



# Response to Emergency Ordinance 14-086

Recreational Marijuana Production and Processing in Unincorporated  
Snohomish County

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Washington NORML is the state affiliate of the National Organization for the Reform of Marijuana Laws.  
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[www.wanorml.org](http://www.wanorml.org)  
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10/21/2014

**Interim Ordinance:** Emergency Ordinance 14-086 Adopted October 1<sup>st</sup> 2014.

**Ordinance Overview:** This ordinance “would, for six months, prohibit new I-502 businesses from locating in R-5 and CRC.”

**Primary Reasons for Adoption:**

“The potential siting of marijuana production and processing facilities in the Rural 5- acre (R-5) zone has generated significant citizen concerns about the compatibility of such facilities with the existing rural character of the area.”

“The number of medical marijuana collective gardens in the Clearview area has increased recently to a level that has generated significant citizen concerns about the impact that so many marijuana businesses can have on a community. Any further increase in the concentration of marijuana businesses, including licensed retailers, in that area would exacerbate the problem.”

“An emergency ordinance is necessary for the immediate preservation of the public peace, health or safety. Non-emergency options would not be adequate to prevent new marijuana businesses from opening in neighborhoods where they would be detrimental to the public peace, health, and safety.”

**Full Text:**

<http://snohomishcountywa.gov/DocumentCenter/View/19842>

**Requested Modifications to this Ordinance:**

- We ask that Emergency Ordinance 14-086 be repealed.

**Reasons for Modifications:**

- The current prohibition of marijuana production and processing on R-5 land is inconsistent and excessive compared to existing Snohomish Code, a variety of similar and more impactful uses are currently permitted on R-5 land including: wholesale and retail greenhouses & nurseries, wedding facilities, retail sales of livestock feed, mini-equestrian centers, kennels, farm stands, farm product processing, farmers markets, fish farms, forestry, community facilities for juveniles, family daycares, farm bakery, boarding houses, and agriculture.
- The current prohibition of marijuana production and processing on R-5 land does not align with the county’s stated intent of rural zones which is “to protect, maintain, and encourage traditional and appropriate rural land uses, particularly those which allow residents to earn a satisfactory living on their own land.”
- The ordinance is disproportionately impactful to small businesses and farms. As written it will keep small business owners and farmers in Snohomish County out of the newly emerging recreational cannabis market, adversely affecting our local economy as well as the potential for job creation in Snohomish County.
- Recreational Marijuana regulations are designed to address many of the concerns citizens have with regards to the illegal, unregulated, untaxed, marijuana market.
- Marijuana production and processing will not attract crime due to the strict security requirements, which include facial recognition cameras on all operations, set forth by the Liquor Control Board in order to be licensed.
- Statistics from Colorado as well as other states with Medical Marijuana point to a correlations between Marijuana legalization/ decriminalization and a reduction in crime.

# Background on Initiative 502

## **I-502 Background:**

The signature gathering campaign and subsequent campaign for passage of I-502 was spearheaded by New Approach Washington, and according to their website consisted of “a coalition of Washington citizens who believe that treating marijuana use as a crime has failed, and that it is time for a new approach. We include doctors, lawyers, treatment and prevention experts, business people, and parents. We are united in the belief that Washington should stop wasting law enforcement resources on adults who use marijuana, and instead create a tightly regulated system that takes money away from criminal organizations and generates tax revenue for our state and local governments.”

## **I-502 Approval:**

I-502 was approved by popular vote on November 6<sup>th</sup>, 2012 and went into effect December 6<sup>th</sup> 2012.

In Washington State I-502 enjoyed a 55.7% approval rating.

In Snohomish County I-502 enjoyed a 54.6% (178,669 voters) approval rating,

## **Liquor Control Board Rule Creation Background:**

The Washington State Liquor Control Board set forth rules that were incredibly small business and small farm friendly. They kept the application and licensure fees within reasonable levels and they also limited the number of licenses one could possess to 3. Though due to the high number of producer applicants this number was further reduced to 1 license per business owner with no more than 21,000 square feet of production allowed.

## **Future of Recreation Marijuana:**

The Washington State Liquor Control Board as well as those entering the market place would like to see the Marijuana industry evolve to be comparable to the Wine Industry.

## **Financial Impact of I-502:**

According to the state Office of Financial Management, I-502's new 25% marijuana excise tax, combined with retail sales and B&O tax would generate more than a half-billion dollars in new tax revenue annually. Approximately \$182 million would go to the state general fund, \$34 million to local budgets, and \$366 million to health care, education, and prevention.

# The current prohibition of marijuana production and processing on R-5 land is inconsistent and excessive compared to existing Snohomish Code.

