

Planning Commission

Meeting Minutes

March 1, 2016

Approved: kmd



6:30:27 PM

Present: Chair Chris Holland called the meeting to order. Other Commissioners in attendance: Chris Adams, Loren Sand, Kathryn Beck, Michael Zelinski, Alex Lark, and Megan Dunn.

Commissioners Absent at Roll Call: Greg Tisdell and Rick Jordison

Staff Present: Allan Giffen, Becky A. McCrary, and Kathy Davis

Meeting Minutes

Commissioner Dunn stated that there was an error on the last page of the minutes: "Mr. Giffen stated that the next meeting is planned for March 2, 2016." The date should be March 1, 2016.

Motion: Commissioner Zelinski made a motion to approve the February 2, 2016 meeting minutes with the above change. Commissioner Lark seconded the motion.

Vote: Commissioner Dunn, abstain; Commissioner Lark, yes; Commissioner Zelinski, yes; Commissioner Beck, yes; Commissioner Sand, yes; Commissioner Adams, yes; and Chair Holland, yes.

Motion Carried.

Commissioner Reports

Commissioner Beck attended the Tree Committee meeting.

Staff Comments

Allan Giffen, Planning Director, introduced Becky Ableman McCrary who is the City's new Housing and Community Development Manager.

General Citizen Comments

None

6:34:39 PM Commissioner Tisdell arrived.

Item 1: Marijuana Retail Limits

Allan Giffen, Planning Director, stated that City Council held a public hearing to consider an emergency moratorium to not allow any additional recreational marijuana stores in Everett in response to the State

Legislature's decision to combine the medical marijuana regulations with the recreational marijuana regulations which would have allowed five additional stores in Everett. The emergency moratorium wasn't approved and was referred back to Planning Commission. Mr. Giffen presented a map of the approved retail locations with their 2500 foot separation buffers. He stated that the potential Planning Commission actions could include leaving the existing regulations in place, which would allow up to 10 stores total under State rules; adding a restriction to prohibit any additional retail stores in the City; adding a restriction to allow more than 5 but less than 10 stores in the City; or come up with another recommendation. Staff has no recommendation.

Commissioner Sand asked if the existing 5 retail stores were all that Everett was allowed or if those were the only stores that applied. Mr. Giffen responded that under the State's updated regulations and with no limit in the City's existing ordinance on the number of retail stores allowed, the City could have up to 10 recreational marijuana stores. Five are currently established within City limits.

Commissioner Sand asked if Commission could make an alternate recommendation than what had been presented in the staff report. Mr. Giffen responded yes.

Commissioner Beck asked Mr. Giffen if he knew how the State made the initial determination regarding the number of retail stores allowed and the methodology used to determine the number of additional stores allowed. Mr. Giffen responded that he wasn't sure; however, he assumed that the determination was based on the City's population and the elimination of existing medical marijuana stores in the new legislation. Commissioner Beck asked if there were any medical marijuana dispensaries currently located in Everett. Mr. Giffen responded no.

Commissioner Dunn referred to finding #7 and asked if that included both recreational and medical marijuana stores. Mr. Giffen responded that recreational marijuana stores will remain open while the medical marijuana stores would be closing. She referred to finding #8 and asked if the term "many cities" implied a majority because there were only 23 cities in Snohomish County and only 5 of those cities have enacted bans. Mr. Giffen responded that the term "many" wasn't intended to imply a majority. She asked if any of the existing recreational marijuana stores had applied or were approved for medical marijuana. Mr. Giffen responded that the existing stores would have to apply to the State Liquor and Cannabis Control Board, and he wasn't aware if any of the stores had applied.

Commissioner Adams stated that he wanted to put on the record, that Commissioners received two comment letters via e-mail. He then asked if the emergency ordinance had passed would the matter have come back to Planning Commission for review. Mr. Giffen responded that the emergency ordinance would have required a subsequent review by Planning Commission. However, the emergency ordinance failed. Under the current process, City Council may take some action to amend the existing regulations based on the Planning Commission recommendation and they can enact those without further review by the Planning Commission.

Commissioner Zelinski stated that he only recalled one comment letter. Commissioner Adams responded that the other letter was from a fellow commissioner. Commissioner Zelinski recalled the e-mail.

Citizen Comments

Donald Jacques, Chief Operating Officer of Electric Mirror, stated that they signed the lease for their building prior to the City adopting recreational marijuana regulations. If the recreational marijuana regulations were in place during their site search, they wouldn't have considered Everett an area to locate their business. The City should consider these regulations from an economic development perspective. What types of public amenities and businesses will attract other businesses to Everett. More revenue is generated by larger employers. He stated that he would like to see a great workforce that attracts a lot of other good companies which will make the community more attractive to live and work in.

