THE STATE of ALASKA
GOVERNOR BILL WALKER

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 Mlynarik and Members of the Board	DATE:	September 14, 2017
FROM:	Erika McConnell, Director	RE:	Arcticanna #12830 Limited Cultivation Facility

This license was approved with delegation by the Board on July 13, 2017.

Investigator Chiesa's attached memo lays out issues with the licensed premises that became apparent on inspection. The licensee will be moving and storing marijuana in areas that are not restricted access areas, moving marijuana through areas outside the licensed premises, and the other occupant of the house who is neither a licensee nor an employee/agent of the licensee will need to enter areas of the license premises (that ought to be restricted access areas) in order to reach other rooms in the house that are not part of the marijuana facility.

Recommendation: Revoke the approval with delegation and require the applicant to submit a licensed premises diagram that conforms to the regulations.

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MEMORANDUM

TO: Erika McConnell, Director

FROM: Michael Chiesa, Special Investigator I

CC: James Hoelscher, Enforcement Supervisor

DATE: September 1, 2017

RE: 12830- ARCTICANNA: Limited Cultivation Premises Concerns

On 08-10-2017, I went to 756 Davenny Drive to conduct an initial inspection of a limited cultivation facility for license # 12830, ARCTICANNA. After arriving at the location I discovered the licensee did not have required signs, commercial grade locks, improper employee identification and inadequate security camera coverage. Upon further inspection I became concerned about the layout of the licensed premises and the restricted access areas.

The residence is a small, A-frame style single family residence. The downstairs has an open living room/kitchen area, a bedroom and a bathroom. The upstairs is a loft type area divided into three rooms accessible from a landing at the top of a spiral staircase. The house is owned by the licensee's boyfriend, who she stated is not going to be involved with the cultivation operation and currently does not have a marijuana handler permit.

The submitted licensed premises diagram shows the area of the licensed premises covering sections of both the downstairs and upstairs of the residence. The diagram shows an interior and exterior stairway. The diagram depicts an approximately 8' x 10' downstairs room, a stairway and an approximately 8' x 10 bathroom being part of the downstairs licensed premises. The two downstairs rooms are only accessible via doors from the living room. There are no other doors leading to or from those rooms and you cannot go to, from, or between the downstairs licensed premises rooms, the stairs or the upstairs licensed premises area without walking through the living room which is not part of the licensed premise. The stairway is a spiral stairway located in the living room with no doors or walls around it leaving no way to control access to the stairway without controlling access to the residence from the main entrance door.

The second page of the premises diagram shows the upstairs part of the licensed premises. At the top of the stairway there is a landing /foyer area. There are 3 interior doors on three sides of the landing and an open shelf-like area located opposite the three doors at the top of the stairway landing. The diagram shows the stairway, the landing, the shelf area, and an approximately 12.5' x 10' room as part of the licensed premises. There is also a bedroom and a bathroom accessible from the landing which were not included as part of the licensed premises. Neither of those rooms are accessible from anywhere but the

licensed premises and therefore both of the doors from those rooms lead into the licensed premises. The licensee told me she planned on storing marijuana product on the shelf area at the top of the stairs which would then make the whole stairway, top landing and possibly the entire downstairs a restricted access area since there is currently no way to close the stairway and second story landing off from the rest of the residence. Leading from the 12.5' x 10' second story room is an upstairs exterior, exposed, uncovered deck and a stairway leading to the ground level outside. The exterior stairway and deck are also part of the licensed premises.

The licensee currently has 11 plants and some clone batches in the downstairs room. There is no way to move marijuana product out of that room without leaving the licensed premises and going into the living room which is currently an undesignated area.

Due to my discovery during the inspection I felt I should bring this matter to your attention for further review and recommendations. The licensee has not been issued her licensed yet due to the concerns. Included with this memo are photos and copies of the licensee's submitted diagrams with notations.

AREAS OF CONCERN:

#1: ROOM 1: Downstairs bedroom which is being used a grow room. Licensee had 11 non-flowering plants and clone batches in a tent inside of this room. There is only one door into/out of this room. The door leads into the living room which is not part of the licensed premises. The door to this room is an entry into both the licensed premises and a restricted access area. There is no way to move marijuana into or out of this room without going into the living room which is neither a restricted access area nor part of the licensed premises.

