



MEMORANDUM

TO: Chair and Members of the Board DATE: June 30, 2016
FROM: Cynthia Franklin RE: Kenai Peninsula Borough
Director, Marijuana Control Board "Non-Objection" Letters

AMCO staff received identical letters from the Kenai Peninsula Borough in response to the 3 AC 306.025(d)(2) notifications regarding the following seven (7) applications on this agenda*:

1. License #10011, Green Rush Gardens, LLC, previously delegated at June meeting
2. License #10015, Greatland Ganja, LLC, previously delegated at June meeting
3. License #10041, Peace Frog Botanicals, previously delegated at June meeting
4. License #10147, Permafrost Distributors, previously delegated at June meeting
5. License #10148, Talisman Farms, previously delegated at June meeting
6. License #10025, Budding Alaska, tabled at June meeting for operating plan fix
7. License #10122, Stoney Creek Growers, tabled at June meeting for operating plan fix

The director requested clarification from KPB as to whether the conditions attached to the "Non-Objection" letters were a request that the MCB impose conditions on the state issued cultivation licenses pursuant to 3 AAC 060(b). As of the writing of this memo, KPB has not responded with clarification of its view of the conditions.

Under 3 AAC 306.060(b) the board must evaluate the conditions to determine if they are arbitrary, capricious and unreasonable before issuing a license subject to those conditions. Even if the conditions are imposed, the local government is responsible for enforcement of the conditions.

The conditions requested by KPB on each of the above seven (7) licenses are as follows:

1. The marijuana establishment shall conduct their operation consistent with the site plan submitted to the Kenai Peninsula Borough.
2. There shall be no parking in borough rights-of-way generated by the marijuana establishment.
3. The marijuana establishment shall remain current in all Kenai Peninsula Borough tax obligations consistent with KPB 7.30.020(A).

*KPB issued nine (9) non-objection letters, but two of the applications for which they issued letters are not on this meeting's agenda for separate reasons unrelated to this issue.



KENAI PENINSULA BOROUGH

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**JOHNI BLANKENSHIP, MMC
BOROUGH CLERK**

June 22, 2016

Sent via email: amco.localgovernmentonly@alaska.gov

Records & Licensing Supervisor
Alcohol & Marijuana Control Office

RE: New Application for Limited Marijuana Cultivation Facility

Business Name : Permafrost Distributors
License Location : Borough/54200 Leonard Drive, Nikiski, AK
License No. : 10147

Dear AMCO Staff,

At its regularly scheduled meeting of June 21, 2016, the Kenai Peninsula Borough Assembly issued a non-objection of the Limited Marijuana Cultivation Facility license application for Permafrost Distributors located in the Kenai Peninsula Borough subject to the following conditions:

1. The marijuana establishment shall conduct their operation consistent with the site plan submitted to the Kenai Peninsula Borough.
2. There shall be no parking in borough rights-of-way generated by the marijuana establishment.
3. The marijuana establishment shall remain current in all Kenai Peninsula Borough tax obligations consistent with KP.B 7.30.020(A).

Should you have any questions, or need additional information, please don't hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/klr

cc: <mailto:Chase.Griffith@AKPermafrost.com>