

CITY OF LYNNWOOD  
PLANNING COMMISSION MINUTES  
June 26, 2014 Meeting

<table>
<thead>
<tr>
<th>Commissioners Present:</th>
<th>Staff Present:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Wojack, Acting Chair</td>
<td>Corbitt Loch, Dep. Director Comm. Dev.</td>
</tr>
<tr>
<td>Maria Ambalada</td>
<td>Gloria Rivera, Senior Planner</td>
</tr>
<tr>
<td>George Hurst</td>
<td>Shay Davidson, Administrative Asst.</td>
</tr>
<tr>
<td>Doug Jones</td>
<td>Robert Victor, Project Manager</td>
</tr>
<tr>
<td></td>
<td>Jeff Elekes, Deputy Director of PW</td>
</tr>
</tbody>
</table>

Commissioners Absent:  
Chad Braithwaite, Second Vice Chair  
Robert Larsen, First Vice Chair  
Richard Wright, Chair  
Other:  
Councilmember Van AuBuchon

Call to Order

The meeting was called to order by Chair Wright at 7:00 p.m.

Approval of Minutes

None

Citizen Comments

Public Hearing

1. Regulations relating to recreational marijuana

The hearing was opened at 7:03 p.m. for regulations relating to recreational marijuana.

Staff Presentation: Senior Planner Gloria Rivera reviewed background on this item as contained in the Staff Report in the Planning Commission’s packet. The Ordinance under consideration was modeled after Pierce County’s ordinance based on a recommendation from the City Attorney. This specifies activities in set zones, but makes the licensing and permitting of production, processing, and retail sales contingent on the federal government approving legislation that removes marijuana from the schedule of controlled substances. Senior Planner Rivera gave a PowerPoint presentation describing details of the Ordinance as contained in the Staff Report.
Public Comments:

Matthew Moe, 727 – 35th Street, Everett, WA, stated he is one of the fortunate few who has a right to a license here in Lynnwood. He explained he has been working in the healthcare industry for the last decade or more with a focus on product development, business development, and strategic planning. He believes that what is going on with I-502 is the right thing since it offers a solution to the current status. The prohibition that has occurred for the last decades has clearly failed and cost the nation over a trillion dollars in enforcement costs. He thinks a regulated system would provide a safer situation for everyone. He stressed that the City needs to be proactive in accommodating this law like many other cities around us have done. He asserted that a ban would actually increase crime. Right now, citizens have a legal right to access marijuana, but they would have no legal access point within the City. A ban would force citizens to go to the black market to find their product rather than seek legal products in the regulated market. He urged the Commission to carefully consider the ban. He thinks accommodation would be a far better solution with more positive impacts on public health.

Magda Clemens, 104 NE 50th Street, Seattle, WA, spoke in support of legalizing access to recreational marijuana which she believes will increase safety for children and for those seeking access to marijuana. She believes that I-502 has been well considered and will prioritize the health of the public. The Ordinance provides consideration for daycares and public places such as libraries and other areas where children may be present so that children do not have easy access. She stressed the importance of educating children on marijuana and the uses of it versus making it illegal. She noted that the ban would force good, law abiding parents to enter the black market to access marijuana and would increase risks to their safety.

Stephanie Boehl, Attorney for Matt Moe/Green Express, LLC, 12246 – 12th Ave NW, Seattle, stated that Mr. Moe is one of the applicants who were selected in the retail lottery and is hoping to open a retail store in Lynnwood. She discussed revenue projections using data from Rand, estimating that at a minimum a retail store would bring in about $5.2 million a year. At this rate, two stores would bring sales tax revenue to the City of Lynnwood of $300,000 a year. She thinks this is a very conservative estimate and would likely be closer to $500,000. She stated that the proposed ban means Lynnwood would be turning its back on $500,000 in tax revenue. She asked if the city’s fears could be addressed by something other than a ban. The ban would create an unregulated, untaxed, untested market as the only means available to Lynnwood citizens to access marijuana. She pointed out that there are contrary studies to all the ones listed in the Ordinance and the exhibits. Additionally, the citizens of Lynnwood voted 54% in favor of a taxed, legitimate, available source of safe marijuana in their community. For the City to turn its back on that is problematic and against the democratic values of our country and the state’s initiative process. She stated
that Matt Moe and her other clients are legitimate business people who want to
do something great here. She left copies of the CDC report in the Huffington Post
and copies of the Drug Policy Alliance report with the Commission.

