



PLANNING COMMISSION AGENDA

Regular Meeting Date: December 4, 2013

Planning Commission
Meeting:

First Wednesday of every
Month @ 7:00pm

Community Center
1808 Main Street
Lake Stevens, WA 98258
www.lakestevenswa.gov

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/

- A. CALL TO ORDER: 7:00pm**
Pledge of Allegiance
- B. ROLL CALL**
- C. GUEST BUSINESS**
- D. ACTION ITEMS**
 - 1. Approval of November 6, 2013 Meeting Minutes**
- E. DISCUSSION ITEMS**
 - 1. Recreational Marijuana Regulations (LUA2013-0096) - Briefing (Russ)**
- F. COMMISSIONER REPORTS**
- G. PLANNING DIRECTOR'S REPORT**
 - 1. Boat Launch Maintenance**
 - 2. Update on 2013 Comprehensive Plan Docket**
- H. 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, at (800) 833-6388, and ask the operator to dial the City of Lake Stevens City Hall number.

PLANNING COMMISSION PUBLIC HEARING MINUTES

Community Center
1808 Main Street, Lake Stevens
Wednesday, November 6, 2013

CALL TO ORDER: 7: 00 pm by Chair Huxford

MEMBERS PRESENT: Chair Janice Huxford, Vice-Chair Gary Petershagen, Linda Hoult, Pam Barnet, Tom Matlack and Sammie Thurber

MEMBERS ABSENT: Jennifer Davis

STAFF PRESENT: Planning Director Rebecca Ableman, Principal Planner Karen Watkins, Senior Planner Russ Wright and Planning/Public Works Coordinator Georgine Rosson

OTHERS PRESENT: Chair Huxford welcomed the following members of the public:
Mirza Avdic
Bill Barnet

Excused Absence: Commissioner Hoult motioned to excuse Commissioner Davis, Commissioner Thurber second, motion passed 6-0-0-1.

Guest Business: None

Action Items:

Approval of Minutes from October 2, 2013: Commissioner Barnet motioned to approve minutes, Commissioner Thurber second, motion passed 4-0-2-1. Chair Huxford and Commissioner Hoult abstained.

Public Hearing:

Staff Presentation: 2013 Comprehensive Plan Amendments (2013 Docket) and Code Housekeeping Amendments – Final Review and Recommendation - Principal Planner Karen Watkins and Senior Planner Russ Wright:

Principal Planner Watkins explained, under the Growth Management Act, the city is allowed to amend the Comprehensive Plan and Future Land Use Map once per year, with a few exceptions. This process is called the “Docket”. This year’s docket has one map correction proposed by the City, seven text amendments proposed by the City, and Code Housekeeping Amendments. The Planning Commission held a public hearing for recommendation to ratify the 2013 Docket on June 19, 2013. City Council ratified the 2013 Docket on July 8, 2013. Placeholders for the downtown framework plan were removed (RM-2 and RT-2) because this was not approved this year. In addition, RT-8 was an open item to allow the City Council to add any additional items to the Docket. During review of the Park Plan, it was determined that park projects need to be added to Chapter 8, Capital Facilities Element.

All Comprehensive Plan and code proposals meet requirements for granting approval of the proposed amendments. Planner Watkins briefly discussed each comprehensive plan amendment, highlighting the six criteria listed in the Comprehensive Plan to grant or deny a Plan amendment, and pausing for questions at the end of each amendment. Senior Planner Wright presented Text Amendment T-3, which is the code amendment to replace Parks, Recreation and Open Space Element (Chapter 5). Planner Wright highlighted the major changes to the Park Plan, including level of service, survey results, and updated goals and policies. Planner Wright also presented text amendment T-8, which is a proposal for text changes to the Capital Facilities Element, adding a Joint Planning Project with Snohomish County for Cavalero Hill Park and adding additional projects related to the updated Parks and Recreation Plan.

Principal Planner Watkins finished with the comprehensive plan amendments and moved on to the Code Housekeeping Amendments. The Housekeeping Amendments correct minor code errors and revisions found during code implementation and update code to be consistent with the GMA Comprehensive Plan. Planner Watkins highlighted a few of the changes, including removing the board of appeals from the Building and Construction Code and adding that appeals will be made to the Hearing Examiner. Commissioner Matlack asked if any of the changes affected density, intensity or permitted uses. Planner Watkins responded none of the changes affects those things. Vice-Chair Petershagen asked if there had been any comments from the public, Planner Watkins responded there have been no comments from the public. Planner Watkins mentioned there would be two separate recommendations to council.

Close Public Hearing for 2013 Comprehensive Plan Amendments (2013 Docket) and Code Housekeeping Amendments – Final Review and Recommendation:

Commissioner Hoult motioned to close the public hearing portion of the meeting, Commissioner Barnet second, motion passed 6-0-0-1.

Commission Action for 2013 Comprehensive Plan Amendments (2013 Docket) – Final Review and Recommendation:

Commissioner Hoult motioned to recommend to Council approval of one map correction and seven Comprehensive Plan text amendments as presented by staff, second by Commissioner Thurber, motion passed 6-0-0-1.