The current prohibition of marijuana production and processing on R-5 land is inconsistent and excessive compared to existing Snohomish Code. A wide variety of similar and more impactful uses are currently permitted on R-5 land including: wholesale and retail greenhouses & nurseries, wedding facilities, retail sales of livestock feed, mini-equestrian centers, kennels, farm stands, farm product processing, farmers markets, fish farms, forestry, community facilities for juveniles, family daycares, farm bakery, boarding houses, and agriculture.

Marijuana production consists of growing a plant either indoors or outdoors, very similar to what one would encounter at a nursery or farm. However, unlike a retail nursery, or farm that offers a bakery, stand or market there will be no on site sales of recreational marijuana due to strict regulations imposed by the state and liquor control board, thus there would be no increase in traffic. In this way marijuana production would be less impactful to neighbors than many already approved uses for R-5.

<http://www.codepublishing.com/WA/SnohomishCounty/?SnohomishCounty30/SnohomishCounty3021.html>



Actual photo of recreational marijuana production facility in Spokane County, note fencing with site obscuring covering blends in well with rural landscape.

## **The current prohibition of marijuana production and processing on R-5 land does not align with the county's stated intent of rural zones.**

The current prohibition of marijuana production and processing on R-5 land does not align with the county's stated intent of rural zones which is "to protect, maintain, and encourage traditional and appropriate rural land uses, particularly those which allow residents to earn a satisfactory living on their own land."

According to Snohomish County Code 30.21.025 titled "Intent of zones", Item 2, subpoint A which reads the intent of rural zoning is:

"to protect, maintain, and encourage traditional and appropriate rural land uses, particularly those which allow residents to earn a satisfactory living on their own land."

<http://www.codepublishing.com/WA/SnohomishCounty/?SnohomishCounty30/SnohomishCounty3021.html>

Snohomish County residents who reside on R-5 land and desire to produce marijuana should not be barred from earning a satisfactory living on their land because of the moral objections of an outspoken minority. Prohibiting marijuana production and processing for this reason would be akin to telling Snohomish county cattle farmers that they can no longer raise cattle on their property due to the objections of a few animal rights activist, or telling the private mill owner that they can't earn a living on their property due to the objections of a few environmental activist. The reality is that marijuana production & processing, cattle farming, & milling lumber are all legal activities that should be allowed despite the moral objection of a few.

# **The ordinance as currently written is disproportionately impactful to small businesses and farms.**

The ordinance as currently written is disproportionately impactful to small businesses and farms. As written it will keep small business owners and farmers in Snohomish County out of the newly emerging recreational cannabis market, adversely affecting our local economy as well as the potential for job creation in Snohomish County.

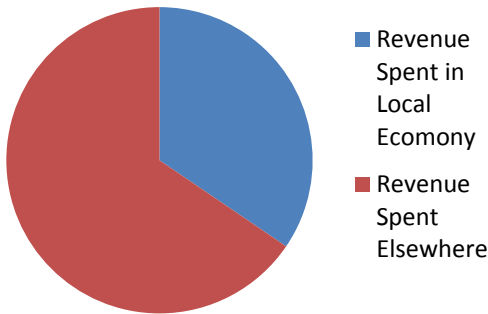
The current ban on recreational marijuana will strand over 80% of the industry with land purchased and plans developed that they are no longer allowed to use. Many hopeful and otherwise successful businesses will be forced out of existence. There is no other agricultural crop that is zoned this restrictively.

The prohibition established by Ordinance 14-086 effectively eliminates a large portion of otherwise available acreage in Snohomish County, and may well eliminate a majority of feasible parcels in the county. It is detrimental to both licensees as well as landowners who had planned to sell or lease land to 502 operators.

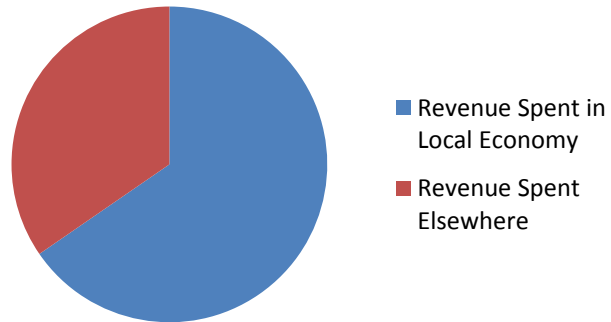
Requiring parcels in other zones requires vastly more initial capital and also goes against the democratic spirit of Initiative 502 and the rules set forth by the Liquor Control Board. The LCB set the entry costs and hurdles rather low, and limited the maximum size of grow operations, all in order to keep this new business opportunity in the hands of smaller owner-operators rather than larger corporations.