Charles Austin, 18930 – 43rd Avenue SE, Lynnwood, WA 98012, stated that it
was actually 56% that voted to legalize marijuana in I-502. This action by the City
feels like we are taking another step back. He suggested they stop arresting
people and start profiting from the industry. He spoke in support of allowing
responsible adults to be treated like legal, responsible adults by going to a state
store to purchase a product that we know is verifiable and safe. He encouraged
the City to focus on receiving the tax revenue from this industry instead of
spending money on arrests and prosecutions.

Planning Commission Questions:

Commissioner Hurst asked how the banking regulations and the ability to use the
banking system for this industry have shifted. Ms. Boehl replied that the federal
government put out an enforcement policy on banks that opened accounts for
licensed retail businesses. Two credit unions in Washington State are putting
together their proposal for retail stores right now. The Liquor Control Board is
also involved in this process as they will be receiving a lot of revenue from this
industry. She stated that the business’s she represents are opening and using
accounts at the credit union. She feels that great strides have been made in the
last several months.

Charles Austin said he would like to see this taken out of the black market area
and stop supporting the drug cartels. He spoke in support of an organized,
regulated system that was voted in.

Seeing no further questions or public comments, the public testimony portion of
the hearing was closed at 7:42 p.m.

Planning Commission Deliberation:

Commissioner Jones asked if there is a way of amending the City’s business
license to remove the line stating that you cannot violate federal law or to add an
amendment stating, “. . . unless approved by state law.” Senior Planner Rivera
commented that it could be amended if it goes through the appropriate process.

Commissioner Hurst asked hypothetical questions about the 1,000-foot minimum
distance regulation and the impact of future development on retail stores in which
Senior Planner Rivera clarified this for him. Commissioner Hurst asked how the
10,000 square foot limitation for grow operations was determined. Senior Planner
Rivera stated the City had followed the lead of another jurisdiction on this, but it
relates to one of the tiers in the WAC. Commissioner Hurst asked if the energy
usage of a growing operation had been investigated. Senior Planner Rivera said
it had not. Commissioner Hurst commented that they use a tremendous amount
of energy, and power companies are struggling to deal with this.

Commissioner Ambalada asked if staff had looked into potential revenue
projections that the City would get from marijuana businesses. Senior Planner
Rivera stated that it had not been studied thoroughly. Commissioner Ambalada
said she was wrestling with the economic value of this and the economic growth
of the City of Lynnwood. She discussed the importance of family values to the
City of Lynnwood and spoke in support of the Ordinance.

Commissioner Wojack referred to section 1, item f, stating that no outdoor
signage would be allowed for a marijuana store. He wondered if sandwich boards
would be allowed. Senior Planner Rivera indicated she would need to look into
that further. Commissioner Wojack asked if the City is worried about the
possibility of being a scapegoat for the federal government. Senior Planner
Rivera said she wasn’t aware of any worry on the part of the Council, but there
are a couple of cities being sued right now because they have prohibited it. She
added that Lynnwood would not be the only city in the county that has prohibited
it.

Commissioner Jones spoke in support of the Ordinance, but said he’d like to see
more of a collaborative effort between the business owners and the City.

Motion made by Commissioner Ambalada, seconded by Commissioner Hurst, to
forward the Ordinance to Council with a recommendation to continue prohibition.

Motion made by Commissioner Jones to amend the Ordinance by striking the
phrase in the Ordinance prohibiting licensing and the section that references the
federal legislation and controlled substances. The motion to amend was
seconded by Commissioner Wojack. Motion failed (2-2).

The main motion failed (2-2).

After some discussion, Deputy Director Loch explained that the next step would
be to return this item to the City Council indicating that the Planning Commission
was not able to reach a recommendation.

Other Business

1. 2015-2020 Transportation Improvement Plan (TIP)

Robert Victor, Project Manager, and Jeff Elekes, Deputy Director of Public
Works, reviewed the annual update to the 2015-2020 City’s Transportation
Improvement Project (TIP) list and map in the Commission’s packet. Mr. Victor
noted that the only change from last year’s TIP, other than updating the dollar
figures, is that one project has been removed and one project has been added to
the list. In 2014, the ITS Phase 3 project will be completed. The citywide Bike
Link Project was added to the list. Staff recommended forwarding this to the City
Council with a recommendation for approval.

Commissioner Wojack referred to the Beech Road Extension and asked about
the purpose of that. Deputy Director Elekes explained that the Beech Road
Extension is intended to make the linkage extension behind Target and to be an
alternate route for the mall. It is intended to come on line at some point in the
future as growth occurs in the City Center.