Commission Action for 2013 Code Housekeeping Amendments – Final Review and Recommendation:

Commissioner Hoult motioned to recommend to Council approval of Code Housekeeping amendments as presented by staff, second by Commissioner Barnet, motion passed 6-0-0-1.

Discussion Items: None

Commissioner Reports:

Commissioner Hoult has a greater appreciation and praise for the city. She has been working with the City of Seattle, and she really appreciates how easy it is to work with the City of Lake Stevens.

Vice-Chair Petershagen asked again about who is responsible for maintaining the boat launch. Planning Director Ableman responded the city is responsible for maintaining the boat launch. Mr. Petershagen asked if there is a maintenance schedule, Director Ableman said she would check into this and get back to him. Chair Huxford mentioned there was a noticeable negative difference in the condition of the boat launch from the beginning to the end of summer this year. Chair Huxford also mentioned the theme for the 2014 Aquafest will be an "All American Aquafest, United We Lake", and the Grand Marshall will be Bill Iffrig of Boston Marathon fame.

Commissioner Barnet mentioned the Design Review Board's last meeting was long, but it is gratifying to see growth beginning to happen along 20th St SE. Commissioner Matlack mentioned that Snohomish County is beginning their Comprehensive Plan update; they are looking at three alternatives. Mr. Matlack has signed up to be a party of record. He also mentioned an article in The Herald regarding the City of Wenatchee invoking a small clause related to federal laws to keep marijuana out of the city. Planning Director Ableman responded staff has drafted marijuana regulations that have gone before council, and will go before council again next week. The city is working with neighboring jurisdictions to align our regulations. The Commissioners will see draft regulations in December with a public hearing in January. Commissioner Barnet asked if the city has received any applications for retail outlets, Ms. Ableman responded the city has received one business license application, but it was denied. Commissioner Matlack asked which agency would screen applications, Ms. Ableman responded both the state and the city would review applications, but currently the city is under a moratorium.

Planning Director's Report:

Planning Director Ableman acknowledged Senior Planner Wright for his phenomenal job on the Park Plan Update. This update will allow the city to prioritize where dollars need to be spent and enable the city to apply for grants. Ms. Ableman also acknowledged Principal Planner Watkins for her work on the docket and noted Ms. Watkins is leaving the City for San Bernardino County, California. The Commissioners all wished her well. The Design Review Board heard three projects at their last meeting: an addition to Tom Thumb grocery, a proposed 20th Street Market and Deli new business, and a 70-lot subdivision at 1525 - 99th Ave SE. Ms. Ableman stated she is also following the Snohomish County comprehensive plan update, specifically how it might affect the City's UGA. Commissioner Matlack asked about an upcoming public hearing before the Hearing Examiner. Ms. Ableman responded the public hearing is for the S & G Development, a 70-lot plat at 1525 - 99th Ave SE and the Bayview Development, an 18-lot plat at 927 - 79th Ave SE.

Adjourn. Commissioner Houlton motioned to adjourn at 7:30 p.m., Vice-Chair Petershagen second, motion passed. 6-0-0-1.

Janice Huxford, Chair

Georgine Rosson, Planning/Public
Works Coordinator



Staff Report City of Lake Stevens Planning Commission

Planning Commission Briefing
Date: **December 04, 2013**

Subject: **Recreational Marijuana Regulations (LUA2013-0096) – Briefing**
Contact Person/Department: **Russell Wright, Senior Planner**

SUMMARY:

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 by adults aged twenty-one and over. The Washington State Liquor Control Board (WSLCB) adopted rules on October 16, 2013 (Chapter 314-55 WAC). A summary is attached. Individual jurisdictions are required to adopt land use regulations consistent with the State's rules. The city of Lake Stevens is allocated one (1) marijuana retail outlet. There are no restrictions for the number of marijuana producers or processors that can be located in the city; however, there is a statewide maximum.

BACKGROUND:

On August 21, 2013 the Lake Stevens City Council approved Ordinance 900, enacting a six-month moratorium, prohibiting the establishment, permitting, licensing and operating, cultivation, production, and retail sales of marijuana and marijuana derivatives within the city of Lake Stevens. Adoption of the moratorium allows the city an opportunity to evaluate the potential impacts, develop a work plan and consider appropriate regulations relating to the licensing and operation of marijuana facilities, as described in I-502. On September 23, 2013, the City Council held a public hearing on the moratorium and adopted a work program (Resolution 2013-9). Staff updated the Work Program to move the public process into 2014 allowing additional briefings with Council before going to a public hearing with the Planning Commission in January 2014.

Staff has briefed Council on implementation and a proposed framework for local regulations. A list of potential changes to the land use code and options for implementation are provided in the staff report. Planning and Community Development staff will meet with staff and officials from neighboring jurisdictions to consider a regional approach to crafting regulations implemented I-502.

Attached for your information, staff has provided a table comparing regulations for Everett, Mukilteo, Snohomish County and Lake Stevens and a table from the Municipal Research and Service Center comparing jurisdiction ordinances related to the implementation of I-502 statewide. Staff has produced Draft Marijuana Overlay Maps identifying three main areas outside the 1,000-foot buffer for protected entities (e.g., schools, playgrounds, parks, day cares, public transit and other "youth-oriented" locations) where marijuana businesses could potentially locate.

