

**NOTICE OF MEETING
REGULAR MEETING AGENDA**

1. **CALL TO ORDER**
2. **AGENDA APPROVAL**
3. **PUBLIC COMMENT UPON MATTERS ALREADY ON THE AGENDA** *(The Public may comment on any item on the agenda with the exception of items shown under Public Hearings. The standard time limit is 3 minutes.)*
4. **VISITORS/PRESENTATIONS** *(20 Minutes Scheduled for Presentation and Q & A)*
5. **RECONSIDERATION**
6. **ADOPTION OF CONSENT AGENDA** *(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of Commissioner.)*
 - A. Meeting Minutes from the August 25, 2016 Regular Meeting **Page 3**
7. **REPORTS - State, Borough, Council, Staff**
8. **PUBLIC HEARING**
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10. **NEW BUSINESS**
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12. **COMMENTS OF THE AUDIENCE**
13. **COMMENTS OF THE STAFF**
14. **COMMENTS OF THE CHAIR**
15. **COMMENTS OF THE COMMISSION**
16. **ADJOURNMENT THE NEXT REGULAR MEETING IS THURSDAY, OCTOBER 27, 2016** at 5:30pm in the **COWLES COUNCIL CHAMBERS** located at City Hall 491 E. Pioneer Avenue, Homer Alaska

Session 16-07, a Regular Meeting of the Cannabis Advisory Commission was called to order by Chair Aryn Young at 5:30 p.m. on August 25, 2016 in the Cowles Council Chambers located at City Hall 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS HARRIS, SARNO, REYNOLDS, CLARK, ROBL, STEAD, AND YOUNG

ABSENT: COMMISSIONERS CARROLL AND LEWIS (EXCUSED)

STAFF: DEPUTY CITY CLERK KRAUSE
CITY PLANNER ABBOUD

APPROVAL OF AGENDA

Chair Young requested a motion to approve the agenda.

- SO MOVED.

There was no discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENT

Jeremiah Emerson, not a city resident, commented on the Planning Commission reviewing applications and the established policies, he appreciated the recommendations on objecting to the background checks and advocated for that to be a condition of the persons probation and release. He appreciated the CAC's efforts and work that they do. He also noted that the ASCA will be managing a counter campaign to the borough opt out vote and anyone interested in helping out with that would be great.

VISITORS/PRESENTATIONS

RECONSIDERATION

ADOPTION OF CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Commissioner.)

A. Meeting Minutes for the July 28, 2016 Regular Meeting

Chair Young called for adoption of the Consent agenda.

REYNOLDS/STEAD - MOVED TO ADOPT THE CONSENT AGENDA AS PRESENTED.

There was no discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

REPORTS

City Planner Abboud commented on the Borough Opt Out Ban on Marijuana and that it will be up to the Assembly to determine if they will have a Special Election or wait until next October.

PUBLIC HEARINGS

PENDING BUSINESS

NEW BUSINESS

A. Draft Ordinance 16-XX, Outlining the Regulatory Responsibilities of the Commission regarding Applications

Correct title according the Draft ordinance submitted by the City Attorney: Amending Homer City Code 21.62.040, Currently Entitled Pre-Application Conference” to Authorize the City Planner to Recommend to the State of Alaska that it Deny an Application for a Marijuana Establishment that Does Not Comply with Homer City Code and Authorize the City Planner to Recommend that the State Impose Conditions to Approval When Necessary to Ensure Compliance with the Homer City Code.

There was a bit of confusion to bringing the ordinance to the floor for discussion or making a motion to approve. City Planner Abboud stated he could provide a report on the ordinance. Chair Young yielded the floor.

City Planner Abboud stated that this ordinance was very simple and amended Title 21 putting the applications under his review. Since it is amending Title 21 this will have to go before the Planning Commission for review, Public Hearing and approval before going to Council and he has not finalized the next Planning Commission agenda so he can get it on that for the next meeting.

Commissioner Harris wanted to postpone this ordinance until after the new council is elected.

Commissioner Clark commented that he saw no reason to move this forward that it is pretty straight forward. Commissioner Reynolds agreed and recommended sending this to Planning Commission that everything is so up in the air that there is no reason to withhold action on it now.

Commissioner Harris expressed concerns with expediency in reviewing and approving applications received by the city. City Planner Abboud responded with the time requirement that is already imposed in state regulations regarding local opposition. He did not believe it would take much time to review and resubmit to the state.

