

# City of Seattle Cannabis Legislation

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Legislation	Content	Effective Date
SB 5073	Created medical marijuana (MJ) collective gardens	7/22/2011
Ord 123661	Required City business license and compliance with SMC	8/17/2011
Ord 124326	Applied location restrictions by zoning	11/16/2013
HB 2136	<ul style="list-style-type: none"> <li>MJ market reform</li> <li>Allowed local jurisdictions flexibility in applying certain buffers</li> </ul>	7/1/2015* *multiple effective dates
SB 5052	<ul style="list-style-type: none"> <li>Merged medical and recreational MJ</li> <li>Eliminated collective gardens (as of 7/1/16)</li> <li>Allows for LCB registered cooperative grows</li> <li>Created authorization database and arrest protection for those registered</li> </ul>	7/24/2015*  *multiple effective dates
Ord 124807 Res 31595 Ord 124808	<ul style="list-style-type: none"> <li>Created City regulatory business license</li> <li>Established enforcement priorities</li> <li>Clarified nature and purpose of standard business license</li> </ul>	8/16/2015 7/17/2015 8/16/2015
Ord 124969	<ul style="list-style-type: none"> <li>Aligns and implements aspects of state legislation: <ul style="list-style-type: none"> <li>Eliminates collective gardens under city code</li> <li>Updates definition of major MJ activity</li> <li>Reduces most buffers to 500', some downtown buffer to 250'</li> </ul> </li> <li>Apply 1000' separation for add'l retail after two stores within 1000'</li> </ul>	1/12/2016

# Enforcement Resolution

## Tier 1:

- Distributing or delivering marijuana or marijuana infused products directly to anyone under 21 years old or people other than qualifying patients.
- Under law enforcement investigation for criminal violations or public safety concerns.
- Manufacture or distribute products that mimic trademark protected products or are otherwise appealing to children.
- Operating without a business license or with a business license obtained after January 1, 2013.

## Tier 2:

- Violation of City building, fire, or other codes.
- Engaged in delivery services of marijuana for medical purposes.
- Allow consumption of marijuana or marijuana infused products on their premises.

## Tier 3:

- Distributing marijuana that has not undergone microbial and potency testing.
- Located within 500 feet of another licensed or unlicensed marijuana establishment or are within 1000 feet of a school or playground.

## ENFORCEMENT PREFERENCE

- **City agencies will favor civil remedies to address compliance.**
- **Criminal sanctions may be imposed if civil remedies fail to gain compliance.**



# Title 5 – Business License

- Change name from “Business License” to “Business License Tax Certificate”
  - Purpose to emphasize Title 5 as a tax registration and not authorization to engage in business.
- Amendment would allow the Director of FAS to reject or revoke the business license of any business that is:
  - Operating in violation of the law or
  - A type of business that requires a Title 6 regulatory business license and does not have or does not qualify for one.



# Title 6 Regulatory Business License

- Limited to only those businesses that have received a license to produce, process or distribute marijuana by the WA State Liquor and Cannabis Board (LCB).
  - LCB rules for marijuana businesses would be incorporated in a way to allow the City of Seattle to enforce.
- Non-state-licensed marijuana establishments in compliance with MUCA and enforcement guidelines allowed continue to operate without a regulatory license until July 2016.
  - *Exemption only extended to those that opened before 1/1/13.*



# Implementation and Enforcement

- Upon passage of Title 6 legislation FAS, wrote and/or visited 69 storefront dispensaries requesting them to close by September 16, 2015.
- Prior to September 16, 2015, FAS Inspectors visited 8 dispensaries and were able to purchase medical marijuana without a medical authorization at 3 locations.
  - After September 16<sup>th</sup>, FAS obtained search warrants and seized marijuana products from 3 locations.
    - FAS led seizures with support of two uniformed SPD officers. Neither owners nor employees were arrested or detained. Owners may face misdemeanor charges for operating a marijuana business without a state license.
  - April 5, 2016: FAS and SPD conducted a buy/bust resulting in the purchase of marijuana by delivery from 7 services, these are pending criminal charges.
- As of April 27, 2016:
  - 27 locations opened before January 2013 but failed to secure a license must close by July 1, 2016.
  - 78 locations have closed voluntarily with no further action needed.
    - 5 post-January 2013 locations remain open. These locations have received at least one \$1000 citation, are facing another \$1500 citation and may face criminal charges and seizure of marijuana products if they remain open after those citations are issued.



# State of the Seattle Market

- **502 and 5052**
  - 31 retail locations now open
  - 17 retail locations pending
  - 50 producer/processors
  - 76 pending producer/processors
- **Non-502 – (Approximate)**
  - 118 storefronts (August 2015)
  - 40 storefronts remain, and must close before July 1, 2016.
  - 78 storefronts have closed, 58 of which were not qualified to remain.
  - 38 delivery services advertising online
  - 7 delivery services – pending business license misdemeanor charges



# Land Use Code Legislation

- Redefines “Major Marijuana Activity”
  - Align definition to reflect changes brought by SB 5052.
  - Individual and cooperative grows will only be allowed in residences.
  - Any other marijuana-related activity, with or without a state or city license, will be considered Major Marijuana Activity.





