



CASTLE ROCK CITY COUNCIL - AGENDA

Special Meeting – Monday, May 2, 2016

Location: Castle Rock Senior Center, 222 Second Ave SW, Castle Rock, WA

SPECIAL MEETING- 7:30 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

SPECIAL MEETING - Purpose

To consider first reading of amended Ordinance No. 2016-01, an ordinance of the City of Castle Rock, Washington adopting a moratorium against for profit sale, growing, production and processing of marijuana intended for medical and/or recreational use in all zoning districts of Castle Rock; establishing one year as the effective period; setting a public hearing in order to take public testimony regarding the moratorium; referring the matter to the Planning Commission for hearing and review; adopting a work plan and declaring an emergency in support of immediate effect in order to avoid incompatible development prior to proper regulation

ADJOURNMENT

Non-Discrimination Statement - This institution is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail at US Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov Title VI - The City of Castle Rock ensures compliance with Title VI of the Civil Rights Act of 1964 and American Disabilities Act of 1990 by prohibiting discrimination against any person on the basis of race, color, national origin, sex or disabilities in the provision of benefits and services from its federal assisted programs and activities. If you need special accommodations to participate in this meeting, please contact Ryana Covington at 360/274-8181 by 9:00 a.m. three days prior to the meeting. City Council reserves the right to add items to this agenda, as needed.

City of Castle Rock

P.O. Box 370
CASTLE ROCK, WA 98611
(360) 274-8181



CITY OF CASTLE ROCK NOTICE OF SPECIAL MEETING

The Castle Rock City Council will hold a SPECIAL MEETING, Monday, May 2, 2016 at 7:30 p.m. at Castle Rock Senior Center, 222 Second Avenue SW, Castle Rock, WA.

Purpose of the Special Meeting: to consider first reading of amended Ordinance No. 2016-01, adopting finding of facts to support a moratorium against legal, for profit sale, growing, production and processing of marijuana intended for medical and/or recreational use in all zoning districts of Castle Rock; establishing one year as the effective period, and adopting a work plan. For further information, please contact City Planner Deborah Johnson, 360-577-3041 or City Attorney Frank Randolph, 360-423-5220.

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CITY OF CASTLE ROCK COWLITZ COUNTY, WASHINGTON
AMENDED ORDINANCE NO. 2016-01

**AN ORDINANCE OF THE CITY OF CASTLE ROCK, WASHINGTON,
ADOPTING A MORATORIUM AGAINST FOR PROFIT RETAIL SALE,
GROWING, PRODUCTION AND PROCESSING OF MARIJUANA
INTENDED FOR MEDICAL AND/OR RECREATIONAL USE IN ALL
ZONING DISTRICTS OF CASTLE ROCK; ESTABLISHING ONE YEAR AS
THE EFFECTIVE PERIOD; SETTING A PUBLIC HEARING ~~FOR~~ IN ORDER
TO TAKE PUBLIC TESTIMONY REGARDING THE MORATORIUM;
REFERRING THE MATTER TO THE PLANNING COMMISSION FOR
HEARING AND REVIEW; ADOPTING A WORK PLAN AND DECLARING
AN EMERGENCY IN SUPPORT OF IMMEDIATE EFFECT IN ORDER TO
AVOID INCOMPATIBLE DEVELOPMENT PRIOR TO PROPER REGULATION**

WHEREAS, the legal framework for the state licensed marijuana industry continues to go through great potential change and uncertainty, including the pending merger of recreational and medical marijuana market places on July 1, 2016;

WHEREAS, counties and cities have had a varied approach and experience with legal regimes for regulating medical and recreational marijuana, including two proximate and populous counties which have established bans, which in turn has put pressure on business and dispensaries to quickly find alternative locations;

WHEREAS, the Washington State Liquor and Cannabis Board (WSLCB) has recommended a substantial increase in the number of retail stores throughout much of the state and has advised local governments to revise regulations before it begins processing new applications;