POTENTIAL LAND USE CODE AMENDMENTS:

1. Chapter 4.04 Business Licenses and Regulations:

- Allow marijuana facilities if the applicant has a current state license to operate a marijuana facility; and

- Separate marijuana business licenses from traditional agricultural products, which are exempt from a business license.

2. Chapter 14.08 Basic Definitions and Interpretations:

- Amend definitions for “Day Care Center, Commercial” and Day Care, In-Home” by referring to “Child Care Center” definition.
- Add new definitions related to the state regulations for marijuana facilities including child care center, elementary school, game arcade, library, marijuana facility, marijuana processing facility, marijuana production facility, marijuana retail facility, playground, public park, public transit center, recreation center or facility, and secondary school.

3. Chapter 14.16C Land Use Actions, Permits and Determinations - Decision Criteria and Standards:

- Add prohibition for marijuana facilities

4. Chapter 14.38 Subarea Plans:

- For zones outside the 1,000 foot buffer, identify if marijuana facilities are permitted or not and any specific regulations for that zone.

5. Chapter 14.40 Permissible Uses:

- Modify the permissible use table to identify zones where marijuana facilities would be allowed by placing a “P” for permitted use in applicable zones.

6. Chapter 14.44 Supplementary Use Regulations:

- Add a section for specific regulations related to Recreational Marijuana State-Licensed Facilities for Production, Processing and Retail.”

IMPLEMENTATION OPTIONS:

1. Adopt permanent regulations for the production, processing, sale of marijuana and marijuana products.
2. Adopt interim regulations for six-months or a year to analyze impacts.
3. Limit the size of production facilities by tiers or production, processing or retail by size of building.
4. Limit the zones where production, processing and/or retail can occur.

ATTACHMENT:

- A. Updated Work Program, dated October 30, 2013
- B. Marijuana Regulations Comparison Table
- C. MRSC Recreational Marijuana Ordinance Comparison Table
- D. Updated Draft Marijuana Overlay Maps
- E. I-502 Rule Summary

Updated City of Lake Stevens Recreational Marijuana Regulations Work Program (LUA2013-0096)

	Moratorium / Draft Regulations						
ACTIVITY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY
Research							
Draft Code Amendments							
Draft Ordinances							
Attorney Review							
Prepare & Issue SEPA (comment/appeal)					14-day review		
Commerce Review					60 day review		
Notice Planning Commission Public Hearing in LSJ					12/18&24/2013		
Planning Commission Review (B-briefing; PH-public hearing)			10/2/2013(B)		12/4/2013(B)	1/8/2014(PH)	
Notice City Council Public Hearing in LSJ		9/11/2013				1/8&15/2014	
City Council Briefings & Workshops (B-briefing; PH-public hearing)		9/23/2013(PH)	10/28/2013	11/12/2013(B)	12/9/2013(B)		
City Council Public Hearing, 1 st Reading						1/27/2014 (PH - 1 st Reading)	
City Council Public Hearing, 2nd &Final Reading							2/10/2014 (PH - 2 nd Reading)
Effective date	8/21/2013 Moratorium adopted						2/12/2014 Moratorium expires

Purpose: Determine the appropriate local regulations for marijuana uses as defined in Ordinance 900 and develop appropriate regulations for permitting, licensing, cultivation, processing, and sales of marijuana and marijuana products for inclusion in the Lake Stevens Municipal Code.

Note: The moratorium enacted by Ordinance 900 expires on February 21, 2014. The city of Lake Stevens will endeavor to complete permanent regulations within that period. If the city needs additional time to complete the work program and adopt permanent regulations, it may extend the moratorium subject to public notice and an additional public hearing.