# Buffers

- Existing State buffer is 1000 feet from sensitive uses.
- HB 2136 allowed local jurisdictions to lower buffer to 100'.
  - Except 1000 feet from schools and playgrounds must be maintained.
- City Ordinance:
  - Lowered buffer to 500 feet in most cases.
  - Lower buffer to 250 in select downtown zones



# Sensitive uses

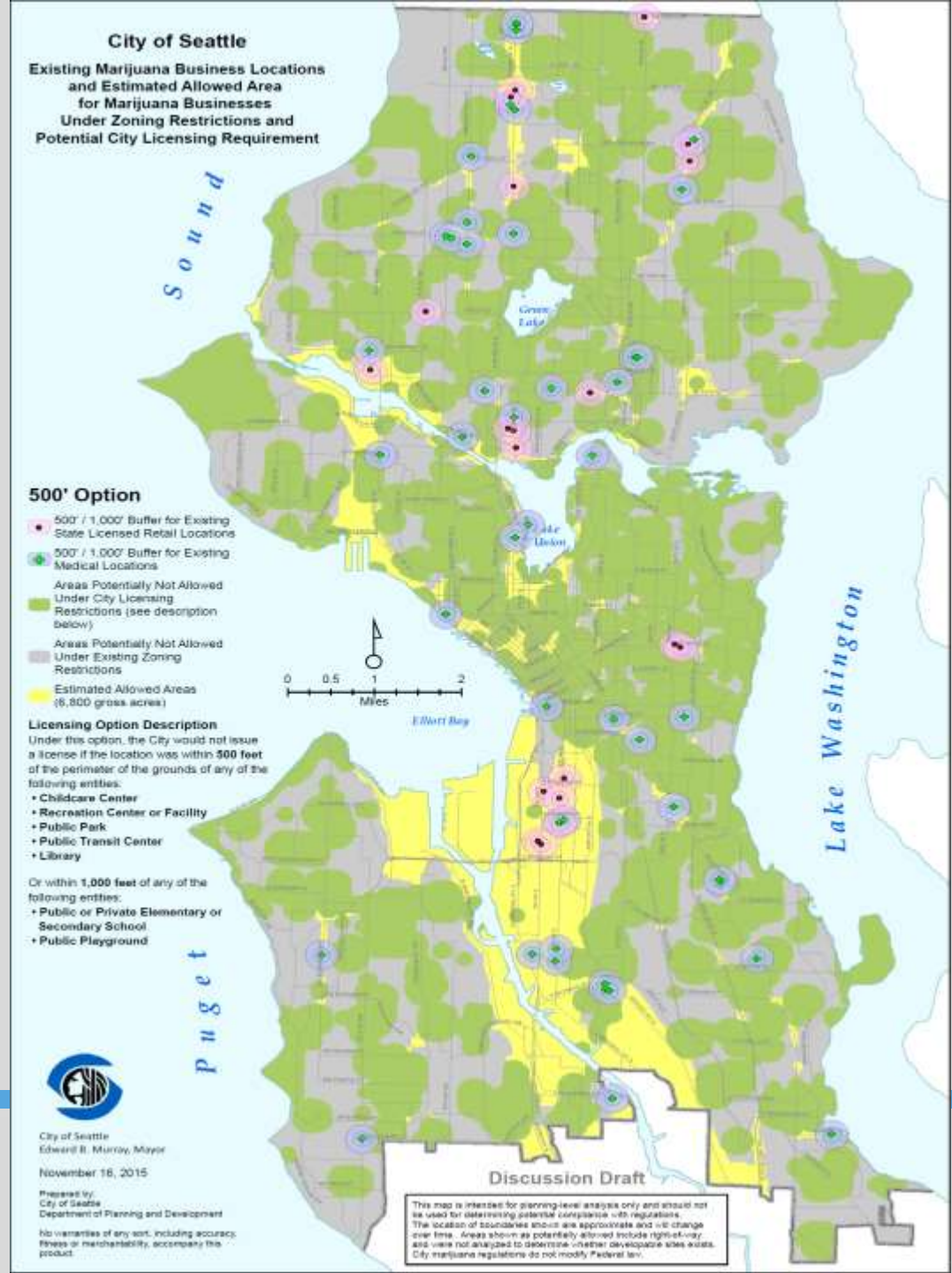
- No Change: Schools and Playgrounds (1000')
- General reduction from 1000' to 500'
  - Child care centers
  - Game arcades
  - Libraries
  - Public Parks
  - Transit Centers
  - Recreation centers or facilities





← 1000' Buffer  
5,150 gross acres of estimated allowed areas

500' Buffer →  
6,800 gross acres of estimated allowed areas



# Retail Stores: Dispersion

- Two stores can be within 1000' of each other. A third store must be 1000 feet from both of the first two stores.
- Date to check for dispersion and for Land Use Code buffering is date LCB notifies City of application (Local Authority Notice date).
- Stores licensed/permitted by State/City may be “grandfathered” to Land Use Code.
- Measurements are property line to property line.



# State Legislative Advocacy

- In the 2016 WA legislative session, the City of Seattle helped develop and advocate for:
  - **HB 2494 – Reforming Marijuana-Related Penalties**
    - Would have reduced adult possession of marijuana that exceeded 1 ounce and was less than 2 ounces from a felony to misdemeanor
    - Would have legalized non-commercial transfers of up to .5 ounce in a 24 hour period
  - **HB 2368 – Marijuana Delivery Pilot Project**
    - Proposal have created a legal marijuana delivery service in the City of Seattle
  - **SB 6375 – Marijuana Clubs**
    - If passed, would have allowed local jurisdictions to create and regulator “marijuana clubs” that would have allowed individuals to consume marijuana on the premises.



# Questions?

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