Kent Peveryly, 312 Pecks Drive, stated that he has read several articles since the first of the year related to marijuana. Issues addressed in the articles have included increased potency of the products available, increased psychotic episodes, increased visits to emergency wards, damages to short term memory, pesticide residue not being adequately tested, improper labeling of potency, incomplete control of products, and high energy demands of the industry. These factors affect the City's workforce. He stated that Everett has more than its share of retail stores for the area. He encouraged limiting and not supporting additional stores.

Diane Brooks, 1406 Wetmore, stated that the State's regulations attempt to mitigate the impacts of the forced closures in next July of other medicinal marijuana pharmacies in the area. Residents with severe pain conditions from a number of debilitating conditions and illnesses should continue to have convenient access to their medications. There is an unrealistic fear that these businesses that are highly regulated and professionally operated might pose a threat to public safety. She purchases medical marijuana for her husband who has terminal bone cancer. Hard liquor, nicotine, and prescription narcotics are already on sale at every grocery store and pharmacy in the City. Many experts consider marijuana to be a safer substance than any of these.

Ms. Brooks is upset about the closures because many of the retail outlets are coops which are operated as a humanitarian benefit of the patients, not for retail profit. So the notion of the recreational stores being allowed to stock medicinal product is not going to help people who depend on medical marijuana at an affordable price. She asked Commission to help provide a safe and dependable source of medicinal marijuana for Everett residents. She distributed an article from the Washington Post and a study of statistical data from Colorado regarding retail recreational sales related to decreases in crime and traffic accidents.

Alan Pohl, 136 Magnolia, stated that he would like to limit stores. The City should provide an environment to attract businesses and a culture that is going to provide skilled workers for businesses.

The problem isn't the marijuana stores themselves but the whole culture that surrounds them. In terms of the medicinal marijuana, he agreed that the drug needs to be categorized at the Federal level. Research should be conducted to get the proper extracts to provide medicinally. He didn't think that the legalization and the proliferation of retail stores was the answer. He felt that recreational marijuana should be considered separately from the pharmaceutical industry.

Mr. Pohl stated that in regards to revenues, the amount of taxes collected isn't going to pay one fraction of what one social worker would have to be paid to address the problems that additional legalization will bring to the area. He stated that the City currently has 5 stores that are vested, and he would like the City to keep the lid on those and don't allow anymore.

Motion: Commissioner Sand made a motion to close the public hearing. Commissioner Beck seconded the motion.

Vote: Commissioner Lark, yes; Commissioner Zelinski, yes; Commissioner Beck, yes; Commissioner Sand, yes; Commissioner Adams, yes; Commissioner Tisdell, yes; and Chair Holland, yes.

Motion Carried.

Commission Discussion

Commissioner Beck recommended the no action alternative. She stated that the City has already dealt with the matter, and the sites available were already limited due to the land use regulations already in place. The bottom line is that the voters have spoken on this issue. The City has regulations in place that protect the public safety, health, and welfare.

Commissioner Lark agreed.

Commissioner Adams stated that he was concerned about the perception issue. He agreed with Commissioner Beck; however, he would like a broader conversation about how this new use has impacted the community. He stated that he would support a limitation but at the same time he is not opposed to more stores in the community. He would like to have a broader conversation about the perception that the stores are creating in the community.

Chair Holland stated that the City can't limit the sign content on billboards; however, the City does have control over the signage required for the retail stores which is the same as any other retail outlet.

Commissioner Sand asked if Commission could make a recommendation to City Council to enact an emergency ordinance, or some other action. Mr. Giffen responded that commission can make a recommendation other than the three alternatives identified in the staff report. Commissioner Sand stated that an emergency ordinance would allow a broader conversation to take place.

Commissioner Beck asked if City Council already held a vote regarding an emergency ordinance. Mr. Giffen responded yes, and the emergency ordinance failed. Commissioner Beck stated that because of the existing land use regulations and the separation requirements, it appeared that the use was already limited based on the parameters that are already in place. She stated that Commission could have a broader conversation about perceptions but the existing stores haven't appeared to stop the economic growth in the region.

Commissioner Lark stated that in regards to perception, Everett is an amazing City with many amenities. Some of his generation may consider access to marijuana as an amenity just as it would be a restaurant, as it would be a bar, and as it would be any sort of social activity. There isn't as much of a stigma amongst his generation against marijuana. He stated that to attract young workers, young employees, and the younger generation who want to do start-up businesses, the City needs to have space for all amenities to exist.

