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:	September 11, 2019
FROM:	Erika McConnell, Director	RE:	Tokin Up, #20844, Retail Store

907 Promos, LLC, a limited liability company owned 50% by Donald Davisson and 50% by Johnathon Guest, has applied for a marijuana retail store license to be located at Milepost 1313.8 Alaska Highway, in Tok.

Tok is more than 50 miles from the boundary of a municipality. 3 AAC 306.030(b)-(d) states:

> (b) The board will not approve a new license in an area that is 50 miles or more from the boundary of a local government unless the board receives a petition to issue the license containing the signatures of two-thirds of the permanent residents residing within a radius of five miles of the United States post office station nearest to the proposed licensed premises. If there is no United States post office station within a radius of five miles of the proposed licensed premises, the petition must be signed by two-thirds of the permanent residents residing within a five-mile radius of the proposed licensed premises.
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> (c) A petition authorized by this section must be on a form the board prescribes. The applicant must obtain the required signatures within the 90-day period immediately before submitting the petition to the board. A signature may not be added to or removed from the petition after the board has approved the application.
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> (d) In this section, "permanent resident" means a person 21 years of age or older who has established a permanent place of abode. A person may be a permanent resident of only one place.

It has proved to be very challenging for both applicants and AMCO staff to determine the number of permanent residents in this type of location.

The original submission of the petition portion of the application came with an explanation that the applicant had determined that the area of the five mile radius (radius) around the post office was a certain percentage of the area of the Tok Census Designated Place (CDP), so the applicant applied the same percentage to the population of the CDP, then applied a percentage of people who are 21 or older found on Livability.com, and concluded that there are 480 people 21 and over in the radius, requiring 317 signatures. This determination was not accepted, because the residents are not evenly distributed throughout the CDP. Examination of an aerial photo shows that the majority of residents of the CDP live within the radius.

Staff suggested the applicant count rooftops in an aerial photo to determine the number of households in the radius, but it is impossible to tell which rooftops are occupied homes vs unoccupied homes, garages, sheds, etc.

On August 6, we met with the applicant and their counsel to discuss the situation. We could not agree on a reliable method to determine the number of necessary signatures. I committed to presenting this problem to the board.

Subsequently I was able to reach the state demographer. The demographer estimated 869 people 21 or older in the radius using census block data from 2010. (Census blocks are much smaller than CDPs—they are at the block level.) He then accessed the Permanent Fund Database and determined that 834 people 21 or older within the radius filed for a PFD in 2019. Given that not all persons apply for a PFD, the demographer concluded that 869 people 21 or older live in the radius. Two-thirds of 869 is 579 which would be the number of valid signatures required. The applicants' counsel disputes this number.

At this time, the applicant has submitted 617 signatures and we have verified that 490 of those signatures belong to individuals who live within the radius and have stated that they are 21 or older. The petition documents are located in the confidential folder.

It is clear that the applicants have made a concerted effort to gain sufficient signatures in Tok, although according to our determination, they do not have sufficient signatures to meet the regulatory requirement. We have received 17 comments against the application. (There are additional comments in the Marijuana Mailbox related to Tok that are not specific to a license application.) We make an effort to inform commenters regarding the requirements for their comment to be considered an objection under 3 AAC 306.065, but only some of the 17 comments meet the standard to be an objection.

In addition to the aforementioned difficulty in determining the number of adult permanent residents of a specific circular area that typically bears no relation to any census tract or area, it is difficult to verify addresses of petition signers in areas where there is no local government to assign addresses, mail is delivered to PO Boxes, and addresses are usually made up by the property owner. I will be raising this issue (difficulty with petitions) with the board in the near future, as I try to develop some potential options for the board to consider.

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MEMORANDUM

TO: Chair and Members of the Board DATE: August 30, 2019

FROM: Erika McConnell
Director, Marijuana Control Board

RE: Tokin Up #20844

This is an application for a Retail Marijuana Store in Tok, by 907 Promos, LLC DBA Tokin Up.

Date Application Initiated:	02/15/2019
Objection Period Ends:	Application has not been deemed complete
Date Under Review Queue:	04/08/2019
Incomplete Letter(s) Date:	05/21/2019; 07/03/2019; 07/15/2019
Date Final Corrections Submitted:	08/13/2019
Determined Complete/Notices Sent:	Application has not been deemed complete
Local Government Response/Date:	There is no local government in Tok
DEC-Food Safety Response/Date:	Application has not been deemed complete, DEC has not been notified
Fire Marshal Response/Date:	Application has not been deemed complete, Fire has not been not been notified
Background check status:	Complete
Objection(s) Received/Date:	Yes, several
Other Public Comments Received:	Yes, several

Staff Questions/Issues for Board: