

Planning Commission

Public Hearing



Community Development • 125 NW Chehalis Avenue, Chehalis, WA 98532 • Phone: (360) 740-1146

STAFF REPORT

DRAFT AMENDMENTS RETAIL CANNABIS

Date: May 19, 2026

Staff: Natalie Kamieniecki, Senior Long-Range Planner

Attachments: A – Code and Commentary (Proposed Amendment to LCC Chapter 5.20 (Licenses); Chapter 17.10 (Definitions); Chapter 17.42 (Table 2: Land Use Summary); Chapter 17.142 (Cannabis Production, Processing; and Cannabis Retail))

SUMMARY

On March 23, The Board of County Commissioners (BOCC) directed staff to prepare a proposal for consideration that would allow retail cannabis sales in limited commercial zones within unincorporated Lewis County. The BOCC also directed removing any allowance for cannabis production and processing.

The proposal includes amendments to County Code reflecting the repeal of Chapter 5.20, Licensing, with retail cannabis licensing to be administered through the existing state licensing process. The proposal includes moderate design standards intended to encourage compatibility with the rural character of surrounding areas.

State law establishes mandatory separation requirements between cannabis retail establishments and certain sensitive uses. The County may also implement additional local separation standards. Accordingly, the proposal includes additional local controls on separation requirements from hospitals, correctional / detention facilities, places of worship, and community centers.

BACKGROUND

In 2012, voters passed an initiative to allow cannabis retail in Washington State. In response, Lewis County passed an ordinance that required a federal license for cannabis production, processing and retail in unincorporated areas of the county. Because a federal license is unavailable, this ordinance was effectively a prohibition. Many counties and cities initially adopted restrictive ordinances; however, these restrictions have been reduced or eliminated over time. Today, 30 counties in Washington allow cannabis retails. Lewis County is one of six that prohibit cannabis retail. Cities in Lewis County that allow cannabis retail includes Centralia, Chehalis, Winlock, Toledo and Pe Ell.

In 2026, the BOCC is considering new revenue sources and one of those sources is excise and sales taxes from cannabis retail. Based on population and retail sales, Lewis County could receive a per capita share of state cannabis revenue, based solely on not prohibiting cannabis retail, and a retail share based on actual sales in proportion to statewide sales.

Workshops were held with the Lewis County Planning Commission on April 14, 2026, and April 28, 2026. Staff presented the proposed amendments and provided recommendations for consideration. The meeting is available on YouTube and the materials are available on the County's website: <https://lewiscountywa.gov/departments/community-development/comprehensive-plan-and-development-regulation-amendments/cannabis-code-update/> . Following the staff presentation, Planning Commission agreed to move the Retail Cannabis to a public hearing on May 26, 2026. The public hearing was duly noticed on May 7, 2026 in the Chronicle.

WORKSHOPS

During the workshops, commissioners asked questions of staff and discussed the potential inclusion of the STMU zone district as a permitted location for retail cannabis sales, the addition of bollards or other fixed security features at store entrances, and the inclusion of churches or places of worship within the required separation standards for sensitive uses.

Planning Commission discussion determined that places of worship be included within the list of sensitive uses subject to the required 1,000-foot separation standard for retail cannabis establishments. Commissioners expressed that churches are places frequently attended by families and children and should therefore be identified in the code as requiring the separation buffer.

In response to the Planning Commission's recommendation, staff has proposed amendments to LCC 17.10 by adding a definition for "Place of Worship" under the "P" definitions section. The proposed definition is intended to provide clarity and consistency in the administration and enforcement of the separation requirements. In addition, places of worship have been added to the proposed code package as a locally regulated sensitive use subject to the required separation distance from retail cannabis establishments. The proposed definition can be reviewed on page 14 and related code amendments can be reviewed on page 26 of Attachment A – Code and Commentary.

The Commissioners decided not to recommend inclusion of the STMU zone for allowed cannabis retails and not the requirement for extra security measures.

PROPOSED CODE AMENDMENTS

The proposed amendments to LCC Chapter 5.20 (Licenses); Chapter 17.10 (Definitions); Chapter 17.42 (Table 2: Land Use Summary); Chapter 17.142 (Cannabis Production, Processing; and Cannabis Retail) are found in Attachment A – Code and Commentary and summarized below:

- LCC 5.20 (Licenses) – Revoke the county license requirement and rely on the WSLCB procedures
- LCC 17.10 (Definitions) – Updated and consolidated terminology from "marijuana" to "cannabis" to be consistent with modern terminology used by the state. Added a new definition for "place of worship" to consistently apply separation standards for retail cannabis uses.

- LCC 17.42 (Land Use Summary Table) - Cannabis retail may occur in Mixed Use (MU), Commercial Business District (CBZ) and Freeway Commercial (FC) zones. Packwood and Onalaska are the only locations with MU and CBZ zoning. Along I5/Highway 12 and I5/Barnes Drive are the only locations with FC zoning. Administrative review process required for retail cannabis establishments.
- LCC 17.142 (Cannabis Production, Processing, and Cannabis Retail) – Cannabis production and processing provisions are stricken from the code in their entirety. Cannabis retail regulations are renumbered to LCC 17.142.075 and include updates related to state law, removal of redundant or unnecessary regulations, and the addition of design standards and local separation controls to ensure consistency with the Comprehensive Plan and the rural character of the county.

RECOMMENDATION

Staff recommends that the Planning Commission transmit the proposed amendments to the Lewis County code as set forth in Attachment A to the Board of County Commissioners for review and consideration.

NEXT STEPS

On May 26, 2026, after close of the public hearing, the Planning Commission may deliberate and vote to transmit the proposed amendments as set forth in Attachment A to the Board of County Commissioners. After the Board of County Commissioners reviews the proposal, they will hold a public hearing before voting to recommend the amendments.

Suggested Motion: I move to submit a letter of transmittal to the Board of County Commissioners to recommend approval of amendments as set forth in Attachment A – Code and Commentary.

Alternatively, the Planning Commission may choose to hold another workshop to deliberate further before voting on the proposal.

Alternative Suggested Motion: I move for the Planning Commission to hold another workshop to deliberate further on the proposal.

Please note, the Planning Commission may also move to recommend changes to the proposal set forth in Attachment A.