#2: INTERIOR STAIRS: The interior stairway is listed as part of the licensed premise. The stairway is an open stairway located in the living room. There is no barrier to separate the stairway from the living room with the current layout of the residence. Marijuana product again, cannot be moved in or out of the downstairs grow room to the upstairs portion of the licensed premises without going through the unlicensed premises area, the living room.

#3: DOWNSTAIRS BATHROOM: The downstairs bathroom is part of the designated licensed premises. The licensee stated she did not plan on bringing marijuana product into the bathroom she was only using it to store her fertilizers. The downstairs bathroom is part of the licensed premises and the only access to or from this room is through the living room.

#4: UPSTAIRS STORAGE AREA: At the top of the unsecure stairway is a loft type storage area accessible from the stairway. The licensee stated she intended to store either marijuana or marijuana waste there which would make this area a restricted access area in addition to being part of the licensed premises. There is currently no way to secure this storage area from the unlicensed, unrestricted parts of the residence, particularly the downstairs living room at the bottom of the stairway.

#5: EXTERIOR STAIRWAY & DECK: There is a stairway leading from upstairs, room #2. The stairway leads down from a deck located outside of room #2. The stairway and deck were included as part of the licensed premises on the licensee's diagram. The stairway and deck are both open-air, uncovered with an approximately 3' high wooden railing. Any movement of product on this deck or stairway would be in view of anyone who happened to be outside. The licensee plans to use room #2 for growing additional plants and currently stores her security camera recording system in that room. The door leading from the room to the exterior stairway/deck has a large, uncovered plate glass window in the upper half of the door.

#6: UPSTAIRS LANDING: At the top of the interior spiral stairway is a landing with doors on the three sides of it and the open loft area designated as storage. The landing is part of the designated licensed premises. The landing area would be used to move marijuana product between the upstairs and downstairs rooms and the loft storage area. Since the stairway cannot be controlled access to this landing can also not be controlled. Of the three doors on the landing, one leads to room #2, one leads to an upstairs bathroom and the third leads to the upstairs bedroom which is currently being used as a bedroom by the licensee and her boyfriend.

#7: UPSTAIRS BEDROOM & BATHROOM: The upstairs bedroom and bathroom are not part of the licensed premises. The only way to access the upstairs bathroom and bedroom is to go through the licensed premises and areas that should be restricted access. This also makes the upstairs bedroom and bathroom doors entrances to a licensed premises. The licensee's boyfriend would need to cross through the licensed premises and restricted access areas to access or leave his upstairs bathroom and the bedroom.

PHOTOS:

PHOTO 1: Taken from living room. Door on left side is entry/exit into Room #1 used as a growing room. The spiral stairway designated as part of the licensed premises is in the center. The door on the right leads into the downstairs bathroom also part of the licensed premises.

