



TO: T.C. Broadnax, City Manager
FROM: Peter Huffman, Director, Planning and Development Services
 Brian Boudet, Planning Manager, Planning and Development Services *BEB*
COPY: City Council and City Clerk
SUBJECT: Ordinance – Enacting a Temporary Moratorium on New Marijuana Uses –
 January 12, 2016
DATE: January 6, 2016

SUMMARY:

Enacting a temporary moratorium on new marijuana retail uses and the establishment of marijuana cooperatives for a period of six months or until earlier terminated if the City’s marijuana-related regulations are updated.

STRATEGIC POLICY PRIORITY:

Enacting the proposed marijuana moratorium would support the following strategic policy priorities:

- Strengthen and support a safe city with healthy residents; and
- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.

BACKGROUND:

State Initiative 502 (“I-502”), approved by Washington voters in November 2012, provides a framework for licensing and regulating the production, processing, and retail sale of recreational marijuana. In 2015, the State Legislature enacted the Cannabis Patient Protection Act, establishing regulations for the formerly unregulated medical marijuana system and aligning it with the existing recreational system.

In response to changes in state law, the Washington State Liquor and Cannabis Board has been working through its rulemaking process to establish the administrative procedures and standards for the integration of medical marijuana into the existing recreational marijuana marketplace. As part of that process, the State is looking to expand the existing cap on retail marijuana stores in Tacoma and other potential rule changes. This process also involves the establishment of a new class of use – the marijuana cooperative.

The City’s existing regulations were adopted in February 2015 in response to I-502 and the associated State rules regarding the recreational marijuana marketplace. They were not designed to adequately address the changes made subsequently by the State regarding medical marijuana, including a potential significant increase in the number of stores allowed and the potential incorporation of new uses. In response, the City Council and Planning Commission have begun a process of developing appropriate revisions to the Land Use Regulatory and Nuisance Codes. The Planning Commission is expected to forward its recommendations to the City Council in March 2016 with final Council consideration in April/May (tentative schedule provided below).

Date	Action
January 6, 2016	State releases draft rules
February 3	Planning Commission – releases proposed amendments for public review
March 2	Planning Commission – public hearing
March 16	Planning Commission – finalize recommendation to City Council
April – May	City Council – public hearing and adoption of amendments



The State is again processing applications for retail marijuana uses. It is not appropriate for additional applications to be reviewed under the existing regulations, particularly while the City is in the process of reevaluating our regulations and potentially making changes. In order to preserve the City's regulatory authority and the validity of our legislative process it is necessary to put a temporary hold on the establishment of, and development permits and licensing for, new marijuana retail uses and marijuana cooperatives, until that process has completed.

Pursuant to Tacoma Municipal Code Section 13.02.055, the City Council initiated the process for enacting the proposed moratorium on January 5, 2016, will be conducting a public hearing on January 12, 2016, and requested the Planning Commission to develop findings of fact and a recommendation regarding the proposed moratorium by January 20, 2016.

ISSUE:

Currently, nine state-licensed licensed marijuana retail stores are in operation in Tacoma. The moratorium, if enacted, would not impact their operations or customers' access to marijuana.

ALTERNATIVES:

The City could choose to not adopt a temporary moratorium. However, considering that the State is again processing applications for new marijuana retail uses, it is very possible that additional retail uses could be permitted and licensed prior to the conclusion of the local legislative process and any changes in local standards that result from that process, thus effectively being exempt from those updated standards.

RECOMMENDATION:

Enact a temporary moratorium on new marijuana retail uses and the establishment of marijuana cooperatives for a period of six months or until earlier terminated if the City's marijuana-related regulations are updated.

FISCAL IMPACT:

There is no fiscal impact.