Commissioner Harris expressed clarification on her concerns that existing membership on Planning Commission would try to change the rules from the time an application is received and approval. City Planner Abboud noted that under the proposed regulation the Planning Commission would not be involved unless the applicant appealed his decision. He further noted that his recommendations would fall under existing requirements. He further noted that reviewing an application within 10 or 15 days is doable.

Commissioner Harris further explained that she would like to see a date within this ordinance that current regulations as of this date to make sure that no regulations change in the meantime.

Discussion and points made by the commission ensued on the following:

- 10-15 day limit is appropriate
- the application will be coming from the state to the city planner
- to change current city code will require two meetings at the planning commission and two meetings at the city Council level and will also require at least two weeks to get on the agenda.

- lack of public involvement in the zoning changes because they fall under the public's radar
- notice requirement by the state gives the city the notice required to make changes in building requirements and codes
- preference to have a review board other than the planning commission review an application especially those applications that have been denied

REYNOLDS/YOUNG - MOVED TO AMEND LINE 45 TO ADD WITHIN 15 DAYS OF RECEIPT OF APPLICATION.

Discussion ensued in clarification of intent of the motion was to amend the ordinance to provide the 15 day time limit for review and approval with or without recommendations. The intent for the paragraph to read as follows:

b. The City Planner shall be responsible for reviewing all applications filed with the State of Alaska under AS 17.38 for the operation of marijuana establishments in the City of Homer once those applications have been submitted to the city for its review by the State of Alaska. The City Planner or his or her designee, shall recommend to the State of Alaska, WITHIN 15 DAYS OF RECEIPT OF AN APPLICATION, denying an application that does not comply with this code or he or she may recommend approving the application with conditions that, if adopted, will result in compliance with this code.

City Planner Abboud stated that he does have staff available to act in his absence in response to a question by the commission.

Chair Young called for the vote.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Commissioner Reynolds recognized that the City Planning Department has a responsibility to follow and apply the guidelines and regulations that are imposed and she has never seen a bias previously. Commissioner Sarno echoed those sentiments and further stated that City Planner Abboud has shown professionalism and believes that any application they received would get a fair hearing.

Commissioner Sarno inquired if any zoning changes were proposed to revise code that affect marijuana businesses would this (Cannabis Advisory) commission get a chance to review these changes before going to Council?

Commissioner Stead responded that they would not, he is not the expert but any proposed changes to zoning falls under the purview of the Planning Commission and there is no requirement to notify this commission. He also stated that to suggest that members of the Planning Commission are nefarious and feels that those acts would be a criminal, he cannot think that the commission in how it acts and works together today would do that, they do their very best to put personal feeling aside and he is a bit affronted at the implication but appreciates it is Commissioner Harris' personal opinion and she is entitled to her opinion. Commissioner Stead appreciates the other commissioners supportive comments and believes City Planner Abboud does his very best to be fair in his recommendations.

HARRIS/REYNOLDS - MOVED TO AMEND THE DRAFT ORDINANCE TO INCLUDE ADDITIONAL WHEREAS ON LINE 16 THAT STATES CONDITIONAL USE PERMITS WILL BE APPROVED ACCORDING TO EXISTING ZONING REGULATIONS AS OF THIS MONTH.

Commissioner Reynolds cited that there is no precedent to set a zoning map and regulations in place. She understands that it is confusing but does not think there is a way to lock the zoning into place. Further discussion on the time frame for approval within 15 days and additional limits would be onerous.

VOTE. NO. ROBL, STEAD, YOUNG, SARNO, REYNOLDS, CLARK

VOTE. YES. HARRIS.

Motion failed.

REYNOLDS/ROBL - MOVED TO FORWARD THE DRAFT ORDINANCE TO THE PLANNING COMMISSION.

There was no discussion.

VOTE. YES. CLARK, REYNOLDS, SARNO, YOUNG, STEAD, ROBL.

VOTE. NO. HARRIS.

Motion carried.

B. Election of Chair and Vice Chair.

Chair Young summarized the actions required from the commission on electing a vice chair and chair.

The commission elected to vote by a show of hands or voice vote.

Chair Young called for nominations of vice chair and opened the floor by nominating Commissioner Stead.

Commissioner Harris nominated Commissioner Reynolds.

Chair Young closed the nominations and called for a show of hands for Commissioner Stead for Vice Chair. He received 5 votes. Commissioner Reynolds received 2 votes. Congratulations were expressed from the commission to Commissioner Stead and Chair Young turned the meeting over to Vice Chair Stead.

Vice Chair Stead opened the floor for nominations for Chair. Five hands shot up.

Commissioner Harris nominated Commissioner Reynolds.