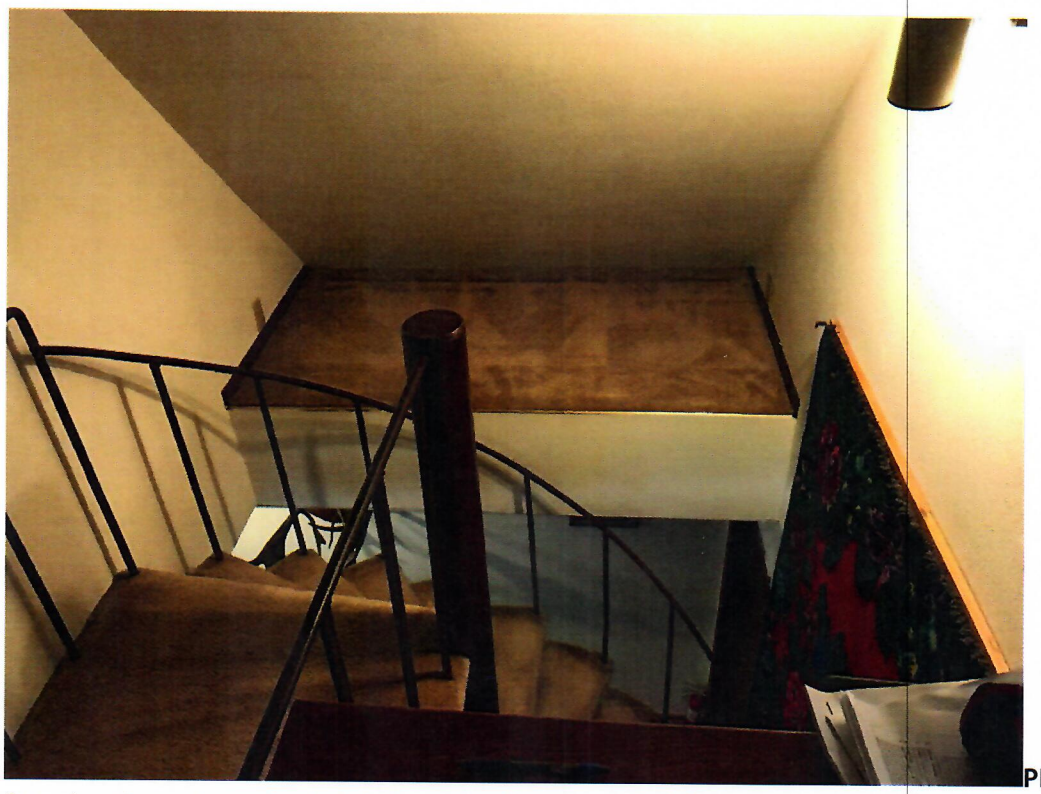


PHOTO #2: Taken from landing at top of spiral stairway looking towards loft storage area and across the top of the stairway

PHOTO #3: Taken looking straight down spiral stairway toward living room. Room #1 can be seen in lower right section of photo with fire extinguisher is front of it.