It is well known that local small businesses have a positive impact on the local economy as a whole because a greater percentage of their revenue is spent or re-circulated into the local region in the form of payroll, goods/services purchases from area businesses, profits spent locally by owners, as well donations to area charities. The research firm Civic Economics executed a number of studies into the impact small businesses have on local economies and in one study found that 34.5% of a chain restaurants' revenue was spent in the local economy compared to 65.4% of revenue from independently owned restaurants. (see [www.civiceconomics.com/aba-study-series](http://www.civiceconomics.com/aba-study-series)) Small marijuana businesses will also spend more in their local communities than larger businesses.

## Chain Restaurant



## Independently Owned Restaurant



Small businesses are also often described as the “engines of job creation” in the United States, according to the Small Business Association 60-80% of all U.S. jobs are created by small businesses. Many of the small business owners engaged in marijuana production and processing will be hiring individuals from our community to assist with operations. Many producers and processors have reported already receiving unsolicited resumes from individuals seeking employment. In Colorado, according to Michael Elliott, the Executive Director of the Marijuana Industry Group, there are currently a total of 7,500-10,000 jobs in the marijuana industry, Washington will likely employ the same if not more in the marijuana industry. Snohomish County Labor Area Summary published by the Employment Security Department the September unemployment rate for Snohomish was 5.1%, any job creation would help to lessen this amount.

	September 2014 Unemployment Rates
Snohomish County	5.1%
Washington State	5.7%

ArcView Market Research, a San Francisco-based investor group focused on the marijuana industry released a report in November of 2013 estimating that the legal marijuana industry is worth \$1.53 billion, and will likely be worth \$10.2 billion in five years. Colorado at a 15% excise tax rate collected \$6.7 million in tax revenue during the first two months of legal sales in 2014.

Small business owners and farmers in Snohomish County deserve the opportunity to enter this newly emerging market and bring revenue and jobs to Snohomish County. Please accept our requests to make this ordinance small business and small farm friendly.

# **Recreational Marijuana regulations are designed to address many of the concerns citizens have with regards to the illegal, unregulated, & untaxed, marijuana market.**

Recreational Marijuana regulations are designed to address many of the concerns citizens have with regards to the illegal, unregulated, & untaxed, marijuana market. It's important that a clear distinction be drawn between legal recreational marijuana businesses and illegal unregulated marijuana businesses.

***Legal recreational marijuana businesses don't sell marijuana to minors;*** if a legal recreational marijuana business owner sold marijuana to a minor they would be subject to felony prosecution, a large fine from the liquor control board & loss of their license. It's also interesting to note that the penalties for selling marijuana to a minor are much more severe than the penalties assessed for selling alcohol to a minor. The same cannot be said of the illegal, unregulated, & untaxed marijuana businesses.

***Legal recreational marijuana businesses have to comply with strict regulations related to advertising and packaging;*** the Washington State Liquor Control board has instituted very strict rules regarding what type of advertising a marijuana business may use WAC 314-55-155 "limits each retail licensed premises to one sign identifying the retail outlet by the licensee's business name or trade name that is affixed or hanging in the windows or on the outside of the premises that is visible to the general public from the public right of way. The size of the sign is limited to sixteen hundred square inches." In addition licensed businesses are not allowed to use packaging that would appeal to children and are prohibited from selling marijuana infused foods and beverages that would be especially appealing to children. The same cannot be said of the illegal, unregulated, & untaxed marijuana businesses.

***Legal recreational marijuana businesses have size restrictions;*** At this point the largest amount of space that can be used for production/ growing of marijuana by any one licensee is 21,000 square feet or .48 acres. The same cannot be said of the illegal, unregulated, & untaxed marijuana businesses.

***Legal recreational marijuana businesses pay a 25% excise tax, a portion of which is used to fund education, health care, and prevention;*** legal recreational marijuana businesses care about preventing youth from accessing and using marijuana and gladly pay a large portion of their gross income to support a more pragmatic and effective approach to education than has been taken thus far. The same cannot be said of the illegal, unregulated, & untaxed marijuana businesses.

***The voters of Washington & Snohomish county approved I-502 because they wanted to see a "new approach" to marijuana.*** Instituting overly restrictive zoning ordinances with regards to marijuana encourages the illegal, unregulated marijuana businesses to continue, adversely impacts legal recreational marijuana businesses and goes against the will of the majority voters in Washington state and Snohomish county.