WHEREAS, the WSLCB adopted on January 6, 2016, emergency rules to expand the number of retail marijuana outlets to align the two markets, lifting the former retail store cap of 334 to a new cap of 556;

WHEREAS, the WSLCB already reports that the highest priority applicants will exceed the number of available retail licenses;

WHEREAS, the City has adopted regulations CRMC 17.40.210 (2011) and 17.57 (2013) that allow, respectively, medical marijuana collectives and recreational marijuana (producer/processor/retail) businesses as permitted by state law;

WHEREAS, the City has recently received a sudden increase in the number of inquiries concerning the possible relocation of recreational and medical marijuana businesses and suppliers to the City;

~~**WHEREAS**, City staff has been working in good faith with a property owner whose prospective marijuana production and processing tenant would be facilitated only by authorization of zoning amendments and extension of the zoned area in which marijuana businesses may be located;~~

WHEREAS, there is not sufficient time, prior to a new demand for development, for the City to conduct a review of the changing laws and regulations in light of the other needs of its citizens, research and analyze the costs and benefits of new businesses and suppliers under the changing legal system, conduct code drafting, hold required public notices and hearings, and make key decisions for the general welfare of the community, in any sort of methodical, reasonable or certain manner, to timely accommodate changing state regulation and anticipated expansion pressure;

WHEREAS, marijuana businesses of all types can have significant impacts on the community, and it is the experience of the Council that the City's citizens have strong and often conflicting opinions as to what is in the best interests of the community in connection with recreational and medical marijuana;

WHEREAS, while many of its citizens have reported the medicinal benefit of medical marijuana, many other citizens continue to express great concern over the need to limit and control the use of illicit marijuana usage by their children;

WHEREAS, the Council determines that it is necessary to enact a one-year moratorium on the siting of licensed for profit recreational marijuana businesses of all types ~~and medical marijuana collectives~~ until these issues can be resolved;

WHEREAS, the City Council finds that its regulations are not current with the present state of marijuana business law, that these regulations must be reviewed and updated to address the current law and the needs of the City, and that improper regulation of such businesses is not compatible with good planning practice growth and could cause adverse impact on City neighborhoods, existing businesses and citizens;

WHEREAS, the Council notes that numerous for profit recreational marijuana businesses ~~and/or medical marijuana suppliers~~ exist in this general region to provide for the lawful demand and needs of its citizens while the moratorium is in effect; and

WHEREAS, if this moratorium is not adopted immediately, development applications for marijuana uses/businesses and business licenses could be submitted to the City and the development applications could arguably become vested, leading to development that could be incompatible with the regulations eventually adopted by the City (after the process described herein). Therefore, the moratorium must be adopted immediately as an emergency measure to protect the public health, safety and welfare and to prevent the submission of applications to the City in an attempt to vest rights for an indefinite period of time. the City Council finds, based on the above, that conditions exist to warrant a finding of a state of emergency exists in order to have the moratorium take effect immediately upon a single reading and passage of this ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CASTLE ROCK, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Public Hearing

A. In accordance with RCW 35A.63.220 a public hearing was held on April 25, 2016, at which public testimony was taken.

B. Public testimony included the following.

1. Numerous speakers had personally experienced the benefits of medical marijuana for themselves, their families and/or their friends. They reported that these benefits were often in contrast to the sometimes harmful effects of traditional medicine such as strong pain killers.

2. Several speakers observed that changes in the marijuana laws and regulations at the state level, with conflicting responses at the local level, had created pressures on marijuana medical businesses which made it difficult for these businesses to continue to supply the legitimate needs of their customers.

3. Several speakers observed that the legal and social changes in marijuana have made these businesses as legitimate as any other business, and that these businesses could bring great benefit to their communities.

4. Several speakers expressed their desire that these businesses be done "right," in a way that does not harm or detract from the community around them while providing relief for their customers and patients.