Commissioner Sarno nominated Commissioner Clark. Commissioner Reynolds seconded that nomination.

Deputy City Clerk Krause stated that there were no rules against nominating a person who was not present.

Vice Chair Stead closed the nominations for chair and called for a show of hands for Commissioner Reynolds for Chair. There was one vote. Vice Chair Stead then called for a show of hands for Commissioner Clark for Chair. There were 4 votes.

Clarification was requested on a nomination for Commissioner Carroll. She was not nominated officially. Commissioner Young cast her vote for Commissioner Clark bringing the total to 5.

Congratulations were expressed for Commissioner Clark and the gavel and meeting was turned over to newly elected Chair Clark.

D. Next Meeting Deliverables, Agenda Items

Chair Clark asked for items that the commission would like for the September agenda. Commissioner Young noted that if they thought of something before the agenda closed they can email the Clerk and add it to the agenda.

INFORMATIONAL MATERIALS

A. 2016 Meeting Schedule and Packet Processing Deadlines

B. 2016 Commission Attendance at Council Meetings

Chair Clark requested volunteers to attend the Council meeting. No volunteers stepped forward.

COMMENTS OF THE AUDIENCE

Bryan Zak, resident, complimented Commissioner Young for chairing an efficient meeting and congratulated Commissioner Clark on being selected as the new Chair. He commented that it was nice to see young people getting involved and sitting on these commissions. He shared that at the last AML meeting the Director of the Marijuana Control Board, Cynthia Franklin spoke and pointed out the nine different applications and the website page where you can see all the applicants for the various licenses and included the information for the rest of Council. This was a good meeting. It was nice to see that the commissioners did not have fangs and horns.

COMMENTS OF STAFF

Deputy City Clerk Krause had no comments.

City Planner Abboud commented on the record that the planning staff would be more than happy to assist in the processes of getting a permit for any business including marijuana and the planning commission whether they were pro-marijuana or not tried the best they can to do the best they can for the community and that the opportunity to have looser regulations or going in the opposite direction is always there, they do try to put their personal feelings aside in reviewing these things in regards to code compliances.

COMMENTS OF THE CHAIR

Chair Clark appreciated everyone's faith in him and promise to step up to the plate to perform the job expected of him. He appreciated everyone showing up for the meeting and the comments received. Thank you everyone for a quick and easy meeting.

COMMENTS OF THE COMMISSION

Commissioner Robl announced he will miss the September meeting and when he gets back from vacation his schedule will firm up and he will be able to attend a council meeting or two.

Commissioner Harris wished him well hunting and hoped he got a big one.

Commissioner Stead, Young, no comments.

Commissioner Sarno congratulated Chair Clark.

Commissioner Reynolds will be in attendance for the next commission meeting although she will miss the Council meeting. She congratulated Chair Clark and Vice Chair Stead. Thanked everyone for participating.

ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 6:39 p.m. The next regular meeting is scheduled for THURSDAY, SEPTEMBER 22, 2016 at 5:30 p.m. in the City Hall Cowles Council Chambers located at 491 E Pioneer Avenue, Homer, Alaska.

Renee Krause, CMC, Deputy City Clerk

Approved: _____



City of Homer

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Office of the City Clerk

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MEMORANDUM

TO: CANNABIS ADVISORY COMMISSION

FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

DATE: SEPTEMBER 14, 2016

SUBJECT: NEXT MEETING AGENDA ITEMS

Please determine what items the commission would like to address at the next meeting or cancel the meeting if they feel that it is not required or no impending items to address.

2015/2016 MEETINGS
CANNABIS ADVISORY COMMISSION

Following are the regular meeting dates established for the Commission. All meetings will be in Council Chambers unless otherwise noted and start at 5:30 p.m.

<u>Meeting Date</u>	<u>Packet Deadline</u>
December 17, 2015	December 9 th
January 28, 2016	January 20, 2016
February 25, 2016	February 17, 2016
March 24, 2016	March 16, 2016
April 28, 2016	April 20, 2016
May 26, 2016	May 18, 2016
June 23, 2016	June 15, 2016
July 28, 2016	July 20, 2016
August 25, 2016	August 17, 2016
September 22, 2016	September 14, 2016
October 27, 2016	October 19, 2016
November 29, 2016 (Tuesday)	November 18, 2016
December 15, 2016	December 8, 2016

If a commissioner wishes to add an item on the agenda that would be relevant to the discussion/action of the commission please submit or drop off at the Clerk's Office no later than Noon on the packet deadline date.

Commissioners may email requests for information or materials that they would like in the packet to the clerk, Renee Krause at rkrause@ci.homer.ak.us or staff, Rick Abboud at rabboud@ci.homer.ak.us.