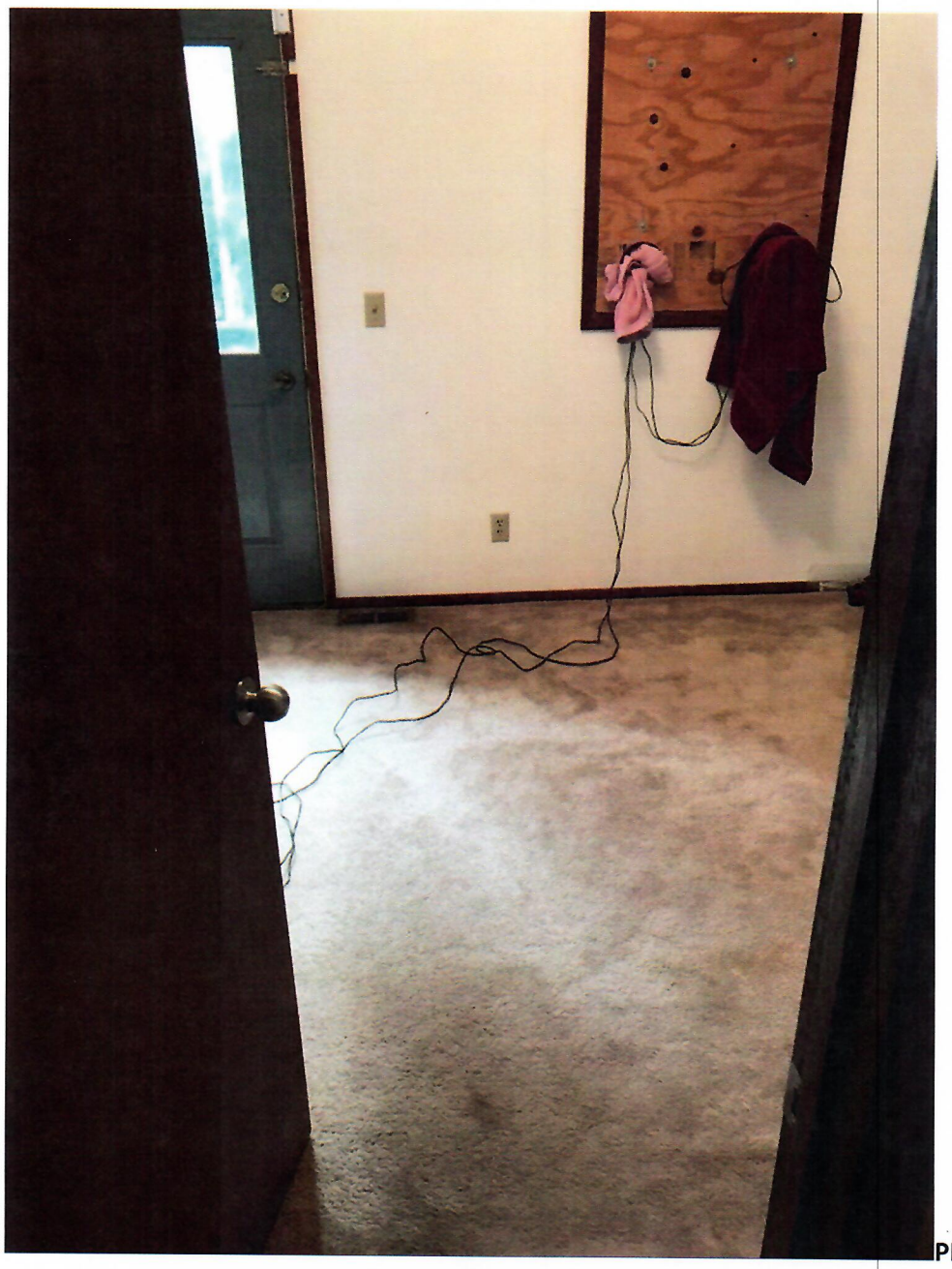


PHOTO #4:

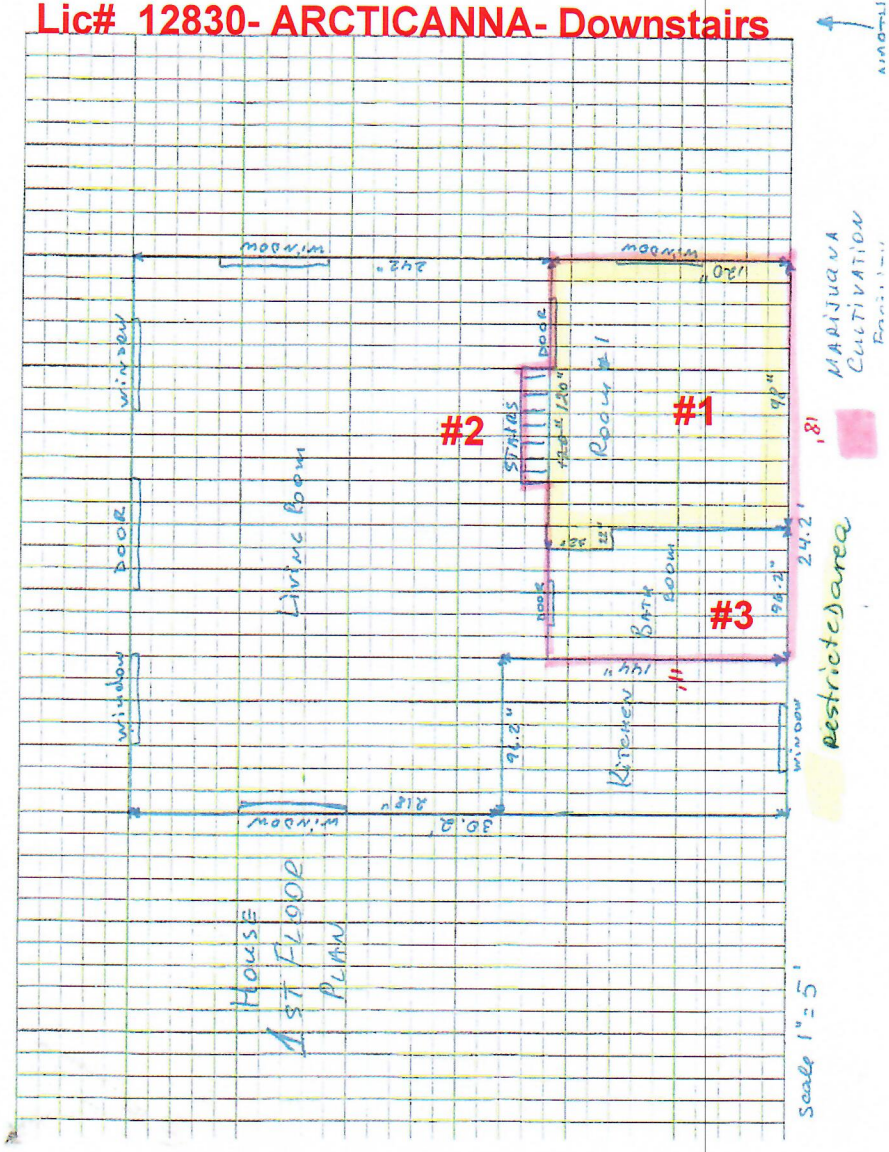
Take from the landing area at the top of the interior stairway looking into the second grow room, room #2. Cables running across floor are for the security camera recording system. Door with window in the background is the door leading to the exterior deck and landing area.