Commissioner Wojack asked about the plans for the 33rd Avenue West
Extension. Deputy Director Elekes explained that the “Ring Road” will start at
33rd, go north, wrap around, and go down the hill to the AM/PM market. The
other one will make a connection to Maple Road through 179th, but this is a later
project.

Commissioner Ambalada asked if there are any plans to widen 52nd. Deputy
Director Elekes said there is in the long-range plan. As development occurs on
the frontage, it is required to put in its share of frontage improvements to extend
sidewalks or create a gap. In the long-range, subject to project funding, there is a
non-motorized sidewalk plan.

Commissioner Jones asked several questions about funding
and bidding. Deputy
Director Elekes and Mr. Victor reviewed the funding for the projects. They
explained that the bidding is open to the public if someone wants to review the
records.

Commissioner Hurst asked if the City has ever spent $2 million a year on the
overlay program. Deputy Director Elekes replied that through the capital projects
such as Olympic View Drive, there was over $2 million worth of asphalt put down
in that year on that project. Other than that, the City has not had the budget to do
a $2 million program. The Transportation Benefit District (TBD) Board will be
considering a voter package in July to be able to do an annual overlay program
of substance. Commissioner Hurst then asked about recommendations for
roundabouts. Mr. Victor explained that roundabouts are only advisable in certain
circumstances. It depends on the type of traffic coming into the intersection.
There are only a few select locations in the City where roundabouts make sense.

Commissioner Ambalada asked about ADA access on the Interurban Trail. Mr.
Victor affirmed that the project will meet ADA requirements in order to receive the
federal funding associated with it.

Commissioner Hurst asked if bids are still coming in under budget like they were
a few years ago. Mr. Victor explained that the City is not seeing as many bidders
as they were a few years ago. It is a more normal bidding pattern. The engineers’
estimates and the bids are on par with one another.
Commissioner Ambalada asked if there is something that the Planning Commission can help staff with. Mr. Victor explained that funding is the thing that the City needs most. Support for the ballot measure would be appreciated. Also helpful would be talking with the legislature about getting Lynnwood its fair share of state-funded packages and programs that are out there.

Motion made by Commissioner Wojack, seconded by Commissioner Jones, to forward the 2015-2020 TIP as written. Motion passed unanimously (4-0).

Work Session

1. Preliminary Draft – Land Use Element of Comprehensive Plan

Deputy Director Loch explained staff is looking for feedback on the format and the style of Land Use Element.

Commissioner Wojack said he thought it was excellent. He appreciated the explanation of the proposed changes. He thought it was very smooth and made sense.

Commissioner Ambalada said she wished there was more blue ink than red.

There was consensus to continue this to a future meeting when more commissioners were present.

Council Liaison Report

Councilmember AuBuchon had the following comments:

- The revision of the Land Use Element shows that the entire Lynnwood Municipal Code could probably use this kind of work. He thanked staff for that work.
- He announced that all of the Commission’s work on the goat issue has come to fruition. At the last Council meeting, they voted to allow miniature goats with some minor changes to the size and breeds of the goat. He thanked the Planning Commission for their work.

Commissioner Jones asked how the planning for joint meetings is coming along. Councilmember AuBuchon replied he did not have an answer for that yet, but said he would pass along the question. Commissioner Jones asked staff if they had any thoughts on this because he thought that it would save staff time. Deputy Director Loch suggested not worrying about staff on this, noting that they were happy to help facilitate city business. He noted that it was more about whether or not the facilitation of this could benefit by joint meetings. He suggested that the Planning Commission could discuss at their next meeting the
types of topics or instances that would benefit from joint meetings. There was consensus to have this as an agenda item at an upcoming meeting.

**Director's Report**

Deputy Director Loch had the following comments:

- He encouraged everyone to go to the new Farmer's Market every Thursday from 3:00 pm to 7:00 pm.
- Staff will be working on the Business License Code and will be providing informative updates to the Planning Commission even though it wouldn’t require Planning Commission action.

**Commissioners' Comments**

Commissioner Wojack thanked the Commission for dealing with him as Acting Chair at the meeting. He noted that there were two firsts at this meeting, the marijuana product and also the first time in his 10 or 11 years as a commissioner that there has ever been a tie on a vote.

**Adjournment**

The meeting was adjourned at 8:57 p.m.

__________________________
Richard Wright, Chair