The Clerk will email a draft agenda to the Chair and Staff no later than 4:00 p.m. on the packet deadline day. The Chair and Staff are requested to return the approved agenda with any additions and corrections to the Clerk no later than 10:00 a.m. the following day so that the meeting packet can be produced and available for distribution no later than 3 p.m.

2016 HOMER CITY COUNCIL MEETINGS
CANNABIS ADVISORY COMMISSION ATTENDANCE

It is the goals of the Commission to have a member speak regularly to the City Council at council meetings. There is a special place on the council’s agenda specifically for this. After Council approves the consent agenda and any scheduled visitors it is then time for staff reports, commission reports and borough reports. That is when you would stand and be recognized by the Mayor to approach and give a brief report on what the Commission is currently addressing, projects, events, etc. **A commissioner is scheduled to speak and has a choice at which council meeting they will attend. It is only required to attend one meeting during the month that you are assigned.** However, if your schedule permits please feel free to attend both meetings. Remember you cannot be heard if you do not speak.

The following Meeting Dates for City Council for 2016 is as follows:

The following Meeting Dates for City Council for 2016 is as follows:

January 11, 25 2016	_____	_____ Alt. Lewis or Reynolds _____
February 8, 22 2016	<u>Sarno</u> _____	_____ Alt. Lewis or Reynolds _____
March 14, 28 2016	<u>Stead</u> _____	_____ Alt. Lewis or Reynolds _____
April 11, 25 2016	_____	_____
May 9, 23 2016	<u>Robl</u> _____	_____
June 13, 27 2016	_____	_____
July 25 2016	_____	_____
August 8, 22 2016	_____	_____
September 12, 26 2016	_____	_____
October 10, 24 2016	_____	_____
November 28 2016	_____	_____
December 12, 2016	_____	_____

Please review and if you will be unable to make the meeting you are tentatively scheduled for please Notify the Chair who may contact another commissioner or attend the meeting.

Anchorage

Compromise reached over Anchorage assemblyman's participation in marijuana votes

 Author: **Devin Kelly**  Updated: 8 hours ago  Published 17 hours ago

The Anchorage Assembly voted Tuesday night that Assembly member Patrick Flynn can participate in most types of votes on licenses for pot businesses — but not commercial grow operations, since he himself is an investor in one.

The Assembly narrowly ruled in July that Flynn should sit out all votes on marijuana licenses. Members of the majority said it wasn't appropriate for Flynn to decide the fate of competitors in a burgeoning industry.

But **some Assembly members wanted to reconsider the vote**, and members of the nascent marijuana industry sent a letter arguing Flynn should be able to participate, in part because he is downtown's only representative.

Flynn had previously disclosed his business interest. He is one of 11 investors in a company called Great Northern Cannabis Inc., which filed an application for a commercial grow operation on July 9. He owns a 5.7 percent stake in the business, records show.

Flynn said at Tuesday's meeting the company's application has been approved by the state.

As far as whether he had a conflict of interest, the Assembly voted 7-3 on Tuesday, with Flynn abstaining, in favor of a compromise: Flynn could participate in votes on licenses for marijuana retail, testing and manufacturing, but he was ruled to have a conflict on cultivation licenses.

"It's largely based on the 'first mover' argument," Assembly member Forrest Dunbar, who previously voted against Flynn participating in all marijuana license votes, said at Tuesday's meeting. "I feel like this compromise allows us to avoid that."

Assembly member Bill Starr supported the compromise, but said he still didn't think Flynn had a conflict when it came to commercial grow licenses. But when Assembly member John Weddleton tried to propose an alternative measure that would allow Flynn to vote on those types of licenses, Flynn indicated he wouldn't support it, and Weddleton dropped the proposal.

About this author

Devin Kelly

Devin Kelly covers Anchorage city government and general assignments.



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Alaska Marijuana News

Lawsuit challenges Mat-Su ballot initiative that could ban commercial pot

 Author: [Annie Zak](#)  Updated: 5 days ago  Published 5 days ago

Two people filed a lawsuit last week against the Matanuska-Susitna Borough and 15 individuals over the citizen's initiative on the Oct. 4 ballot that could ban marijuana businesses in the borough, calling it "unconstitutional."

Thomas Hannam and Ronda Marcy filed the lawsuit in Palmer. They're asserting that the proposition bypasses state statutes, exceeds the borough's zoning powers and is unconstitutional and unenforceable. They want the initiative removed from the ballot.