5. There was conflicting testimony regarding the impact of the new laws on children. Some observed that use of cannabis by children was a fact that must be accepted, while others expressed concern for the potentially long-term harm caused by such use by underage persons.

6. Several speakers expressed opposition to the moratorium or argued for making its duration less than a year. Some medical marijuana users do not like to purchase their

marijuana at recreational marijuana stores or do not want to have to travel 12-15 miles, or further, to obtain their marijuana. The moratorium could prevent the establishment of beneficial businesses in the community because of state-wide competition for such licenses.

7. One speaker observed that there was an opportunity to develop marijuana production and processing facilities at a 110 acre area that was zoned industrial and located off Exit 48, but in an area that is not currently allowed by the City's code. Several speakers agreed that marijuana businesses had worked well in industrial areas in other cities. There was also discussion about the current City regulations not being optimal for allowing such businesses.

Section 2 1. Amended Findings.

A. The Council adopts all the “whereas” as sections of this Ordinance as findings to support this moratorium ordinance, as well as the following:

B. The purpose of this moratorium ordinance is to maintain the status quo for a year while the City considers the public health, safety, economic, environmental, and secondary land-use impacts associated with changing recreational and medical marijuana uses and the increasing market demands; as well as appropriate and adequate potential sites and zoning relative to marijuana uses.

C. The City will consider these uses and whether it should adopt any ordinances addressing the same during the next year. During this time, if the Washington State Legislature adopts new laws and the state government adopts new regulations addressing recreational and medical marijuana, the City shall evaluate these new laws and incorporate them into its decision-making process.

D. During the period of time that this moratorium is in effect, the City will also consider the manner in which the negative impacts and secondary effects associated with the marijuana uses (ongoing or predicted) in the city can be ameliorated, including, but not limited to, the demands that will be placed upon scarce City policing, legal, policy, and administrative resources; neighborhood disruption, increased transient visitors and intimidation; the exposure of school-age children and other sensitive residents to marijuana; illegal sales to both minors and adults; and other crimes.

E. The Council is confident that this moratorium and the ensuing year of study, hearings, and review are in the best interest of the City and its citizens, and will ensure the best response by the City to the changing laws and regulations and the increasing legal market demand.

F. In addition, future federal response to such state and local initiatives regarding marijuana likewise remains uncertain, and the issue of federal jurisdiction needs to be part of this year of study. No part of this moratorium is intended or shall be deemed to conflict with federal law.

G. At the April 25, 2016 public hearing, the City Council made the following findings of fact:

1. Recent and pending changes in state laws and regulations concerning the legal, for profit, sale, growing, production and processing of marijuana are not property addressed in the City's Code.

2. The growth of the legal, for-profit marijuana industry, combined with bans and moratoria in other local authorities, has caused a large and recent increase in the number of inquiries to the City's Planner about locating new, for-profit, marijuana businesses in Castle Rock.

3. How the legal, for-profit, marijuana business develops in Castle Rock is likely to have significant impact on the community and on existing City plans for other development.

4. The City needs a year to study, to discuss, to draft, and to enact the necessary changes to its Code and other development plans in a manner that best promotes the City's public health, safety, and welfare.

5. The March 14, 2016, one-year, temporary moratorium on all new, for-profit, marijuana business development was warranted.

6. The decision to adopt the March 14, 2016, moratorium on an emergency basis was necessary to prevent incompatible development prior to proper regulation.

Section 3. Definitions.

A. "Distribution" means to deliver other than by administering or dispensing a controlled substance.

B. "Marijuana" means all parts of the plant cannabis, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin. For the purpose of this chapter, "cannabis" or "marijuana" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, except the resin extracted therefrom, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

C. Marijuana or cannabis "infused" products means products that contain marijuana

or marijuana extracts and are intended for human use. The term “marijuana-infused products” does not include useable marijuana.