Commissioner Beck stated that access to medicinal marijuana as testified by Ms. Brooks is a very important issue.

Commissioner Sand stated that if Commission recommended a number between 5 and 10, are there any assurances that those additional stores or the existing 5 would have to provide medicinal products in their stores. He added that he didn't see a benefit unless there was a way to make sure that any additional stores provide the medical product. Mr. Giffen responded that he was aware that recreational marijuana stores could apply and get approval to provide the medical product but wasn't aware if they were mandated to provide.

Commissioner Zelinski stated that he would support Alternative 2 which limits the retail uses to the 5 existing stores; however, he would like to add a sunset clause to revisit in 2 years. Commissioner Tisdell agreed.

Commissioner Beck stated that currently, there are no medicinal dispensaries in Everett and by limiting the number of stores the City would eliminate medical dispensaries from Everett. She stated that recreational marijuana stores make more money from recreational product than they do medicinal, so she didn't feel that those stores would apply for the medicinal product license.

Commissioner Tisdell stated that from what he understood, medical stores would have to comply with the new regulations which are totally different from how medicinal stores currently operate. Also, some of the product that the medical stores sell might not be available for them in the future under the new regulations. An existing recreational marijuana retail store could apply for a medical license and sell both products.

Commissioner Beck stated that what she understood was that there are certain medicinal varieties that work better depending on what the ailment is. She stated that if a recreational marijuana retailer has the floor space, they will add the product that makes the most money for the floor space and she felt

that would be recreational. By limiting the stores, the City would eliminate the opportunity for a medicinal retailer. If a recreational retailer did obtain a license, there probably wouldn't be enough space to provide for the varieties from a medicinal perspective. She recommended the No Action Alternative.

Chair Holland asked if the Police Department had completed an analysis on crime involving recreational marijuana stores, and asked if that had been part of the work program that was contemplated under the emergency ordinance. Mr. Giffen responded that there were no conclusions from the existing crime statistics currently; however, the emergency ordinance that failed listed that as a work program item. Chair Holland stated that could be part of the recommendation for Council to consider.

Commissioner Dunn stated that by limiting the number of stores, the City would create a monopoly. She stated that the more we move aboveground, the less underground sales that we have. The marijuana industry is heavily regulated. She added that the industry pays 37% tax. In Snohomish County alone, in 2016, there had been 38.2 million dollars purchased, and the total tax from that was 15.8 million. The City needs to make their decision based on facts. The National Institute of Health said that it wasn't a gateway drug. She recommended the No Action Alternative.

Commissioner Lark stated that there is an estimate that 390 million dollars are lost due to the illegal marijuana market. He stated that creating barriers to access marijuana more or less keeps the 390 million in the illicit market. Without that revenue, we don't get to address issues that would really impact and make the City's workforce more competitive. Marijuana isn't the cause for someone showing up late to work, it is the symptom. Connecting someone to the tools they need to empower themselves to be a better employee and be a better citizen, that requires money and that requires non-profit and government work and we need funds to do that. This is an opportunity to collect funds and develop the tools to develop our workforce.

Commissioner Zelinski stated agreed that Commission's decision should be based on facts; however, the fact is that the City is dealing with a new industry. He recommended that Commission include in their recommendation to revisit the regulations in two years after the City has had ample time to study the whether or not there are any community impacts.

Motion: Commissioner Sand made a motion to recommend Alternative 2 that no additional retail marijuana stores would be permitted in the City of Everett with a condition that the issue be revisited in 24 months. Commissioner Zelinski seconded the motion.

Commission discussion on motion

Commissioner Lark stated that in regards to accessibility for medical marijuana, Commission could recommend a number between 5 and 10 to create an opportunity for a medicinal retail use.

Commissioner Sand stated that there are no assurances that any additional stores would be for medical purposes. Commissioner Tisdell stated that what he understood from his conversation with the Liquor

Control Board is that the recreational stores will be considered first for the medical marijuana licenses, and that is why he recommended limiting the stores to 5.

Vote: Commissioner Lark, yes; Commissioner Zelinski, yes; Commissioner Beck, no; Commissioner Sand, yes; Commissioner Adams, yes; Commissioner Tisdel, yes; and Chair Holland, yes.

Motion Carried.

Item 2: Choice Neighborhoods

Allan Giffen, Planning Director, stated that as part of the update to the Comprehensive Plan, the City planned to conduct a College Area planning process. The Everett Housing Authority (EHA) and the City are working together to apply for a Choice Neighborhoods planning grant for a planning process around transforming the neighborhood in the vicinity of the Colleges and the EHA property in the neighborhood around Hawthorne Elementary School. The grant will be awarded this Spring.