# **Marijuana production and processing will not attract crime due to the strict security requirements.**

Marijuana production and processing will not attract crime due to the strict security requirements, which include facial recognition cameras on all operations, set forth by the Liquor Control Board in order to be licensed.

Below please find WAC 314-55-083; from the Liquor Control Boards Rules regarding Marijuana Licenses, application process, requirements and reporting.

Also available here: <https://lcb.app.box.com/adopted-rules>

## **What are the security requirements for a marijuana licensee?**

The security requirements for a marijuana licensee are as follows:

- (1) Display of identification badge. All employees on the licensed premises shall be required to hold and properly display an identification badge issued by the licensed employer at all times while on the licensed premises.
- (2) Alarm systems. At a minimum, each licensed premises must have a security alarm system on all perimeter entry points and perimeter windows. Motion detectors, pressure switches, duress, panic, and holdup alarms may also be utilized.
- (3) Surveillance system. At a minimum, a complete video surveillance with minimum camera resolution of 640x470 pixel and must be internet protocol (IP) compatible and recording system for controlled areas within the licensed premises and entire perimeter fencing and gates enclosing an outdoor grow operation, to ensure control of the area. The requirements include image acquisition, video recording, management and monitoring hardware and support systems. All recorded images must clearly and accurately display the time and date. Time is to be measured in accordance with the U.S. National Institute Standards and Technology standards.
  - (a) All controlled access areas, security rooms/areas and all points of ingress/egress to limited access areas, all points of ingress/egress to the exterior of the licensed premises, and all point-of-sale (POS) areas must have fixed camera coverage capable of identifying activity occurring within a minimum of twenty feet of all entry and exit points.
  - (b) Camera placement shall allow for the clear and certain identification of any individual on the licensed premises.
  - (c) All entrances and exits to the facility shall be recorded from both indoor and outdoor vantage points, and capable of clearly identifying any activities occurring within the facility or within the grow rooms in low light conditions. The surveillance system storage device must be secured on-site in a lock box, cabinet, closet, or secured in another manner to protect from employee tampering or criminal theft.
  - (d) All perimeter fencing and gates enclosing an outdoor grow operation must have full video surveillance capable of clearly identifying any activities occurring within twenty feet of the exterior of the perimeter. Any gate or other entry point that is part of the enclosure for an outdoor growing operation must have fixed camera coverage capable of

identifying activity occurring within a minimum of twenty feet of the exterior, twenty-four hours a day. A motion detection lighting system may be employed to illuminate the gate area in low light conditions.

(e) Areas where marijuana is grown, cured or manufactured including destroying waste, shall have a camera placement in the room facing the primary entry door, and in adequate fixed positions, at a height which will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, allowing for the clear and certain identification of persons and activities at all times.

(f) All marijuana or marijuana-infused products that are intended to be removed or transported from marijuana producer to marijuana processor and/or marijuana processor to marijuana retailer shall be staged in an area known as the "quarantine" location for a minimum of twenty-four hours. Transport manifest with product information and weights must be affixed to the product. At no time during the quarantine period can the product be handled or moved under any circumstances and is subject to auditing by the liquor control board or designees.

(g) All camera recordings must be continuously recorded twenty four hours a day. All surveillance recordings must be kept for a minimum of forty-five days on the licensee's recording device. All videos are subject to inspection by any liquor control board employee or law enforcement officer, and must be copied and provided to the board or law enforcement officer upon request.

# Marijuana production and processing does not appear to attract crime based on actual data.

Statistics from Colorado as well as other states with Medical Marijuana point to a correlation between Marijuana legalization/ decriminalization and a reduction in crime.

According to data from the Denver Police Department, violent crime (including homicide, sexual assault, robbery, and aggravated assault) fell by 6.9% in the first quarter of 2014, compared with the same period in 2013. Property crime (including burglary, larceny, auto theft, theft from motor vehicle and arson) dropped by 11.1%.

[http://www.denvergov.org/Portals/720/documents/statistics/2014/UCR\\_Citywide\\_Reported%20Offenses\\_2014.pdf](http://www.denvergov.org/Portals/720/documents/statistics/2014/UCR_Citywide_Reported%20Offenses_2014.pdf)