Attachment B

UPDATED COMPARISON OF PROPOSED/ADOPTED RECREATIONAL MARIJUANA REGULATIONS

	EVERETT² (Council Adopted Interim Regs 10/23)	MUKILTEO	SNOHOMISH COUNTY (Only Urban Zones Shown)	LAKE STEVENS
# Retail Allowed¹	5	1	16	1
Zones Allowed				
Production	<ul style="list-style-type: none"> • Not w/in 1,000 ft of any residential zone • Only Tier 1 allowed (up to 2,000 sq.ft. canopy) 	<ul style="list-style-type: none"> • Commercial Business 	<ul style="list-style-type: none"> • Industrial Park • Business Park • Light Industrial • Heavy Industrial 	<ul style="list-style-type: none"> • Sub-Regional Commercial • Light Industrial • General Industrial
Processing	<ul style="list-style-type: none"> • Not w/in 1,000 ft of any residential zone 	<ul style="list-style-type: none"> • Light Industrial 	<ul style="list-style-type: none"> • Industrial Park • Business Park • Light Industrial • Heavy Industrial 	<ul style="list-style-type: none"> • Business District • Sub-Regional Commercial • Light Industrial • General Industrial
Retail	<ul style="list-style-type: none"> • Only where retail use allowed use • Not in Neighborhood Business • 2,500 ft setback between retailers 	<ul style="list-style-type: none"> • Light Industrial 	<ul style="list-style-type: none"> • Neighborhood Business • Planned Community Business • Community Business • General Commercial • Business Park • Light Industrial • Heavy Industrial • Urban Center 	<ul style="list-style-type: none"> • Business District • Commercial District • Neighborhood Business • Planned Business District • Light Industrial • General Industrial
Business License	<ul style="list-style-type: none"> • Required to get all licenses 	<ul style="list-style-type: none"> • Required to get all licenses (Changes to Business License code) 	<ul style="list-style-type: none"> • Not mentioned. Auditor only issues business licenses for a few uses. 	<ul style="list-style-type: none"> • Required to get all licenses (Changes to Business License code)
Production		<ul style="list-style-type: none"> • Inside permanent structure, not mobile structure 	<ul style="list-style-type: none"> • Indoor only in urban zones 	<ul style="list-style-type: none"> • Indoor only
Definitions	<ul style="list-style-type: none"> • Reference marijuana, processor, producer and retailer in RCW 69.50.101 	<ul style="list-style-type: none"> • Added State definitions 	<ul style="list-style-type: none"> • Added marijuana, processing, production & retail only. Reference RCW 69.50.101 for all other definitions 	<ul style="list-style-type: none"> • Added State definitions
Home Occupation	<ul style="list-style-type: none"> • WSLCB does not allow license in a residence. Considered putting in code, but did not. 	<ul style="list-style-type: none"> • Prohibited 	<ul style="list-style-type: none"> • Prohibited 	<ul style="list-style-type: none"> • Prohibited

¹ In addition, Marysville – 3, Edmonds & Lynnwood – 2, and all others 1 for Total 35 in Snohomish County

² Everett adopted interim regulations for 1 year to see how they work with WSLCB licensing process. May make changes before one year is up.

Ordinance Comparison Table

Jurisdiction	Allow Under Existing Laws	Moratorium	Interim Zoning	Permanent Zoning	Prohibition
Anacortes			X		
Bonney Lake		X			
Bellevue			X		
Burien			X		
Carbonado		X			
Douglas County				X	
Edgewood			X		
Fife		X			
Kennewick		X			
Kent ¹					X
Kirkland	X				
Lacey				X	
Millwood		X			
Milton				X	
Monroe			X		
Mossyrock					X
Mukilteo				X	
Normandy Park			X		
Olympia		X			
Pasco		X			
Puyallup		X			
Redmond		X			
Richland		X			
Seattle				X	
Spokane			X		
Sunnyside ²		X			
Tukwila				X	
Wenatchee ³					X
Yakima				X	

1. The Kent zoning code prohibits all business activities that are not specifically allowed in designated zones. The Kent city council has not amended their zoning code to allow recreational marijuana businesses, so that lack of amendment acts as a prohibition of marijuana businesses.

2. On September 30, 2013, the Sunnyside city council voted to extend the city's moratorium on the producing, processing and selling of recreational marijuana within city limits to 12 months from its original six months.

3. On October 24, 2013, the Wenatchee city council voted against an ordinance that would have exempted marijuana businesses from the city requirement that all businesses comply with federal laws, so marijuana businesses are now prohibited from siting in the city.



CITY OF
LAKE STEVENS
 DRAFT MARIJUANA OVERLAY MAP - NE

Features

- City of Lake Stevens
- Unincorporated UGA
- Protected Entities*
- 1000-Buffer

City Zones

- Suburban Residential (SR)
- Urban Residential (UR)
- High Urban Residential (HUR)
- Waterfront Residential (WR)
- Multi-Family Residential (MFR)
- MF Development Agreement (MFDA)
- Local Business (LB)