If passed, the commercial marijuana ban would apply to all areas outside of the borough's cities. [Palmer](#) and [Wasilla](#) have already decided to ban commercial cannabis. If the ban passes in October, the city of Houston [may be the only place](#) in the vast Mat-Su Borough where commercial pot will be legal. The prohibition wouldn't apply to businesses involving industrial hemp.

Nick Spiropoulos, attorney for the Mat-Su Borough, said the borough had just been served with the suit on Tuesday and couldn't yet comment on it.

The Mat-Su Borough already has a moratorium on marijuana businesses, in effect through Oct. 19, until after a vote on the initiative.

Marcy and Hannam are representing themselves in the lawsuit. They've asked for the suit to be expedited because the vote is less than a month away.

Hannam has purchased property and developed it for marijuana businesses, and Marcy has invested in developing some of her property for marijuana business, according to the lawsuit.

"My goal here was for a fair election process," said Marcy, who has started an application with the state for a Wasilla marijuana cultivation business called Marcy Wellness Center. "And I don't believe what we had or have with the borough has done that."

The 15 individuals named as defendants in the lawsuit all sponsored the commercial marijuana ban initiative, the suit says.

The Oct. 4 ballot also includes a question to voters about approving a sales tax of up to 5 percent on retail marijuana products.

About this author

Annie Zak

Annie Zak covers business stories and general assignments. She previously wrote for the Puget Sound Business Journal and the Orange County Register.

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Alaska Marijuana News

Alaska's first marijuana retail stores OK'd by state

 Author: **Laurel Andrews**  Updated: 5 days ago  Published 5 days ago

Alaska's first marijuana retail stores and product manufacturers were approved by the state Thursday, the next step for the fledgling cannabis industry that is preparing to open for business.

On Thursday afternoon, Frozen Budz became the first state-approved retail shop. The Marijuana Control Board approved Destiny and Nick Neade's Fairbanks retail store after only a few minutes and minimal questioning during the second day of the board's two-day meeting in a room at the University of Alaska Anchorage.

The crowd cheered and clapped after the approval.

"All right, now I just need some herb," Destiny Neade said to the crowd as she walked to the back of the room.

"I don't even know, it's amazing," Neade said after the approval. "We're excited, we're ready to open and ready to bring the voter initiative to life."

The Neades' storefront on Peger Road in Fairbanks is under construction, and Neade said she hopes to have it finished by Sept. 20. Frozen Budz had already received approval from the Fairbanks North Star Borough, and is now waiting on two state inspections before the store and connected product manufacturing area can open its doors.

Besides construction and the final regulatory steps, next up for the Neades is finding marijuana to sell at the store and figuring out where they will have the marijuana tested. They hope to be open by early

October.

When retail stores can open will depend in part on local regulations, so stores won't open all at once.

Frozen Budz's was also the first product manufacturing license approved by the state, with a large variety of edibles approved Thursday.

After Frozen Budz's approval, the board cruised through other retail licenses, approving 11 more around the state in quick succession as the day came to a close. They included: Enlighten Alaska, LLC, Arctic Herbery, Alaska Buds, LLC and Raspberry Roots, The Frost Farms, all in Anchorage; Pakalolo Supply Co. in Fairbanks; The Herbal Cache in Girdwood; Herbal Outfitters, LLC in Valdez; Rainforest Farms, LLC in Juneau; Remedy Shoppe in Skagway; and Weed Dudes in Sitka.

Five more retail licenses were outstanding when the meeting came to a close. The board scheduled an additional meeting for Sept. 19 to address the remaining licenses.

Loren Dryer's Alaskan Leaf, LLC, was the last retail store on the agenda and Dryer wasn't heard at Thursday's meeting.

"Really, it doesn't make much of a difference to me," said Dryer, whose store would be in Anchorage. "I'm kind of in the thick of dealing with the city license right now."

When each store opens depends partially on additional local regulations, of which Anchorage has the most complex process. Marijuana crops must also be ready and testing facilities must be up and running. The first cultivation facilities were approved by the board in June and the first grows received their actual state licenses in July.

The board spent much of the day approving four product manufacturing facilities, also the first considered by the state. Each individual product was reviewed by the board and some licensees came prepared with dozens of product ideas.

Frozen Budz was the first product manufacturer to be approved. Neade had created 47 recipes for a wide range of edibles, from cookies to cannabis sauces. But after 25 were reviewed, the board asked that she pick out only three more so that other licensees could be approved Thursday.

