areas
2. Reduce sprawl
3. Provide efficient transportation
4. Encourage affordable housing
5. Encourage sustainable economic development
6. Protect property rights
7. Process permits in a timely and fair manner
8. Maintain and enhance natural resource-based industries
9. Retain open space and habitat areas and develop recreation opportunities
10. Protect the environment
11. Encourage citizen participation and regional coordination
12. Ensure adequate public facilities and services
13. Preserve important historic resources
14. Goals and Policies of the Shoreline Management Act

Cannabis generally and Mr. Preder's business specifically are totally compatible with each and every one of these goals, because of our shared vision for sustainable economic development. Mr. Preder is proud that cannabis licensed businesses direct funds towards cities like Lake Stevens, which allow the taxes generated by owners such as Mr. Preder to advance all of the above goals.

Further, legalized cannabis is good for the environment, because it eliminates illegal grows that often occur on public lands, and pose threats of fire, pollution, and other spoliation of our state's natural beauty. Mr. Preder is legally required to avoid purchasing from any company that fails to adhere to the various administrative requirements of the WSLCB, which include a very specific and highly regulated requirement around pesticide use. *See* WAC 314-55-084. Obviously, black market operators are neither interested nor able to ensure their operations are similarly sustainable.



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Mr. Preder's Plan Serves to Advance Public Health, Safety and Welfare of Lake Stevens

Washington's Voters Correctly Decided Federal Prohibition is a Failed Policy

Lake Stevens has a duty to see to the health, safety, and welfare of its community. Lake Stevens clearly understands that part of that responsibility considering new approaches to that all important goal.

About five years ago, Washington's voters resoundingly decided that the policies of the last century have failed to keep us safe, and those pioneers of the cannabis industry are committed to a new direction: participation in a state system designed to regulate the sale of cannabis to adults in a way that maximizes the health and safety of Washingtonians and to controls the cannabis industry to further public health objectives.

Washington state, and the WSLCB, have brought together representatives from all communities and backgrounds and the result is an agenda that protects children and consumers by encouraging "seed to sale" tracking, and eliminates black market "diversion."

This agenda undermines the black market scourge of our communities. Reliance on responsible individuals who have been vetted by the state, (with help from the Federal Bureau of Investigation) decreases the likelihood that children will be approached by unregulated drug dealers.

Conclusion: Understanding the Real Policy Implications

Lake Stevens should expand the number of cannabis licenses, because doing so is (1) consistent with the adopted Lake Stevens Comprehension Plan; (2) compliant with the Growth Management Act; and (3) serves to advance public health, safety and welfare, as well as the broad legislative goals, and community aspirations these above items represent.

Ultimately, the question of whether to expand cannabis operations within Lake Stevens is a complex and multifaceted decision. However, one point is critical for the city to properly understand the choice it faces in deciding to expand the current number of cannabis licensees.

The choice is not about how much cannabis will be allowed to be sold within the city, because, unfortunately, the black market ensured that goal is unachievable. Indeed, the federal government, with virtually unlimited resources and half a century of implementation failed to achieve any success whatsoever. While reasonable minds may disagree with cannabis use, the failure of prohibition is not up for debate among those who have objectively reviewed the evidence to include a majority of Washintonians.

The true question presented to the community is *who* the community would like to see service this demand, and to what degree such individuals are able or willing to work with the city to pursue its highly important goals.



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The choice is between a drug dealer who will not employ anyone, not pay wages, not check identification, not share any profits with the local government, and who will not be bothered to ensure young children do not have access to cannabis. Rest assured that every individual in this category in Lake Stevens is hoping that the city denies Mr. Preder's request.

Alternatively, Lake Stevens may look to someone who willingly submitted to and successfully passed a FBI criminal background check in order to pursue a lawful state business in an open and transparent fashion. Lake Stevens may also understandingly look for someone who is experienced in operating multiple compliant state-licensed retail cannabis stores.

Lake Stevens has the opportunity to work with someone who is committed to this goal, excited to work with the community and become a part of it, while providing economic opportunities, ensuring its children are kept safe, and generating tax revenues to make sure its neighborhoods, parks, and playgrounds remain pristine.

Lake Stevens can and should look to the future, and insist that, if cannabis sales cannot be avoided, then they should be highly regulated and proceed in a manner that is consistent with the goals of the community. For these reasons, we request that you approve the addition of more licenses to Lake Stevens, and particularly the application of Mr. Shaun Preder.