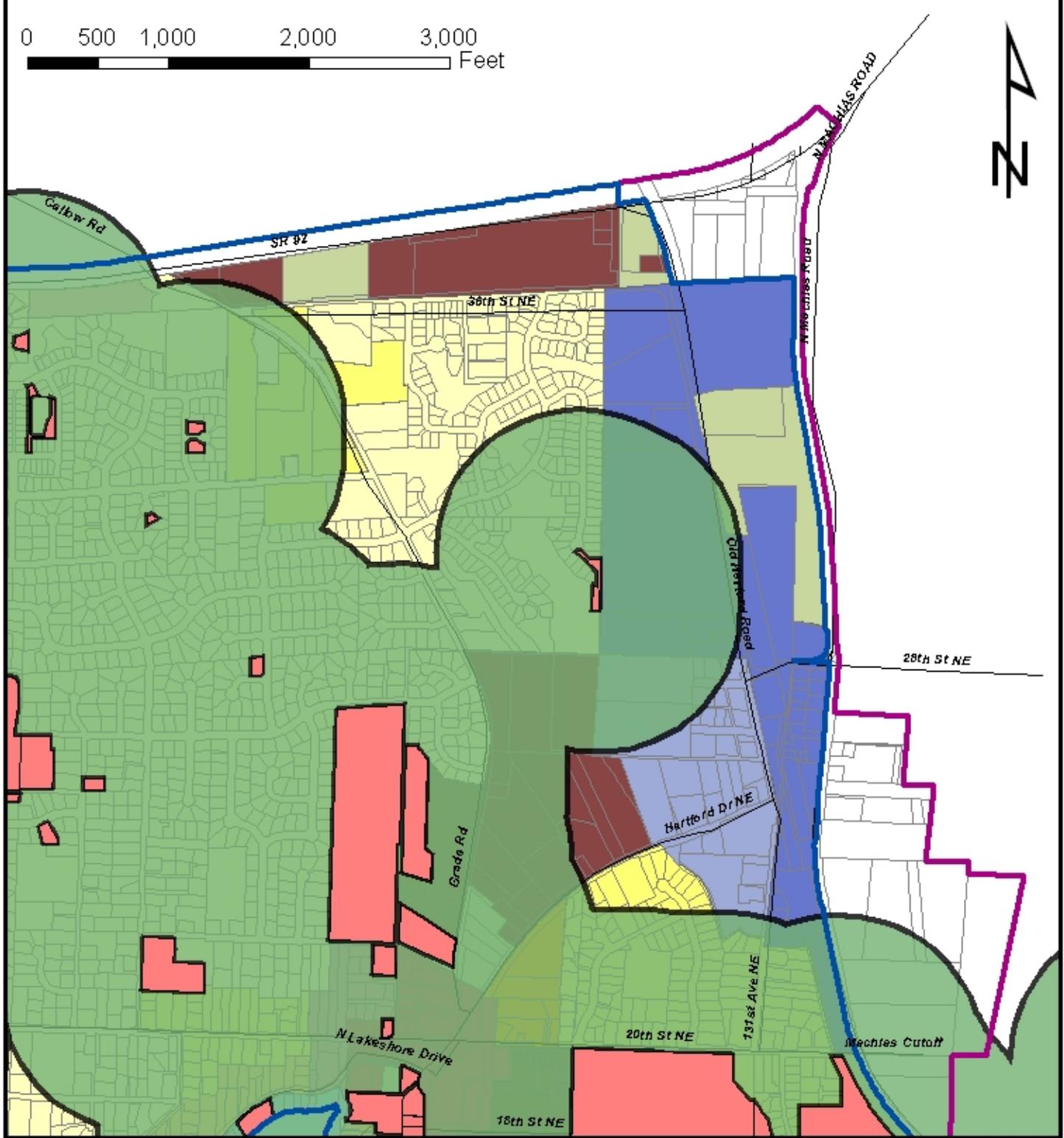
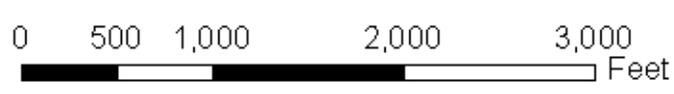
Mixed Use (MU)

- Central Business District (CBD)
- Planned Business District (PBD)
- Light Industrial (LI)
- General Industrial (GI)
- GI Development Agreement (GIDA)
- Public / Semi-Public (P/SP)

*Protected entities are those entities described in WAC 314-55-050 (10) and are subject to a 1,000 foot separation from marijuana facilities.

Properties outside the protective buffer with appropriate zoning may have marijuana uses subject to review & approval