Justin Roland from Einstein Labs was the second product manufacturer whose business was approved by the board. Many of his products were concentrates, like "sugar silk," a blend of concentrates and resin, or "caviar nugs," a marijuana bud covered with kief and cannabis oil. Roland's cultivation business, Dream Green Farms, was the first grow to be approved by the Anchorage Assembly.

About this author

Alaska Marijuana News

Decisions on Alaska cannabis cafes delayed by Marijuana Control Board

 Author: **Laurel Andrews**  Updated: 6 days ago  Published 6 days ago

In May, Alaska's Marijuana Control Board wrote the first draft rules around what it calls an "on-site consumption endorsement," which said marijuana retail stores could have a separate area for people to consume cannabis, in a model similar to a bar or cafe.

Four months later, those rules have yet to be finalized, and now they won't even be discussed for another seven weeks.

Board member Loren Jones asked that the rules, on the agenda for Wednesday morning, be discussed instead during the board's next meeting — at the end of October.

"I have some real questions about whether we can actually do this," Jones said, adding that a recent opinion from the state attorney general — that marijuana social clubs are public spaces, not private like the establishments contend — gave him pause.

"I would like some more time," he said.

Board member Brandon Emmett spoke out against the move.

"We're kicking the can down the road here. We're using some pretty creative language to delay, delay, delay some more," Emmett said.

"By delaying this any further not only have we wasted valuable time, resources, but we're also in a situation where these clubs continue to operate," he added.

Drafts have gone out for public comment twice, in May and July.

"I don't think that delaying this for a month is going to be an undue hardship on a licensee," said board member Mark Springer. Having a place for visitors to Alaska to consume cannabis was part of the reasoning behind having cafes, and with the tourist season winding down, waiting won't cause harm, he said.

Springer said after the meeting he is confident the board will get to the rules, although what shape they take is still unknown. Smoke-free workplace laws — a major concern from the public comment — complicate the issue, he said.

Attorney Jana Weltzin, who represents many of the marijuana business licensees and hopeful licensees, said she didn't believe there was anything nefarious behind the delay.

"It takes a lot of time and energy to flesh out these issues," Weltzin said. In some ways, the industry failed in providing meaningful suggestions. But by delaying the rules, illegal retail sales have been given the space to continue, she said.

Evan Neal, of hopeful retail store AlaskaSense LLC, was approved for his growing license Wednesday. He was also unworried by the delayed rules. "I think it's something they'll work out on their own time," Neal said.

Emmett disagreed. "We can spin it however we want, but it's becoming quite apparent that there is an effort by this board to stamp out consumption anywhere other than one's home," Emmett said.

"Mr. Emmett ascribes a lot of motives to me, and that's fine, he can ascribe any motive he wants. I just need some time," board member Jones said.

The board meets again at the end of October. Should it make substantial changes to its most recent draft rules, the rules would need to go back out for public comment.

Correction: An earlier version of this story cited attorney Weltzin as saying a delay in rules had allowed illegal clubs to continue. This has been corrected to clarify that she was addressing illegal retail sales, not clubs.

About this author

Laurel Andrews

Laurel was born in Bethel and grew up in Fairbanks. She is a reporter for Alaska

Alaska Marijuana News

Marijuana social club enforcement like a 'hot potato,' authorities say

 Author: [Laurel Andrews](#)  Updated: 6 days ago  Published September 7

The continued operation of marijuana social clubs, which exist in spite of the state's stance they are illegal, and noncompliant shops selling marijuana, are vexing enforcement officers with the Alcohol and Marijuana Control Office, an officer told the Marijuana Control Board on Wednesday.

Local law enforcement doesn't want to touch unlicensed establishments, James Hoelscher, enforcement supervisor with the Control Office, told the board members.

"It just seems like it's not something they want to deal with at this time," Hoelscher said.

Hoelscher said Wednesday morning that his office had received the bulk of the reports regarding illegal activity, from the Kenai Peninsula to Fairbanks and Juneau.

There have also been reports of shops illegally selling marijuana across the state, and of people trimming marijuana buds outside storefronts.

"It's becoming, in some cases, so blatant," Hoelscher said.

Attorney Jana Weltzin told the board she had seen illegal sales taking place from a small shop with a green cross on the front.

Marijuana social clubs popped up in the aftermath of Alaska's measure to legalize recreational

marijuana. People pay a membership fee and receive access to the space to smoke marijuana they've brought with them, though free samples are sometimes provided. Events are often held at the venues.

On Aug. 31, Alaska Attorney General Jahna Lindemuth **issued a legal opinion** that said the clubs are illegal. They fall under the definition of a public place, and since public consumption is illegal, so are the clubs, Lindemuth wrote. Giving away free samples could be considered selling marijuana, her opinion said.