## PART 1 CRIME IN THE CITY AND COUNTY OF DENVER BASED ON UCR STANDARDS

TYPE OF OFFENSE		JAN 1-MAR 31, 2013*	JAN 1-MAR 31, 2014*	CHANGE		JAN 1-MAR 31, 2014 Including USC	
		#	#	#	%	#	% Change
<b>VIOLENT CRIME</b>	Homicide	12	7	-5	-41.7%	7	-41.7%
	Sexual Assault	82	67	-15	-18.3%	67	-18.3%
	Robbery	279	252	-27	-9.7%	252	-9.7%
	Aggravated Assault	537	521	-16	-3.0%	525	-2.2%
SUBTOTAL		910	847	-63	-6.9%	851	-6.5%
<b>PART 1 PROPERTY</b>	Burglary	1,104	1,111	7	0.6%	1,112	0.7%
	Larceny (Except Theft from MV)	1,585	1,694	109	6.9%	2,017	27.3%
	Theft from Motor Vehicle	1,816	1,121	-695	-38.3%	1,121	-38.3%
	Auto Theft	853	816	-37	-4.3%	818	-4.1%
	Arson	16	38	22	137.5%	38	137.5%
SUBTOTAL		5,374	4,780	-594	-11.1%	5,106	-5.0%
<b>PART 1 TOTAL</b>		<b>6,284</b>	<b>5,627</b>	<b>-657</b>	<b>-10.5%</b>	<b>5,957</b>	<b>-5.2%</b>

\*The data excludes offenses related to the USC process for comparative purposes.

All files utilized in the creation of this report are dynamic. Dynamic files allow additions, deletions and/or modifications at any time, resulting in more complete and accurate records in the databases. Due to continuous data entry after reports are compiled, numbers may vary in previous or subsequent reports.

PREPARED TO DEPARTMENT OF SAFETY PUBLIC INFORMATION STANDARDS  
Excludes traffic accidents, traffic moving violations and other traffic offenses.

A study looking at the legalization of medical marijuana nationwide, published late last month in the journal *PLOS ONE*, found that the trend holds: Not only does medical marijuana legalization not correlate with an uptick in crime, researchers from the University of Texas at Dallas argue it may actually reduce it.

Using statistics from the FBI's Uniform Crime Report and controlling for variables like the unemployment and poverty rates; per capita income; age of residents; proportion of residents with college degree; number of police officers and prisoners; and even beer consumption,

researchers analyzed data from all 50 states between 1990 and 2006. (California became the first state to legalize medical marijuana in 1996; in the decade that followed, 10 states followed suit. Today that number is up to 20 states, plus the District of Columbia.) They wrote:

“The central finding gleaned from the present study was that MML (medical marijuana legalization) is not predictive of higher crime rates and may be related to reductions in rates of homicide and assault. Interestingly, robbery and burglary rates were unaffected by medicinal marijuana legislation, which runs counter to the claim that dispensaries and grow houses lead to an increase in victimization due to the opportunity structures linked to the amount of drugs and cash that are present.”

The study drew a link between marijuana and alcohol use, surmising that the legalization of pot could cause the number of alcohol-fueled crimes to decline.

“While it is important to remain cautious when interpreting these findings as evidence that MML reduces crime, these results do fall in line with recent evidence and they conform to the longstanding notion that marijuana legalization may lead to a reduction in alcohol use due to individuals substituting marijuana for alcohol. Given the relationship between alcohol and violent crime, it may turn out that substituting marijuana for alcohol leads to minor reductions in violent crimes that can be detected at the state level.”

Link to source study:

w/graphs: <http://www.plosone.org/article/info%3Adoi%2F10.1371%2Fjournal.pone.0092816>

Dr. Mark Kleiman, leader of the BOTEC team hired as marijuana consultants to the Washington LCB, in a paper titled: Crime: Public Policies for Crime Control, states that social circles surrounding marijuana are largely white and from the middle and upper socio economic classes. They conclude that:

“ Making marijuana legally available to adults on more or less the same terms as alcohol would tend to reduce crime...”<sup>11</sup>

Link to paper:

<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.28.9946&rep=rep1&type=pdf>

# Marijuana production and processing will not impact property values any more than other activities or structures permitted in rural lands.

When individuals purchase property in rural areas they do so with the understanding that the property around them may be used for a variety of purposes including agricultural production and farming.

Most marijuana production and processing will take place in buildings and green houses that are no different than buildings and green houses that are already setup on light agricultural and rural properties. Outdoor production will take place behind an 8 foot site obscuring fence which will not impact property values any more than other types of fencing a landowner might decide to erect on their property.

Marijuana producers and processors should be allowed to utilize their land to earn a living just like any other agricultural producer or farmer.



In speaking with producer and processor applicants in Snohomish County many report their neighbors utilizing their property for a wide variety of uses including: raising cattle, boarding horses, erecting dirt bike paths, storing junked vehicles, raising small animals, growing vegetables, and more. It seems unfair and inconsistent to prevent marijuana producers and processors who are operating within the letter of state law from doing business on their own property when many other activities are permitted and rural properties.