Lic# 12830- ARCTICANNA- Downstairs

#1-ROOM 1- GROWING

#2- INTERIOR STAIRS

#3-DOWNSTAIRS BATHROOM



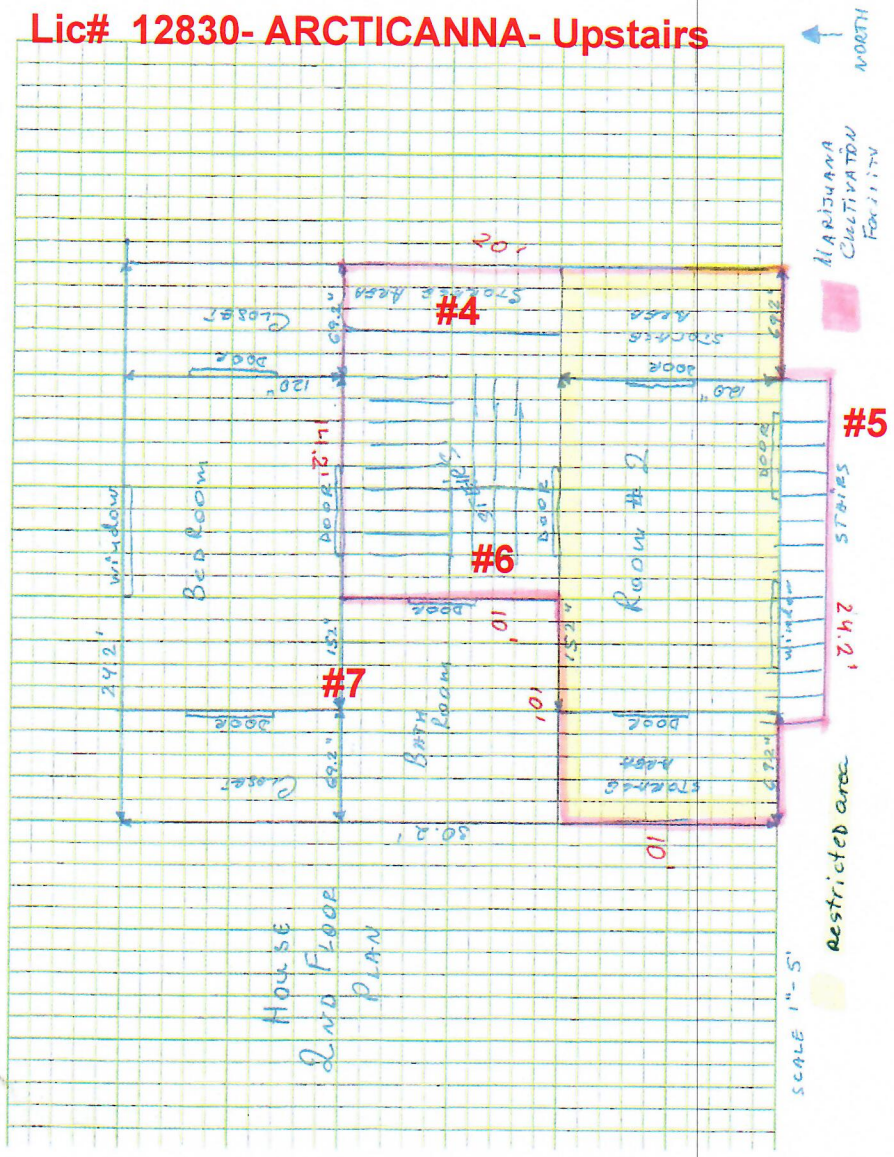
Lic# 12830- ARCTICANNA- Upstairs

#4- UPSTAIRS STORAGE AREA

#5-EXTERIOR STAIRWAY & DECK

#6- UPSTAIRS LANDING

#7- UPSTAIRS BEDROOM & BATHROOM



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MEMORANDUM

TO: Chair and Members of the Board DATE: June 28, 2017

FROM: Erika McConnell
Director, Marijuana Control Board RE: Arcticanna #12830

This is an application for a Limited Marijuana Cultivation Facility in the Fairbanks North Star Borough by Nadia Ispas DBA Arcticanna.

Date Application Initiated:	04/20/2017
Date Under Review:	05/16/2017
Incomplete Letter(s) Date:	06/07/2017
Date Final Corrections Submitted:	06/09/2017
Determined Complete/Notices Sent:	06/16/2017
Local Government Response/Date:	No response, yet
DEC Response/Date:	6/16/2017
Fire Marshal Response/Date:	No response, yet
Objection(s) Received/Date:	No
Staff questions for Board:	No