Local law enforcement would work with the Control Office on taking action against the clubs, both the Department of Law and the Department of Commerce and Economic Development said.

But the issue has become "kind of like hot potato," Hoelscher said.

"Without the local law enforcement's support on this it feels like we're just spinning tires," Hoelscher said, adding that his own department is stretched thin.

In Anchorage, Pot Luck Events has remained open for 18 months and has faced no enforcement measures. The club has repeatedly disputed the state's stance that it is illegal.

After the passage of Senate Bill 91, nearly all marijuana crimes became misdemeanors. For prosecutors, "they're just not appealing cases," said Cynthia Franklin, Control Office executive director.

The clubs make the newly legalized industry vulnerable, Franklin said.

She said she had asked that marijuana be descheduled in Alaska, and crimes related to selling without a license be added to the state's marijuana regulations, as in alcohol.

"At some point, we're going to reach a crisis tipping point," Franklin said.

About this author

Laurel Andrews

Laurel was born in Bethel and grew up in Fairbanks. She is a reporter for Alaska Dispatch News.



August 30, 2016

Homer City Council
Homer City Clerk
clerk@cityofhomer-ak.gov

Blind Eye Cannabis
54845 Trapper Lane
Homer Alaska 99603
Applying 3aac 306.400.a2
License 10304

Alcohol and Marijuana Control Office
550 W 7th Ave Suite 1600
Anchorage AK 99501
Marijuana.licensing@alaska.gov

I am submitting this letter to voice my opposition to Blind Eye Cannabis receiving a business license in Homer. As directed this letter is sent on record to the Alcohol and Marijuana Control Office, City of Homer and Blind Eye Cannabis.

First of all I support Medical Marijuana, not recreational use. If someone is unable to grow their own plants for medical issues and someone donates to them without remuneration, I am OK with that. IN Alaska since the 1980's a person may grow and use a modest amount for personal use beyond medical use. It is an unwise choice resulting in employment denial in every sector of industry.

Second I support our law enforcement officials and all those who comprise the thin blue line to serve and protect our citizens. Officers I got your six! If criminals cannot do the time, then don't do the crime!

As for the economics of commercialized marijuana, I am opposed to commercialized marijuana on economic principles, besides other compelling reasons.

As an illegal federal substance Marijuana may not be shipped or transported by air or sea leaving only road transportation systems in Alaska or smuggling. Since proponents of marijuana contend it is as safe as alcohol then our road systems will see an increase of DUI including accidents. Nationwide with a higher percentage in Alaska demonstrates almost all accidents occur because of drivers under the influence. Increasing the numbers of drivers on our road systems statistically increases our chances for injury and death. These are the results in Colorado. In fact many proponents in Colorado are seeking recall of the legislation due to the onslaught of such behavior. We in Alaska do not seek to unleash this demon genie from the flower pot. Legal pot sales in Homer will require the City to install, maintain and fund TSA security screening at our airport and our marine areas especially when cruise ships dock and passengers return.

The liability to marine traffic, cruise lines, tourist planes will dictate ports of call elsewhere, NOT HOMER as companies do not want to incur the risks and time

necessary to search outbound passengers. The economic loss to tourism will far outweigh a bit of sales tax. The numbers do not compare.

Federal tax deductions do not apply to marijuana burdening a commercial business with a 70% tax burden before state and city tax collections. No business is sustainable with tax burden. Proponents state they have cash infusion and I ask from whom and where. ATF has reports and documentation that Drug Cartels have infused cash and beachheads of businesses in Colorado and other locations. We do not need drug money, money laundering and gang warfare in Alaska.

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Pot business owners may not use banks or commercial lines of credit, only cash and as is observed, crime has increased in Colorado as targets of opportunity.

It is argued Colorado is providing \$123 million taxes on \$1 billion Pot revenue. In a road system similar in size to Alaska; that is a continuous road from Homer to Fairbanks there is a population of 53 Million people in an around Colorado as compared to Alaska's 500,000, tenfold difference and only a minority percentage are users.

The US Supreme Court has a case before it with the states of OK and NE suing CO by supplying a federal illegal substance transported across their borders. If Homer becomes a legislated pro-active Marijuana city, other cities and boroughs may sue Homer and we incur great legal costs.

