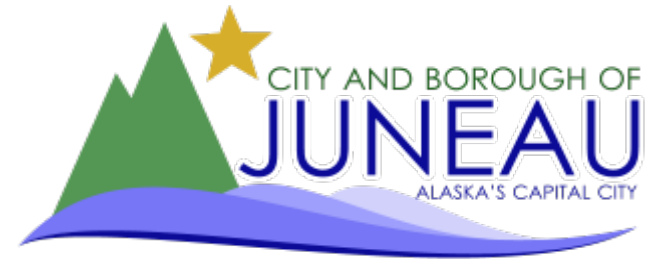


History and Process for Marijuana Business Licenses



Marijuana Business License Process

1. CBJ Conditional Use Permit (CUP) from Planning Commission
2. State License
3. CBJ Marijuana Business License Application

Types of CB Marijuana Business Licenses

- Cultivation Facility
- Retail Store
- Product Manufacturing
- Testing Facility

4. CBJ Building Permit



Annual Renewal & Compliance

- ✓ Drop in Inspections for Compliance (optional - throughout the year)
- ✓ Reminder letters for business license renewals on October 1st
- ✓ Annual inspection for continued compliance prior to license renewal
- ✓ Enforcement action after January 1 if failed to renew license



History of CBJ Legislative Process

Title 49 – Land Use Code - CBJ 49.65.1200

Marijuana legalized in Alaska 2014

Moratorium on establishing businesses until October 2015, then extended until December 31, 2015

Marijuana Task Force established February 2015 – December 2015. Task Force consisted of three planning commissioners and four assembly members

.

Marijuana Task Force initiated 2 draft ordinances be worked on:

- Ordinance (2015-38) defining rules & regulations for marijuana businesses to operate legally.
- Ordinance (2015-39) addressing the zoning code and table of permissible uses.



History of CBJ Legislative Process

Process for ordinance 2015-39

1. Task force recommended ordinance on marijuana businesses to the Planning Commission on December 10, 2015.
2. Regular Planning Commission recommended to the Assembly for approval on September 22, 2015
3. Assembly Committee of the Whole – October 26, 2015 – Public comment was taken and forwarded, without change, to the Regular Assembly for public hearing.
4. Regular Assembly – November 9, 2015 – Ordinance 2015-39 was further amended and passed.



History of CBJ Legislative Process

Process for ordinance 2015-38

1. Planning Commission Committee of the Whole January 26, 2016 – Changes made to draft ordinance and recommended to the Regular Planning Commission
2. Regular Planning Commission February 9, 2016 – February 23, 2016 amended ordinance moved to the Assembly on February 23, 2016
3. Assembly Committee of the Whole March 14 and April 4, 2016 – Ordinance amended and moved to full assembly
4. Regular Assembly & Public Hearing - Ordinance was further amended and adopted by the Regular Assembly on May 2



Status of Marijuana Business Licenses

	Approved	Application Pending
Cultivation Facility	4	1
Retail Store	5	1
Product Manufacturing	3	1
Testing Facility	0	1

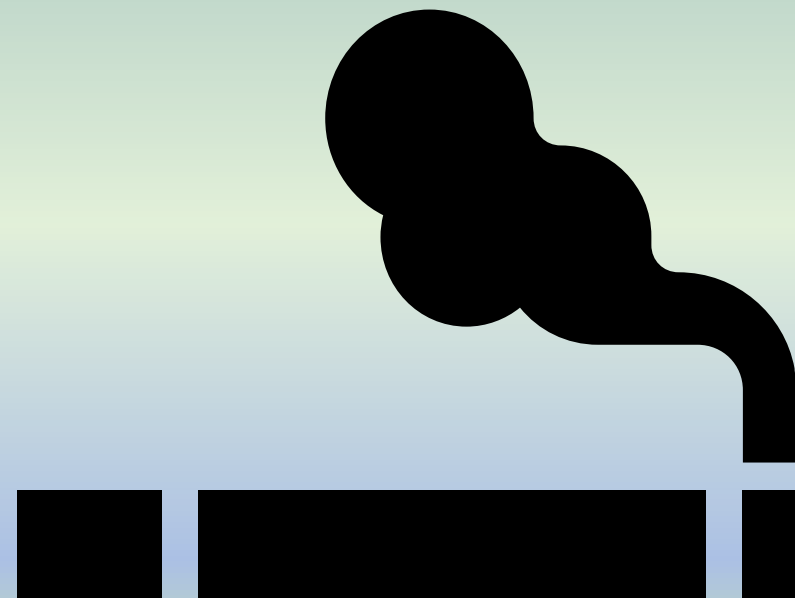


CBJ Marijuana Taxation

- The Assembly Marijuana Committee analyzed the local taxation options for marijuana. The primary discussion focused on sales versus excise tax. The committee voted to support a 3% increase in the retail sales tax, thus increase the current 5% base tax rate to 8%, matching the rate the on liquor.
- The recommended increase requires an election on whether such sales tax increase shall be levied. The revenue will be deposited in the Sales Tax Fund and be available for general government operations or CIPs. The voters of Juneau approved the increase in October 2016.
- The total 8% sales tax rate is projected to raise about \$400,000.



MARIJUANA, BABY



REGULATIONS, REGULATIONS, REGULATIONS

FAIRBANKS

Fairbanks North Star Borough
zoning

distance from schools

City of Fairbanks

building Inspections

fire inspections

business license

tax registration

Licenses must be renewed each
year

After going through the grueling licensing process at the State level, entities must also gain approval through the local borough and city before they can start their business.

A large investment is made by the business to operate

MONEY, MONEY, MONEY

- Currently there are six cultivation facilities and nine retail outlets in Fairbanks. A marijuana testing facility is in the works



- The City collects a 5% tax on the retail sale of marijuana
 - In 2019 it is estimated that the city will receive \$1,000,000 in marijuana tax revenue

CASH
CASH
CASH

LEGAL MONEY LAUNDERING



Tens-of-thousands of dollars in cash tax receipts
Secured tax collection room
Everything recorded on cameras
Cash counting machine
Cash transported to the bank by a Police Officer



PUBLIC SAFETY ISSUES

ONLY TWO EMPLOYEE THEFTS REPORTED



CRIME NOT DIRECTLY RELATED TO MARIJUANA

POLICE SHOOTING INCIDENTS HAVE
REVEALED THAT MARIJUANA IS ONE
OF MANY DRUGS AND NARCOTICS
PRESENT IN THE DECEASED'S
BLOODSTREAM