D. “Medical marijuana” means as defined by the state department of health.

E. “Processing” means to handle or process cannabis for retail, medical or recreational use.

F. “Production” means to manufacture, plant, grow or harvest cannabis or marijuana.

G. “Public dispensing” means the interpretation or a prescription or order for a controlled substance, and, pursuant to that prescription or order, the proper selection, measuring, containing, labeling or providing.

H. “Recreational marijuana” means marijuana licensed by, or subject to being licensed by, the state liquor and cannabis board to be sold in concentrates, useable and infused product at retail outlet.

I. “Sale” means the transfer in exchange for cash, check, currency or credit.

Section 4 2. Declaration of One-Year Moratorium

A. The City Council of the City of Castle Rock hereby imposes a moratorium upon the filing, acceptance, and processing of applications and development approvals for the use of real property and improvements for the production, processing, public dispensing, sale, or distribution of medical or recreational marijuana or cannabis-infused products. As used in the Ordinance, “development approvals” includes any permit required from the City for development, permission, construction, or siting of facilities described in this section, including business licenses. During the time that this moratorium is in effect, the City will not accept an application, nor process an application, subject to the terms of this ordinance, for the use of a new or existing building, improvement, structure, or facility for the public dispensing, sale, or distribution of medical or recreational marijuana or cannabis-infused products.

B. This moratorium shall be for a one-year period beginning on March 14, 2016, and terminating on March 13, 2017. ~~Pursuant to RCW 35A.63.220, the City may extend this moratorium as necessary in the reasonable discretion of the City Council.~~

C. In support of the ~~one-year duration of the moratorium emergency nature of this measure~~, the City adopts the following work plan ~~in support of this moratorium as required by law~~:

1. March 15 to May 13, 2016. The City shall schedule, give proper notice, and conduct a public hearing on this ordinance to ensure the continuation of this moratorium is warranted by the facts. Findings of fact shall be adopted by the Council immediately thereafter at that either support the action of the City in imposing this moratorium or do not support this moratorium and therefore terminate it. The results of the hearing and the findings shall be incorporated in an amended version of this ordinance.

2. May 14 to August 31, 2016. City staff will collect and organize information on the subject matter to be used by the Planning Commission and City Council in its deliberations.

3. September 1 to December 31, 2016. The Planning Commission will study the matter, conduct public hearings, and develop recommendations on the proper regulation of all types of medical and recreational marijuana businesses for the well-being of the community.

4. January 1 to March 14, 2017. The City Council will study, conduct public hearings, and make decisions on the recommendations put forward by the Planning Commission; and enact ordinance(s) as required. ~~If federal and state laws and regulations are not sufficiently certain at the conclusion of that time, the Council, in its discretion, may extend the moratorium if so warranted, provided that the proper procedures for such extension are followed.~~

Section 5 3. Severability.

Each and every provision in this Ordinance shall be deemed severable. In the event that any portion of this Ordinance is determined by final order of a court of competent jurisdiction to be void or unenforceable, such determination shall not affect the validity of the remaining provisions thereof, provided the intent of this Ordinance can still be furthered without provision.

Section 6 4. Publication.

This Ordinance shall be published by an approved summary consisting of the title.

Section 7 5. Effective Date.

The Ordinance initially took effect on an emergency basis and was in full force immediately upon passage on March 14, 2016, having received the vote of a majority plus one of the entire Council. The Ordinance shall be effective immediately upon passage and signing. The Amended Ordinance shall take effect and be in full force upon five days after publication of these amendments.

Passed by the City Council on the _____ day of ~~May~~ ~~March~~ 2016.

CITY OF CASTLE ROCK

By _____
Paul D. Helenberg, Mayor

ATTEST:

By _____
Ryana Covington, Clerk-Treasurer

Approved as to form:

By _____
Frank F. Randolph, City Attorney

Date of Publication: _____

Effective Date: _____