DRAFT 11-5-13





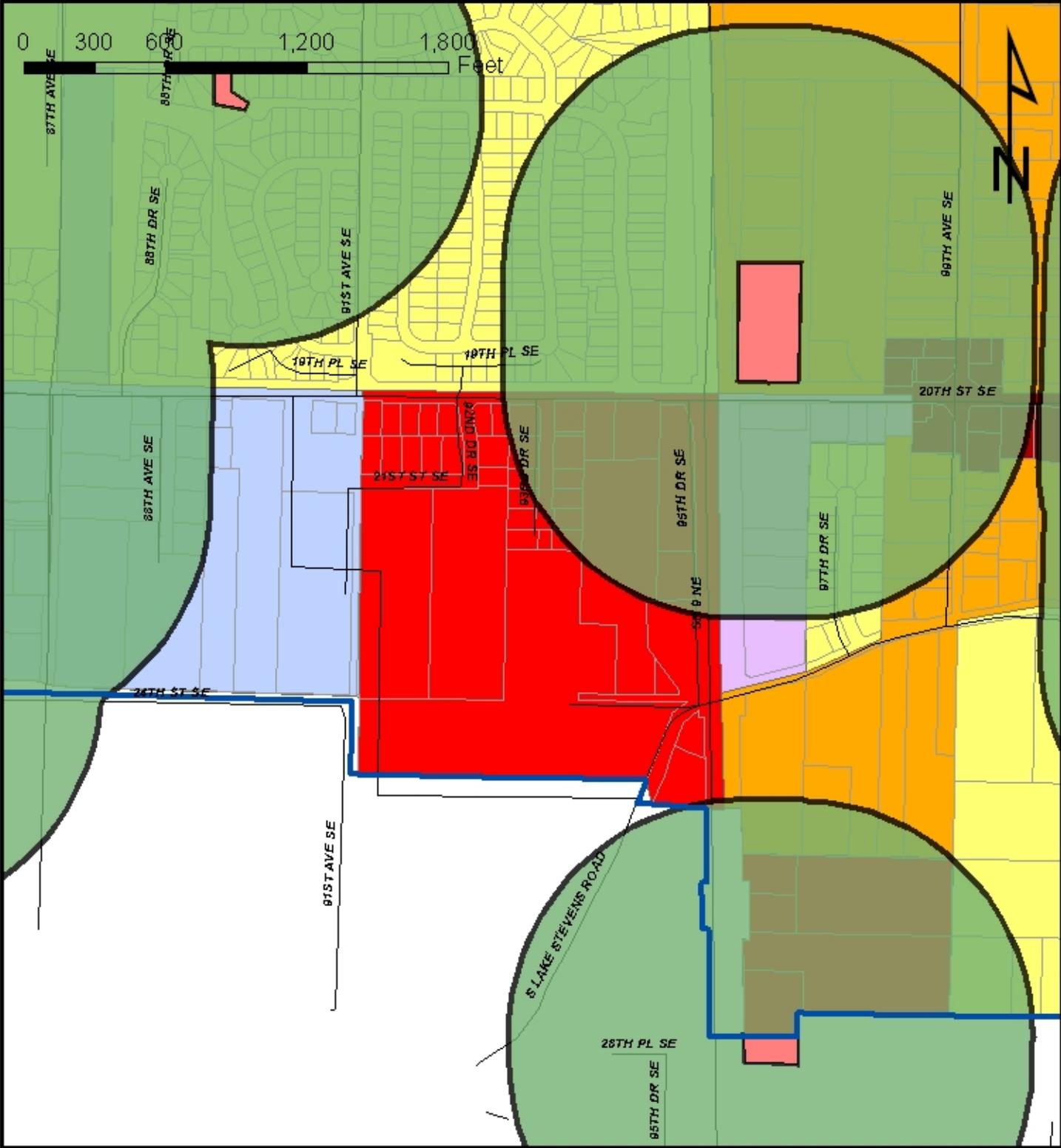
CITY OF
LAKE STEVENS
 DRAFT MARIJUANA OVERLAY MAP - South

Features	Subarea Zones	City Zones
City of Lake Stevens	Urban Residential (UR)	Suburban Residential (SR)
Unincorporated UGA	High Urban Residential (HUR)	Urban Residential (UR)
Protected Entities*	Mixed-Use Neighborhood (MUN)	High Urban Residential (HUR)
1000-Buffer	Main Street (MS)	Waterfront Residential (WR)
	Commercial District (CD)	Multi-Family Residential (MFR)
	Neighborhood Business (NB)	MF Development Agreement (MFDA)
	Business District (BD)	Local Business (LB)
	Public / Semi-Public (P/SP)	Mixed Use (MU)
		Central Business District (CBD)
		Planned Business District (PBD)
		Light Industrial (LI)
		General Industrial (GI)
		GI Development Agreement (GIDA)
		Public / Semi-Public (P/SP)

