THE STATE of ALASKA
GOVERNOR MICHAEL J. DUNLEAVY

Department of Commerce, Community, and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

MEMORANDUM

TO:	Marijuana Control Board	DATE:	May 1, 2019
FROM:	Erika McConnell, Director	RE:	Studio 420 AK, #19624, Retail Store

Studio 420 AK is proposed to be a licensed marijuana retail store located at 4608 Spenard Road in Anchorage. The applicant is 420 Enterprises LLC Co., a limited liability company in good standing, owned by Tammy Thinoi 50% and Abe Spicola 50%.

The attached Anchorage Daily News article was brought to my attention by an individual in the Finance Department at the Municipality of Anchorage. The article relates how Mr. Spicola was charged with "stealing tens of thousands of dollars from nonprofits" in 2011 as a pull-tab operator. Mr. Spicola pled guilty to two of eighteen charges. His conviction was more than five years ago, so he is not automatically disqualified under AS 17.38.200(i) or 3 AAC 306.010(d).

However, I bring this to the board's attention because the charges he ultimately plead guilty to, coupled with other aspects of his law enforcement history, could be relevant to the board's assessment of whether a license owned half by Mr. Spicola can reasonably be expected to be operated lawfully and in the public interest. Specifically:

1. According to Court View, Mr. Spicola owes $119,098.09 to the State of Alaska for restitution and other court charges.

2. There were 18 charges filed against Mr. Spicola including three counts of commercial bribery (violating a fiduciary duty, AS 11.46.660(a)(2)), two counts of scheming to defraud (AS 11.46.600(a)(2)), and two counts of falsifying business records (AS 11.46.630(a)(1)). Sixteen of the charges were DISMISSED, including those listed above, when Mr. Spicola plead guilty to misapplication of property valued over $500, a class C felony, and theft in the second degree (value of property or services between $500 and $24,999), a class C felony that was reduced to a class A misdemeanor.

Attachment: ADN Article November 9,2012

ANCHORAGE DAILY NEWS

Ex-pull tab operator pleads guilty to gaming offenses

Author: **Casey Grove** Updated: September 27, 2016 Published November 9, 2012

***Correction**: The caption of a photo originally posted with this story incorrectly identified the man in the photo as Abraham Joseph Spicola. The man in the photo was Joseph Spicola, Abraham's father. Joseph Spicola had no connection to the criminal case against his son. The Daily News regrets the error.*

The owner of a now-defunct Anchorage pull tab parlor, charged in 2011 with stealing tens of thousands of dollars from nonprofits, pleaded guilty Friday to lesser charges.

Abraham Joseph Spicola, the indicted gaming operator and a former state gaming investigator, owned Lucky Times Pull Tabs in Spenard. Spicola, 37, was also behind a half-million-dollar "lottery" that suffered payout delays through 2009 and 2010.

Certain forms of gambling -- pull tabs, raffles, lotteries -- are regulated by the state Department of Revenue and allowed under Alaska law for the benefit of permit-holding charitable organizations. The nonprofit groups sign a contract with a licensed gaming operator, as Spicola was at the time, and, by law, at least 30 percent of the proceeds must go to the nonprofit.

In 2011, a grand jury indicted Spicola for felony theft, fraud and falsifying business records. According to the indictment, Spicola failed to pay at least $25,000 to Alaska Bikers Advocating Training and Education and more than $10,000 to Anchorage Community Theatre, money each organization was owed for pull tabs Lucky Times sold under their charitable gaming permits.

Spicola also allegedly took in $4,400 in unemployment benefits while working full time at his business, the indictment said.

On Friday, Spicola appeared in court wearing a black "Team Lucky Times" T-shirt with the out-of-business parlor's four-leaf clover logo. He pleaded guilty to one felony count of misapplication of property and a misdemeanor count of attempted theft. Under the plea agreement, Spicola was sentenced to serve six months of electronic monitoring, permanently lost his gaming operators license, and was ordered to pay restitution, to be decided at a later court hearing. Prosecutors say he owes more than $49,000.

Spicola told Judge Michael Wolverton, who accepted the plea deal, that the charges were the result of "an abuse of power" by the Department of Revenue. After the hearing, Spicola, once a gaming investigator for the department,

explained his comment further, saying the Revenue Department singled him out because he was a former employee.

"Basically, these are my ex-employers, who had grievances against them when I voluntarily resigned my job, and the abuse continued," Spicola said. "There've been many operators that've gone out of business, owing hundreds of thousands of dollars, who've never been prosecuted. I'm the only operator, basically, that they've chosen to pursue because of my ties with the Department of Revenue and the harassment I suffered with them."

Spicola did not elaborate on what harassment he suffered. He said it felt "great" to have the plea hearing finished.

Several representatives from the Revenue Department who were at the hearing declined to comment. State prosecutor Greggory Olson called Spicola's comments "disingenuous."

"My view is his guilty pleas reflect where the emphasis should be placed," Olson said. "I believe that everybody who's investigated is appropriately charged."

Reach Casey Grove at casey.grove@adn.com or 257-4589.

By CASEY GROVE

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About this Author

Casey Grove

Casey Grove is a former reporter for the Anchorage Daily News. He left the ADN in 2014.

Comments

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MEMORANDUM

TO: Chair and Members of the Board DATE: April 16, 2019

FROM: Erika McConnell
Director, Marijuana Control Board

RE: Studio 420 AK #19624

This is an application for a Retail Marijuana Store in the Municipality of Anchorage, by 420 Enterprises, LLC Co., DBA Studio 420 AK

Date Application Initiated:	10/20/2018
Objection Period Ends:	04/20/2019
Date Under Review Queue:	02/01/2019
Incomplete Letter(s) Date:	02/22/2019
Date Final Corrections Submitted:	03/21/2019
Determined Complete/Notices Sent:	03/21/2019
Local Government Response/Date:	Protest pending municipal marijuana license or municipal special land use permit for marijuana.
DEC Response/Date:	Deferred
Fire Marshal Response/Date:	Deferred
Background check status:	Pending
Objection(s) Received/Date:	Not as of 4/16/2019
Other Public Comments Received:	No

Staff Questions/Issues for Board: