

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

MEMORANDUM

TO: Chair and Members of the Board DATE: March 17, 2021

FROM: Jacqlene Drulis, Occupational RE: Juneau's Green Market #12313

Licensing Examiner

This is a renewal application for a Retail Marijuana Store in the City and Borough of Juneau by ISG, Inc. DBA Juneau's Green Market.

Local Government Protest: Yes – 12/17/2020

LG Protest Period Ends: N/A

Objection/Comments Received/Date: Yes - 10/19/2020 & 3/21/2021

Notice of Violation(s):

MJ-17a Temp Ownership Change Report: No

MJ-20a Residency Exemption Affidavit: Yes – for Elizabeth Romanoski

Staff questions for Board: None

Compliance Report: JUNEAU GREEN MARKET

Owner: Elizabeth Romanoski

Case: ENF21-02 Address: 263 Marine Way

Subject: CBJ License Review and Denial

\int	License inspection was not requested 60 days prior to expiration per terms of License Renewal.

- A courtesy email was sent on November 2 asking for their license renewal application, and schedule an inspection.
- Application was completed on November 25, 2020.
- The Inspection occurred on 12/2/2020.
- Inspection results The property met the Building and Conditional USE permit requirements.
- License documentation review The License issued to ISG d/b/a Juneau Green Market had a discrepancy and was nearing expiration. The registered agent information and address was not consistent with the CBJ application and needed further verification.
- January 14, 2021 Marijuana Establishment License Ownership and Entity Inquiry (attached)
 - Documents provided by Mr. Bean stated the owner of ISG / Juneau Green Market Ms.
 Romanoski resigned as the sole officer and director of the company, and elected Aaron Bean to serve as the sole Officer and Director.
 - This is a violation of 49.65.1220 (a) Term of License; Renewal that No license granted or issued under any of the provisions of this title shall be in any manner assignable or transferable.
- January 29, 2021 Marijuana Establishment License Denied. (attached)
 - Summary explaining the reason for denial was provided. A statement that it is unlawful to engage in business, and subject to civil files of \$500 per day.
 - o Civil fines have reached \$14,500 as of March 20, 2021.

Appeal Rights

Juneau Green Market was given the opportunity to appeal their license denial to the Assembly in accordance with CBJ 01.50, but had not appealed within 20 days of the date of the decision.

Discussion notes: 2/4/21 Action taken: Citation

Mr. Bean stated that because of our License Ownership Inquiry on 1/14/21, he updated the owner information to show <u>he</u> owned the business, and claimed that I (Nate Watts) instructed him to do so. <u>This information is not true</u>. The letter, addressed to Elizabeth Romanoski, stated that CBJ needed updated proof of ownership and control of the establishment. Information, which is verifiable to the State business registry. At that time, January 14, 2021 the documents were expired. Mr. Bean stated prior registered agent was terminated and no longer affiliated with Juneau Green Market. Mr. Bean also stated that he was manager, yet is essentially the owner because he is the only one here; acting on Ms. Romanoski behalf. Also stating that Ms. Romanoski had been in Arizona the whole time and is incapable of taking responsibility. Mr. Bean asserts that we denied his license after doing what CBJ instructed him to do. Strongly implying that by updating the proof of ownership that those actions led to his denial and not the fact that the business was already not in Ms. Romanoski's control.



(907) 586-0752 Nate.Watts@juneau.org www.juneau.org/CDD 155 S. Seward Street • Juneau, AK 99801

January 14, 2021

Elizabeth Romanoski 263 Marine Way Juneau, AK 99801

Case No.: ENF2021 0002

1C070K820022

Parcel No:

Subject: Marijuana Establishment License Ownership and Entity Inquiry

Dear Ms. Romanoski,

Upon review of your 2021 Marijuana Establishment License renewal, we require the following supplemental documents in compliance with CBJ Title 49.65.1215(a) (6) and 49.65.1220 (a).

- 1. Updated proof of ownership and control of the license establishment entity.
- 2. Registered corporation details with the registered agent's name, mailing, and physical address.
- 3. Summary explanation why your physical address of 263 Marine Way is in discrepancy with your entity information reported as 5011 Short Street with the State of Alaska Division of Corporations.
- 4. Disclose business related activity for ISG, Inc. that is associated with 5011 Short Street.

A timely response within five business days, no later than January 21, 2021, is required. This inquiry is to verify compliance in accordance with CBJ 49.65.1220, in order to grant a city license for the establishment.

Sincerely,

Nate Watts

Code Compliance Officer

(907) 586-0752

Nate.Watts@juneau.org

CC: Charlie Ford, Building Code Official

CC: Jill Maclean; Director, Community Development

CERTIFICATE OF CONSENT TO ACTION WITHOUT MEETING

CERTIFICATE OF CONSENT TO ACTION WITHOUT MEETING of the sole shareholder of ISG Inc. (the "Corporation") dated this 15th day of January, 2021.

The Secretary of the Corporation certifies that the Corporation is a corporation duly organized and operating under the laws of the State of Alaska.

IT WAS RESOLVED THAT:

- 1. The company's board members have a duty to prevent corporate officers and other directors from needlessly harming the corporation.
- 2. Michael J Scarcelli is responsible for remitting City of Juneau sales taxes in the amount of \$11,473.34 (eleven thousand four hundred seventy-three dollars and thirty four cents) on or before January 1st 2021.
- 3. Michael J Scarcelli failed to file City sales taxes.
- 4. Michael J Scarcelli has and is unduly interfering with the operations of the business to wit, prolonged absence from duty as registered corporate agent, misappropriation of funds, and ignoring ownership.
- 5. Elizabeth Romanoski is desirous of resigning as the sole Officer and Director of the Company;
- 6. The Board of Directors deems it in the best interest of the Company to elect Aaron D Bean to serve as the sole Officer and Director of the Company.
- 7. The Board of Directors deems it in the best interest of the Company issue all 10,000 shares of ISG Inc Common stock to Aaron D Bean as compensation for his appointment as the Sole Officer and Director of the Company.
- 8. Aaron D Bean has accepted his appointment as the sole Officer and Director of the Company.
- 9. Aaron D Bean be appointed as the sole Officer and Director of the Company;
- 10. All 10,000 outstanding shares of common stock be issued in the name of Aaron D Bean or his chosen designee;

- 11. Shareholder Elizabeth Romanoski has entered into a transaction to transfer her ownership of all shares of the Company to Aaron D Bean and Michael J Scarcelli.
- 12. The Board of Directors has determined that Michael J Scarcelli's actions have rendered him unfit to act as a shareholder, Officer, or Director of the Company and hereby have determined to cancel all shares, if any, which may have been issued to or for the benefit of Michael J Scarcelli and to further prevent any further shares from being issued to or for the benefit of Michael J Scarcelli.

In witness whereof, I have duly executed this Certificate of Corporate Resolution this 15th day of January, 2021.

Elizabeth Romanoski, Secretary

I, Elizabeth Romanoski, President of the Corporation, do hereby certify that Elizabeth Romanoski is the duly appointed Secretary of the Corporation. I also certify that any signatures set out above are the correct signatures of those persons. I further certify that I have executed this resolution for the purpose stated above for and on behalf of the Corporation.

IN WITNESS WHEREOF, I have duly executed this certificate this 15th day of January, 2021.

Elizabeth Romanoski, President

Aaron D Bean, by signing below, hereby approves the forgoing Consent to Action Without Meeting and further accepts his appointment as sole Director and Officer of the Company.

Aaron D Bean



January 29, 2021

(907) 586-0715 CDD_Admin@juneau.org www.juneau.org/CDD 155 S. Seward Street • Juneau, AK 99801

Parcel No: 1C070K820022 Case No.: ENF2021 0002

Elizabeth Romanoski 263 Marine Way Juneau, AK 99801

RE: Marijuana Establishment License Denied

Dear Ms. Romanoski,

Upon review of your 2021 Marijuana Establishment License renewal application, I regret to inform you that your application has been denied. Prior licenses were issued to you because you were the authorized representative for Juneau Green Market and sole owner, shareholder of ISG, Inc.

The marijuana license requirements under CBJ 49.65 states that no person may operate a marijuana establishment within the borough without a conditional use permit, a valid license issued by the City and Borough of Juneau, and a valid license issued by the State of Alaska. According to correspondence from Aaron Bean received January 22, 2021, you assigned or transferred control of the entity to Aaron D. Bean, in violation of CBJ 49.65.1220. The same correspondence also describes that Michael J. Scarcelli had a duty to remit sales tax collected before January 1, 2021, which suggests that you had assigned or transferred control of last year's license in violation of CBJ 49.65.1220.

In addition, the correspondence from Mr. Bean also indicates that an ownership change and change in controlling interest of the marijuana establishment occurred without any proof of approval by the State of Alaska Marijuana Control Board. 3 AAC 306.040; 3 AAC 306.015; CBJ 49.65.1220.

Notably, the document titled *Shareholders' consent to Action without Meeting (signed)* states the following:

- 5. Elizabeth Romanoski is desirous of resigning as the sole officer and director of the Company.
- 6. The Board of Directors deems it in the best interest of the company to elect Aaron D. Bean to serve as the sole officer and Director of the Company.
- 7. The Board of Directors deems it in the best interest of the Company issue all 10,000 shares of ISG Common stock to Aaron D. Bean as compensation for his appointment as the Sole Officer and Director of the Company.
- 8. Aaron D. Bean has accepted his appointment as the sole Officer and Director of the Company.
- 9. Aaron D. Bean be appointed as the sole Officer and Director of the Company.

Given the statements in the correspondence, the violations regarding ownership, and the highly regulated nature of marijuana, the CBJ cannot issue the local license until you provide proof that the Alaska Marijuana Control Board has approved of the transfers or changes in ownership.

It is unlawful to engage in business contrary to the terms or conditions of the license or provision of article XI of CBJ 49.65. A person who violates causes or permits a violation is guilty of a civil violation and subject to a fine of \$500 per day in accordance with CBJ 03.30.75 civil fines.

Juneau Green Market Case No.: ENF2021 0002 January 29, 2021

Page 2 of 2

Sincerely,

Nate Watts

Code Compliance Officer

(907) 586-0752

Nate.Watts@juneau.org

CC: Jill Maclean, AICP, Director Community Development Charlie Ford, Building Code Official Community Development

CBJ 03.30.75 Civil Fines.

CBJ 49.65 Article XI. - Marijuana Establishments

49.65.1200 – Purpose.

49.65.1205 - License required.

49.65.1210 - Prohibited acts.

49.65.1215 - Application for license.

49.65.1225 - Corrective orders

49.65.1230 - License suspension or revocation

49.65.1235 - Appeal.

49.65.1270 - Penalty.

3 AAC 306.040

3 AAC 306.015



OFFICE OF THE MUNICIPAL CLERK

Ph: (907)586-5278 Fax: (907)586-4552

e-mail: city.clerk@juneau.org

December 4, 2020

Via certified, regular mail & email Attn: Elizabeth Romanoski ISG, Inc. dba Juneau's Green Market PO Box 21974 Juneau AK 99802 Elizabethromanoski28@yahoo.com

Re: AMCO Retail Marijuana Store License #12313 Protest Recommendation

Dear Ms. Romanoski,

The City and Borough of Juneau has received notice of your Retail Marijuana Store License #12313 located at 263 Marine Way, Juneau AK 99801 from the Alcohol Marijuana Control Office.

As is our practice in these matters, staff from the Fire, Finance, Police, Community Development and Engineering/Public Works Departments have reviewed your establishments to insure compliance with CBJ Code 20.30.020.

The Finance Department recommends the Assembly protest the issuance of this license renewal based on the following: a balance due of \$74,763.82 for 2019 2nd, 3rd and 4th Quarter and 2020 1st Quarter Sales Tax, unfiled 2020 2nd and 3rd Quarter returns and unremitted sales tax, marijuana tax, late fees, penalties and interest. The protest recommendation will remain in effect until your sales tax accounts are in full compliance.

Staff from the Community Development, Engineering/Public Works, Fire and Police Departments recommend the Assembly waive its right to protest the issuance of these licenses.

The Community Development Department (CDD) noted the CBJ Business License for the operation is valid until December 31, 2020 and must be renewed by that date in order for the business to continue to operate in the Borough.

CBJ Code 20.30 provides you with the right to an informal hearing before the Assembly to address this issue. This matter will be considered at the Monday, December 14, 2020 Assembly Human Resources Committee (HRC) meeting at 5:30 p.m. via Zoom Webinar and the HRC will then forward a recommendation to the Assembly for action at its regular meeting that same evening at 7:00 p.m. also via Zoom Webinar. You will be given the opportunity to participate in an informal hearing before the Assembly during these meetings if you wish to do so.

Copies of the CBJ Code and Alaska Statutes pertaining to the protest process are enclosed for your reference. In the meantime, I urge you to work with Finance staff to ensure all issues are resolved prior to this appearing before the Assembly on December 14.

Sincerely,

Diane Cathcart

Deputy Municipal Clerk

Diane Cathoart

Enclosures

cc via email: Assembly & Staff Reviewers



OFFICE OF THE MUNICIPAL CLERK

Ph: (907)586-5278 Fax: (907)586-4552

email: City.Clerk@juneau.org

December 16, 2020

Sent via e-mail
State of AK Alcohol & Marijuana Control Office (AMCO)
The Atwood Building
550 West 7th Ave., Suite 1600
Anchorage, AK 99501

Re: CBJ Assembly Action on Marijuana License within City/Borough of Juneau

Greetings AMCO Staff,

At its meeting on Monday, December 14, 2020, the City and Borough of Juneau Assembly recommended protest of the following marijuana license due to non-filing/non-payment of CBJ Sales Tax.

MARIJUANA LICENSE RENEWAL

Retail Marijuana Store, License #12313

Licensee: ISG Inc., d/b/a Juneau's Green Market

Location: 263 Marine Way, Juneau

<u>MOTION</u>: by Ms. Gladziszewski to recommend that the Assembly protest this license until their tax accounts are brought into full compliance. *Motion passed 8:0* (Assemblymember Loren Jones was recused from discussion and voting due to his role on the Marijuana Control Board). City staff will notify AMCO staff as soon as protest is lifted.

Thank you for the opportunity to comment. If you have any questions, please the Municipal Clerk's Office.

Sincerely,

Diane Cathcart

Diane Cathcart
Deputy Municipal Clerk

Enclosures: letter to Licensee recommending protest cc via email: Licensees & CBJ Staff Reviewers

From: Mariam Swanson
To: <u>Elizabeth Romanoski</u>

Cc: Marijuana Licensing (CED sponsored)

Subject: FW: Objection for License #12313 Juneau"s Green Market/ ISG, Inc.

Date: Wednesday, October 21, 2020 3:17:26 PM

Elizabeth,

I want to you be aware that I have filed the complaint formally.

Mariam Swanson

From: Mariam Swanson

Sent: Monday, October 19, 2020 9:41 AM

To: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov> **Subject:** Objection for License #12313 Juneau's Green Market/ ISG, Inc.

I am objecting any license application submitted by Juneau's Green Market, ISG, Inc., Elizabeth Romanoski, Aaron Bean, and Michael Scarcelli. Juneau's Green Market is selling cannabis that they procured without payment. Juneau's Green Market contracted with Tundra Jane to purchase 2,113 grams of cannabis on July 7, 2020 and to date, have not paid for the product despite multiple attempts to collect.

Mariam Swanson



Alcohol and Marijuana Control Office 550 W 7th Avenue, Suite 1600 Anchorage, AK 99501 <u>marijuana.licensing@alaska.gov</u>

https://www.commerce.alaska.gov/web/amco

Phone: 907,269,0350

Alaska Marijuana Control Board

Form MJ-20a: Residency Exception Affidavit

What is this form?

This residency exception affidavit may be submitted with a marijuana establishment renewal application for each licensee whose residency status has changed so that the licensee is no longer considered a resident of the state as defined at 3 AAC 306.015(e)(2).

	licensed establishment, as identified on the li	cense application.				
Licensee:	ISG	License	Number:	12313		
License Type:	Bioportoury					
Doing Business As:						
Premises Address:	263 Marine Way	_				
City:	Juneau	State:	AK	ZIP:	99801	
	individual licensee who is completing this form	n.		or en deser	ight eil úle tug tíét at	
Name:	Elizabeth Romanoski	• 11				
Title:	President					
Read each line below, an	Section 3 – Change dithen sign your initials in the box to the righ		y		Injtia	
	d then sign your initials in the box to the righ				Initia	
certify that my primary r	d then sign your initials in the box to the righ	it of <u>all statements</u> :	Tak is ulhuman	e state as	W.	
certify that my primary r certify that I have good o t 3 AAC 306.015(e)(2).	d then sign your initials in the box to the righresidence is in Alaska.	equirements to be a re	Tak is ulhuman	e state as	W.	
certify that my primary r certify that I have good o at 3 AAC 306.015(e)(2).	d then sign your initials in the box to the right residence is in Alaska. cause, as stated below, for not meeting the re	equirements to be a re	Tak is ulhuman	e state as		
certify that my primary r certify that I have good out 3 AAC 306.015(e)(2).	d then sign your initials in the box to the right residence is in Alaska. cause, as stated below, for not meeting the re	equirements to be a re	Tak is ulhuman	e state as		

I certify that the cause of not meeting the requirements to be a resident of the state as defined at 3 AAC 306.015.(e)(2) is temporary.



I anticipate being able to meet the requirements to be a resident of the state as defined at 3 AAC 306.015(e)(2) at the following time:

1/1/21



Form MJ-20a: Residency Exception Affidavit

Section 4 - Certifications

Read the statement below, and then sign your initials in the box to the right:

Initials

I certify that I understand that providing a false statement on this form or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.