While some may attempt to argue tax revenue would be about \$10 Million, the cost of compliance and enforcement creating new administrations, implementation and tracking by labs especially tainted product, non-recoverable hospital costs due to overdoses and accidents, DUI accidents and legal challenges to the City, welfare rolls swelling as users are not employable due to Zero Tolerance. If a business selling pot has a patron commit a crime such as DUI they will be held legally responsible similar to alcohol consumption laws affecting bars and restaurants. Those costs will exceed any tax revenues by a magnitude of cost and increasing sin taxes will drive business underground as the tobacco industry experiences in New York. A more robust underground market flourishes tax free in competition to established locations.

East Germany is the greatest example of a legalized drug culture NATION. The goal of many cannabis groups is to legalize drugs throughout America. After WWII the escaping Communist East Germany population was too great so the Berlin Walls and drugs became their solution to restraining their populous. East Germany as the progressive, (socialist) government legalized all drugs as free, POT was preferred. The entire society became under this oppressive influence so a country the size of Kentucky with a population of 16 million had a Gross Domestic Product of 7% Output of compared to West Germany's \$3 Trillion USD, the 4th most powerful economic nation in the world. You need to understand East Germany has no incentive, no personal responsibility and no viable working class for goods and services. Even today after 25 years of reunification and West Germany investing \$2 Trillion USD to restore their land and save this generation, this population is considered lost. Of the two identified sources of

pollution reaching Alaska, one is East Germany with their failure to care enough to deal with their own pollution.

For every dollar provided as tax revenue there are the “hidden” costs for administration, enforcement, increased medical and social impacts. As an example, alcohol “hidden costs” are estimated at \$224 Billion USD each year for this \$198 Billion Retail Industry. Net loss to society is -\$26 BILLION USD PER YEAR plus the destruction of families and society. Review the Alaska PFD as the administrative costs to implement the program to give us our royalty checks runs hundreds of million dollars due to the installed bureaucracy. The only argument is that marijuana has not been studied as intensely as alcohol is only because it is illegal and disciplined studies are not available.

Ask any pharmaceutical company the cost of regulated Quality Control and failure of compliance when a worker “accidentally” messes up. Look at what 8 tainted bottles of over-the-counter Tylenol did to American medical and pharmaceutical industries? Are workers at marijuana facilities ZERO TOLERANCE? How do you ensure quality compliance and safety production? How will these costs be paid?

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Michael Brown in Ferguson MO was only using Marijuana at the time of his crimes and death attacking a police officer. No citizen or official should be subjected to the fear and intimidation imposed by people under the influence or increasing confrontations against our law enforcement personnel.

Back in 1987 an Amtrak collision with a freight train occurred in Chase, Maryland. In that accident, investigators concluded that a Conrail freight train engineer was under the influence of MARIJUANA and ran three signals before colliding with the passenger train, killing 16. Anyone who stated marijuana does not affect the senses is deceived and this resulted in the ZERO TOLERANCE program and added costs of testing and administration.

Employment in health, communication, transportation, energy, housing, and food industries require ZERO TOLERANCE. Individuals who cannot obtain employment end up on social welfare rolls. Taxpayers are subsidizing their unwise decisions and behavior creating an unproductive economic class of “Takers!” In some communities such as San Francisco where legal medical marijuana has been available for several years, nearly 50% of residents are on social welfare with medical “marijuana use” cards and not worked in years. ENTITLEMENT IS NOT OK ECONOMICALLY!

Columbia and Mexico are countries where drugs rule. Gang wars; fight, steal, kill and destroy for market share including brutal beheadings just as ISIS does. Thousands are killed, millions in fear and poverty stealing disposable incomes.

The legal Marijuana business is a zero sum game worse than the lottery and casinos economically and socially. Elected officials and administrations deciding critical policy

issues should not be under fuzzy logic influence and clouded minds. I contest each member of a council or commission having powers to effect policy in our city, borough, state or nation should be held accountable for their actions including drug testing. The Emotional Minority is the tail wagging the dog. ARF! Regardless of the uproar, it is a minority and any organization or board responsible for the good and well-being are compelled to not allow this business to proceed. Legalizing marijuana sales is NOT the solution.

Wasilla has taken the bold step to protect the good of its citizens by saying no to commercial marijuana operations. The Kenai Borough cities of Kenai, Soldotna, and Sterling already said no to commercial marijuana operations. Let's add Homer as a city properly concerned about its residents' future!

The solution is to deny Blind Eye Cannabis a business license. Also I take exception since I am blind for someone to equate vision loss with pot as a "cool" logo although the results are accurate and foreshadowing that using this product results in loss of senses including vision and correct and proper thinking and cognitive skills necessary to live a productive life with responsibilities and accountability in Alaska and the United State of America society.

Respectfully,
Patrick Brown
Homer Alaska