The HUD Choice Neighborhoods Grant came to the attention of the EHA because they couldn't obtain HUD funding to renovate the homes in Baker Heights. The intent is to surplus the property and relocate all existing tenants to suitable housing over a three year period. EHA held a public meeting with the neighborhood. The planning grant would provide a substantial amount of money to conduct a planning process for re-use and redevelopment of that property.

Mr. Giffen presented a graphic of the college district subarea plan boundary and the HUD grant planning area boundary. The City and EHA have agreed to combine the two areas under one planning process; however, that process will be different if the HUD grant application is unsuccessful. Plan priorities will still focus on neighborhood transformation, including redevelopment planning for the Baker Heights site, planning for growth needs for colleges, and protection of neighborhood character.

The planning process includes outreach to neighborhoods and stakeholders, and regular briefings for Planning Commission and City Council. Any changes to Comp Plan or Zoning must be reviewed and approved by Commission and Council. The City is planning on a 3-year planning process if the HUD grant is successful and 18 to 24 months if the grant application is unsuccessful.

Commissioner Tisdel referred to the map on page 3 of the staff report and asked if the residential area along E. Marine View Drive would be included in the planning process. Mr. Giffen responded yes. The boundary that was included in the grant application was based on demographic and economic data that positioned the application a little better for a scoring in the competitive funding process.

Chair Holland asked if there had been any indications from HUD about how the City may fair in their application process. Mr. Giffen responded that the City hasn't spoken to HUD; however, Rick Dorris from the Everett Housing Authority felt that the grant application was a very strong application.

Commissioner Sand stated that even though the main campus for the community college wasn't shown in the study area, it seemed to him that Everett Community College (ECC) should be considered during the planning process as well as the ST3 station locations. Mr. Giffen responded that the City's planning process will include the school district, community college, WSU, and others in the area.

Commissioner Lark asked about the Baker Heights demolition. Mr. Dorris responded that the current residents will receive tenant protection vouchers, which is a form of a Section 8 voucher. The Housing Authority is compelled through the URA (uniform relocation act) to be sure that all the resident housing needs are addressed.

Commissioner Dunn asked if the residents would be relocated in Everett. Mr. Dorris responded that the residents can go anywhere they want with the tenant protection voucher.

Commissioner Tisdell asked if there was an inventory of housing availability and whether or not families will be able to stay in the same area. Mr. Dorris responded that will be addressed during the planning process.

Commissioner Beck asked if the grant was successful, would the federal funds allow for a private sector interest in redevelopment. Mr. Dorris responded yes. Commissioner Beck stated that part of the planning process could include incentives to attract even more private capital into the redevelopment of the property. Mr. Dorris responded that was one reason for seeking the planning grant.

Item 3: Code Amendment for Supportive Housing

Becky A. McCrary, City Housing and Community Development Manager, requested that Planning Commission agree to initiate consideration of an amendment to the Zoning Code that would add the supportive housing use in the Use Table along with some provisions for that specific use. The code amendment is in direct response to the Community Streets Initiative. The code amendment would include definitions, allowable zones, permit process, density, design standards, parking requirements, community space requirements, and facility management planning.

Commissioner Sand stated that proximity to support services would be critical. Ms. McCrary responded that had been discussed and would be included in the draft code language.

Commissioner Tisdell stated that the City of Spokane has some regulations regarding supportive housing and asked if Ms. McCrary had contacted any jurisdictions regarding the code amendment. Ms. McCrary responded that would be part of her research. Commissioner Tisdell also recommended contacting the City of Olympia.

Commissioner Dunn stated that the City could also consider temporary housing such as a tent city. Mr. Giffen responded that the code does allow for homeless encampments so a process is already in place.

Motion: Commissioner Sand made a motion to initiate the code amendment request. Commissioner Lark seconded the motion.

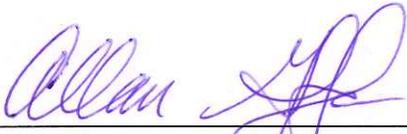
Vote: Commissioner Lark, yes; Commissioner Zelinski, yes; Commissioner Beck, yes; Commissioner Sand, yes; Commissioner Adams, yes; Commissioner Tisdell, yes; and Chair Holland, yes.

Motion Carried.

Item 4: Other Business

Mr. Giffen stated that the next meeting is scheduled for March 15, 2016.

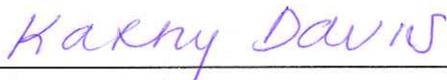
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Planning Commission Secretary

3-15-16

Date



Kathy Davis, Administrative Assistant

3-15-16

Date