As a marijuana establishment licensee, I declare under penalty of unsworn falsification that this form is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this form and understand that failure to do so by any deadline given to me by AMCO staff may result in action upon the license by the Board.

Sugabeth a Gamanesk

Notary Public in and for the State of Alaska

My commission expires: 4oct 2021

Elizabeth Romanoski

Printed name of licensee

Subscribed and sworn to before me this 8th day of October

OFFICIAL SEAL
JUDITH K. NELSON
Notary Public - State of Arizona
NAVAJO COUNTY
My Comm. Expires Oct. 4, 2021

Alcohol & Marijuana Control Office

License Number: 12313

License Status: Active-Operating

License Type: Retail Marijuana Store

Doing Business As: JUNEAU'S GREEN MARKET

Business License Number: 1049316

Designated Licensee: Elizabeth Romanoski

Email Address: elizabethromanoski28@yahoo.com

Local Government: Juneau (City and Borough of)

Local Government 2: Community Council:

Latitude, Longitude: 58.173000, -134.241000

Physical Address: 263 Marine Way

Juneau, AK 99801 UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10051352

Alaska Entity Name: ISG, Inc.

Phone Number: 907-738-7388

Email Address: michael.scarcelli77@gmail.com

Mailing Address: PO Box 21974

Juneau, AK 99802 UNITED STATES Entity Official #1

Type: Individual

Name: Elizabeth Romanoski

SSN:

Date of Birth:

Phone Number: 520-548-4668

Email Address: elizabethromanoski28@yahoo.c

om

Mailing Address: PO Box 21974

Juneau, AK 99802 UNITED STATES

Note: No affiliates entered for this license.



Alaska Marijuana Control Board

Alcohol and Marijuana Control Office 550 W 7th Avenue, Suite 1600 Anchorage, AK 99501

marijuana.licensing@alaska.gov

https://www.commerce.alaska.gov/web/amco

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 - Establishment Information

Licensee:	ISG Inc.	Elizabeth Romanoski	License	Number:	12	313
License Type:	Retail M	Iarijuana Store				
Doing Business As:	Juneau's Green Market					
Premises Address:	263 Marin	e Way				
City:	Juneau		State:	Alaska	ZIP:	99801

Section 2 – Individual Information						
Enter information for the individual licensee who is completing this form.						
Name:	Aaron D. Bean POA	Elizabeth Romanoski				
Title:	Manager					
Section 3 – Violations & Charges						
Read each line below, and t	then sign your initials in the box to the	right of any applicable statements:	Initials			
I certify that I have not been convicted of any criminal charge in the previous two calendar years.						
I certify that I have not com	mitted any civil violation of AS 04, AS 1	7.38, or 3 AAC 306 in the previous two calendar years.	A S			
I certify that a notice of violation has not been issued to this license between July 1, 2019 and June 30, 2020.						
Sign your initials to the following statement only if you are unable to certify one or more of the above statements: Initial						
I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).						
Form MI-201 (rev 4/22/2020)			Page 1 of 2			

[**Form IVIJ-20]** (rev 4/23/2020)



Alaska Marijuana Control Board

[Form MJ-20] (rev 4/23/2020)

Form MJ-20: Renewal Application Certifications

Section 4 - Certifications

Read each line below, and then sign your initials in the box to the right of each sta	atement:	Initials			
I certify that no person other than a licensee listed on my marijuana establishment lirect or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the busines establishment license has been issued.	license renewal application has a as for which the marijuana	A S			
I certify that I meet the residency requirement under AS 43.23 or I have submitted (MJ-20a) along with this application.	a residency exception affidavit	62			
I certify that this establishment complies with any applicable health, fire, safety, or other law in the state.	tax statute, ordinance, regulation, or	A.			
I certify that the license is operated in accordance with the operating plan currently Marijuana Control Board.	y approved by the	Par			
I certify that I am operating in compliance with the Alaska Department of Labor and requirements pertaining to employees.	l Workforce Development's laws and	A			
I certify that I have not violated any restrictions pertaining to this particular license operated in violation of a condition or restriction imposed by the Marijuana Control		A.			
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.					
As an applicant for a marijuana establishment license renewal, I declare under pena familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompand complete. I agree to provide all information required by the Marijuana Control that failure to do so by any deadline given to me by AMCO staff may result in additional Elizabeth Romanoski POA Signature of licensee Elizabeth Romanoski Printed name of licensee Subscribed and sworn to before me this 4 day of 5 July	panying schedules and statements, is true Board in support of this application and u ional fees or expiration of this license. Asc Heath Notary Public in and for the State of Ala	e, correct, inderstand			

Page 2 of 2