DRAFT 11-5-13

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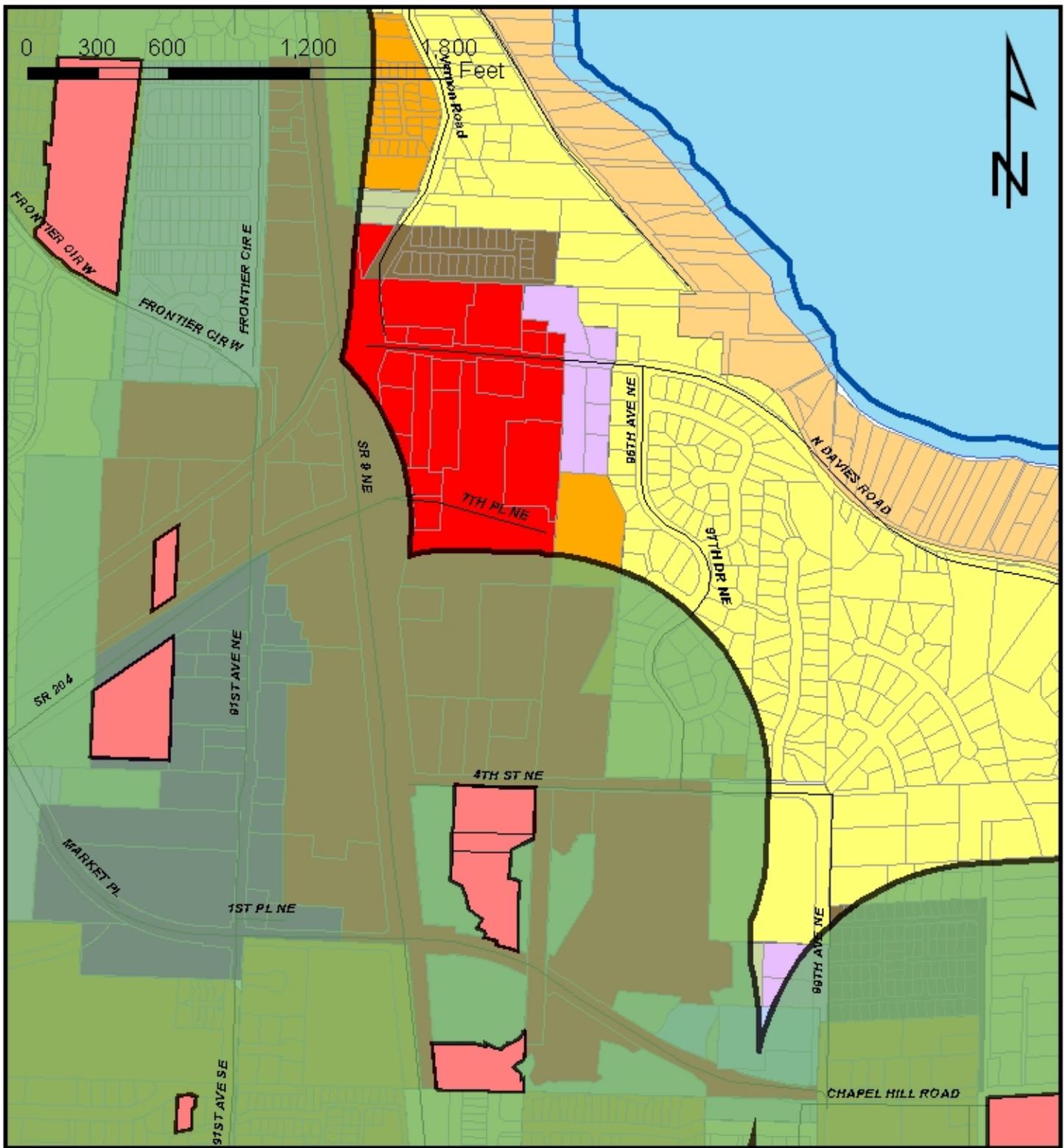
CITY OF
LAKE STEVENS
 DRAFT MARIJUANA OVERLAY MAP - LSC

Features	Subarea Zones	City Zones
City of Lake Stevens	Urban Residential (UR)	Suburban Residential (SR)
Unincorporated UGA	High Urban Residential (HUR)	Urban Residential (UR)
Protected Entities*	Mixed-Use Neighborhood (MUN)	High Urban Residential (HUR)
1000-Buffer	Main Street (MS)	Waterfront Residential (WR)
	Commercial District (CD)	Multi-Family Residential (MFR)
	Neighborhood Business (NB)	MF Development Agreement (MFDA)
	Business District (BD)	Local Business (LB)
	Public / Semi-Public (P/SP)	Mixed Use (MU)
		Central Business District (CBD)
		Planned Business District (PBD)
		Light Industrial (LI)
		General Industrial (GI)
		GI Development Agreement (GIDA)
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DRAFT 11-5-13

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Properties outside the protective buffer with appropriate zoning may have marijuana uses subject to review & approval





Washington State Liquor Control Board

Adopted Rules Highlights

October 31, 2013

LCB Rulemaking Objective

- Creating a tightly controlled and regulated marijuana market;
- Including strict controls to prevent diversion, illegal sales, and sales to minors; and
- Providing reasonable access to products to mitigate the illicit market.

LCB Role and Responsibility

- Ensuring public safety is the top priority;
- Creating a three-tier regulatory system for marijuana;
- Creating licenses for producers, processors, and retailers;
- Enforcing laws and rules pertaining to licensees; and
- Collecting and distributing taxes.

Timeline

December 6, 2012	Effective date of new law
September 4, 2013	File Supplemental CR 102 with revised proposed rules
October 9, 2013	Public hearing(s) on proposed rules (time and location TBD)
October 16, 2013	Board adopts or rejects proposed rules
November 18, 2013	BLS begins accepting applications for all three licenses
November 20, 2013	WSLCB begins processing applications (30-day window)
December 1, 2013	Deadline for rules to be complete (as mandated by law)
December 19, 2013	30-day window closes for producer, processor and retailer license applications

Proposed Rules Highlights

License Requirements

- **30-day Window**
 - The LCB will open registration for all license types for a 30-calendar-day window (November 20, 2013)
 - LCB may extend the time or reopen application window at its discretion
- **State Residency Requirement**
 - I-502 requires a three month state residency requirement (all license structure types)
- **Background Checks**
 - Personal criminal history completed by applicant. Risk of license forfeiture if incomplete or incorrect.
 - Fingerprinting of all potential licensees
 - Background checks of license applicants and financiers
- **Point System**
 - The LCB will apply a disqualifying point system similar to liquor
 - All applicants must disclose all arrests and/or convictions
 - Non-disclosure of arrests regardless of conviction will result in point accumulation

October 31, 2013

- **License Limits**
 - Licensed entity or principals limited to three producer licenses
 - Licensed entity or principals limited to three processor licenses
 - Licensed entity or principals limited to three retail licenses. Multiple-location licensees not allowed to hold more than 33 percent of the allowed licenses in any county or city.

- **Production Limits**
 - The maximum amount of space for marijuana production is limited to two million square feet.
 - Applicants must designate on their operating plan the size category of the production premises and the actual square footage in their premises that will be designated as plant canopy. There are three categories:
 - Tier 1: Less than 2,000 square feet;
 - Tier 2: 2,000 square feet to 10,000 square feet;
 - Tier 3: 10,000 square feet to 30,000 square feet.
 - The LCB may reduce a licensee's or applicants' square footage designated to plant canopy for the following reasons:
 - If the total amount of square feet for production of all licensees exceeds the two million square feet maximum, the LCB will reduce the allowed square footage by the same percentage.
 - If 50 percent production space used for plant canopy in the licensee's operating plan is not met in the first year of operation, the board may reduce the tier of licensure.
 - If the total amount of square feet of marijuana production exceeds two million square feet, the LCB may reduce all licensees' production by the same percentage or reduce licensee production by one or more tiers by the same percentage.

- **Maximum Allowable Amount on Licensed Location**
 - Producer license
 - Outdoor or greenhouse: 125 percent of its year's harvest
 - Indoor: six months of its annual harvest
 - Processor license
 - Six months of their average useable marijuana (plant material); and
 - Six months average of their total production (finished product).
 - Retailer license
 - Four months of their average inventory

- **Licensed Location: 1'000 foot Measurement**
 - Important Note Regarding the 1,000 foot Measurement: The LCB will file an emergency rule on November 6, 2013, that will revise the current language regarding the 1,000' buffer. The language in the emergency rule will state: "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."

- **Costs and Fees**
 - \$250 application fee
 - \$1,000 annual renewal fee
 - Additional fees for background check and filing for local business license

- **Taxes**
 - License applicants must submit a signed attestation that they are current on taxes owed to the Washington State Department of Revenue

- **Insurance**

- Licensees are required to carry commercial liability insurance.

Public Safety

- **Producer Structures**

- Rules allow producer operations in secure: indoor and outdoor grows as well as greenhouses

- **Traceability**

- LCB will employ a robust and comprehensive traceability system (software) that will trace product from seed/clone to sale.
- LCB enforcement can match records to actual product on hand

- **Background Checks**

- Personal criminal history form
- Fingerprinting of all potential licensees
- Background checks of licensees and financiers

- **Point System**

- LCB will apply a disqualifying point system similar to liquor (exceptions for possession)

- **Violation Guidelines / Standard Administrative Procedures Act Guidelines**

- \$1,000 criminal penalty for sales to a minor
- Sets strict tiered system of violation record over a three year period
 - Group 1 public safety:
 - First violation: 10 day suspension or \$2,500
 - Second violation: 30 day suspension
 - Third violation: license cancellation

- **Local Authority Objections**

- Substantial weight will be given to a local authority during the renewal process based upon chronic illegal activity associated with the licensee's operation of the premises.

- **Child Resistant Packaging**

- Specific requirements for marijuana and marijuana-infused products in solid and liquid forms

- **Security and Safeguards**

- Alarm and surveillance video camera requirements (including minimum pixels and lockbox encasement)
- Strict transportation and record keeping requirements (no third party transport of product)
- Hours of operation limited to 8:00 a.m. to 12:00 a.m.

- **Advertising Restrictions**

- Law restricts advertising within 1,000 feet of schools, public parks, transit centers, arcades, and other areas where children are present.
- May not contain statements or illustrations that are false or misleading, promotes overconsumption, represents that it has curative or therapeutic effects, depicts a child or may be appealing to children

- All advertising must contain two statements: a: “This product has intoxicating effects and may be habit forming.” And, b) “Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under the influence of this drug.”
- **Limits on Retail Stores**
 - Total number or retail outlets limited to 334 statewide
 - LCB to provide advance notice to local authority
 - Per I-502, LCB to determine number of retail outlets per county
 - BOTEK Analysis Corporation provided initial county consumption levels
 - Retail stores allocation proportionate to population and consumption

Consumer Safety

- **Behind the Counter Storage**
 - No open containers or handling of product
 - Sniff jars with sealed, screened-top lids allowed
- **Strict Packaging and Label Requirements**
 - Limited servings and concentration per package
 - Lot number
 - Warning label
 - Net weight
 - Concentration of THC
 - Usage warnings (specific warning for ingestible foods/liquids about effect delays)
 - Upon request
 - Third party lab that tested lot and results
 - All pesticides, herbicides, fungicides found in product
- **Defined Serving Size**
 - Defined serving sizes on marijuana-infused product label
 - 10 mg of THC per serving
 - 100 mg of THC per product
 - A single unit of marijuana-infused extract for inhalation cannot exceed one gram
- **Transaction Limits on Concentrates (extracts)**
 - A single transaction is limited to seven grams of marijuana-infused extract for inhalation
- **Lab Tested and Approved (monograph)**
 - All lots will be tested by independent accredited labs
 - Established and uniform testing standards
 - Quality assurance testing
- **Store Signage and Product Warnings**
 - No minors allowed in stores
 - Required product and usage signs within stores

For more information regarding Initiative 502, please visit the Liquor Control Board website at www.liq.wa.gov.

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