MINUTES
CITY AND BOROUGH OF JUNEAU
MARIJUANA COMMITTEE
WORK SESSION
Thursday, June 4, 2015, 6:00 p.m.
City Hall Assembly Chambers

I. ROLL CALL

The meeting was called to order by Chair Jesse Kiehl at 6:06 p.m.

Committee members present: Chair Jesse Kiehl, Vice Chair Mike Satre, Debbie White, Bill Peters, Mary Becker (telephonically), Maria Gladziszewski (telephonically). A new Marijuana Committee member from the Planning Commission will be selected at the next Planning Commission meeting. The new Committee member will fill the vacant seat left by Gordon Jackson.

Staff present: Loren Jones, Assembymember; Kim Kiefer, Manager; Rob Steedle, Deputy Manager; Amy Mead, Municipal Attorney; Hal Hart, Director, Community Development Department (CDD); Beth McKibben, Planning Manager, CDD; Chrissy McNally, Planner I, CDD.

II. APPROVAL OF AGENDA

Chair Kiehl requested that review of the May 21, 2015 draft minutes be deferred until next regular Marijuana Committee meeting.

The agenda was approved as presented.

III. APPROVAL OF MINUTES

MOTION by Mr. Peters to approve the May 7, 2015 draft minutes and asked for unanimous consent.

Ms. Becker noted one non-substantive change to the May 7, 2015 draft minutes.

Chair Kiehl stated that the minutes from the May 7, 2015 meeting are approved with one non-substantive change from Ms. Becker.

IV. PUBLIC PARTICIPATION (Limited to 20 minutes, four minutes per speaker)

Ariel Chamberlin – Ms. Chamberlin stated that she had reviewed the Committee’s zoning maps and noted that no crossover existed between cultivation and retail. While she was in Colorado she spoke with a number of dispensary operators who stated they had a choice by law whether to cultivate on-site or off-site, but they had to be within the same district. For example, an owner of one store in Denver had to have their cultivation facility within Denver proper. If an owner had
stores in multiple locations, in Boulder and Fort Collins for example, they had to have separate grow facilities.

Ms. Chamberlin stated many small grows (100 plants approximately) were located in the same facility with the retail store. She stated that there is great opportunity to grow the local economy and throughout Alaska.

Ms. Chamberlin stated that keeping grow operations local rather than shipping product from one community to another within Alaska made sense. She stated that establishing facilities on the islands in the Juneau area, such as Lincoln Island, could be an option depending on ownership of the islands. The island location would help with the odor and fears of theft.

Ms. Chamberlin stated again that crossover between retail and cultivation could be included within the Valley and Lemon Creek/brewery areas. She also noted that a business related to medical marijuana could be established near the hospital area and requested discussion in relation to medical tests for epilepsy or cancer, rather than recreational use.

Adam Burke – Mr. Burke stated that odor has been a concern during discussions. He stated that at the cultivation level odor will not be an issue due to the use of large carbon filters. He stated that users smoking in public will be the primary source of odor. He stated that in Seattle the obvious marijuana odor is from users who are smoking in public not from marijuana facilities. Mr. Burke thanked the Committee for their part in making Alaska history with the implementation of legalized marijuana.

V. AGENDA TOPICS

A. Community Development Department presentation, by Chrissy McNally, Planner
   Marijuana Establishments and Buffers
   • Staff Memo
   • Downtown Juneau – Douglas Zoning Map
   • Mendenhall Valley – Lemon Creek Zoning Map
   • Auke Bay – Tee Harbor Zoning Map
   • Tee Harbor – Echo Cove Zoning Map
   • Draft Marijuana Cultivation and Retail Buffer Zone Maps
     o Downtown Juneau – Douglas – Lemon Creek Cultivation Map
     o Mendenhall Valley – Amalga Harbor Cultivation Map
     o Downtown Juneau – Douglas – Lemon Creek Retail and Club Map
     o Mendenhall Valley - Auke Bay - Tee Harbor Retail and Club Map
     o Downtown Juneau – Douglas – Lemon Creek Testing and Processing Map
     o Mendenhall Valley – Auke Bay Testing and Processing Map
   • Church Buffer Zone Map
   • Current Table of Permissible Uses
   • Revised Table of Permissible Uses including Marijuana


Ms. McNally discussed the materials provided to the Committee. She stated that clarification was needed regarding Title 4 and the regulation of liquor establishments.
Ms. McNally stated that Title 4 creates a 200 foot buffer around schools and churches. Schools and churches are measured differently. Schools are measured from the property line to the front door of the alcohol establishment; and churches are measured from the front door of the church to the front door of the alcohol establishment. This applies only to package stores and bars, the brewery for example would not have a buffer around it.

Ms. McNally stated that the revised map for Cultivation illustrates the D1 district for cultivation outside of the Urban Service Boundary (USB), including Thane, North Douglas, Tee Harbor, out the road past the Shrine of St. Therese, and Shelter Island. Discussion continued regarding the Table of Permissible Uses (TPU) and how the TPU would be amended to allow for cultivation in certain districts.

Ms. McNally stated that there were no changes made to the proposed TPU for processing and testing. The Processing and Testing map was not changed except to eliminate the 1,000 foot buffer at the recommendation of the Committee. The 200 foot and 500 foot buffers remain on the proposed map.

Ms. McNally stated that the Retail and Club map(s) have several additions, which include the elimination of the 1,000 foot buffer and the addition of Waterfront Industrial (WI) along the Rock Dump area and Waterfront Commercial (WC) along the Downtown waterfront and on North Douglas at the Channel side in front of Bonnie Brae Subdivision.

Ms. McNally stated that out the road there is an area in Tee Harbor that is WC, and an area in Auke Bay which is also WC. A 3rd was also added to the TPU.

Ms. McNally recited various land use definitions found in Title 49, which are provided in the materials for this meeting.

Chair Kiehl stated the Assembly will review the Committee’s recommendations before moving to the Planning Commission.

Chair Kiehl asked the Committee for discussion on buffer zones, an opinion on the allowable zones illustrated on the maps, and amendments to the TPU for moving forward to the Planning Commission.

Ms. White stated that a decision was needed regarding the buffer zone from the front door or property boundary.

Mr. Satre stated that the State will tell CBJ what the minimum buffers will be. He stated that the Committee currently has the 200 foot and 500 foot buffer options. The decision on buffer zones can be decided once the State law is finalized.

Chair Kiehl requested that the Committee recommend a minimum buffer for the Planning Commission’s consideration.

Chair Kiehl stated that buffers for marijuana establishments should be from the property boundary to avoid “straw buyers” and advertising signs – he stated that distance is important.
Ms. Gladziszewski stated that the CBJ geography would eliminate much of the area from schools. She stated that she is in favor of a 200 foot buffer from the property boundary, the same as the current 200 foot buffer from the boundary for alcohol.

Ms. Becker stated that she agrees a minimum buffer should be from the property line boundary.

Chair Kiehl stated that the current alcohol buffers are actually split. The alcohol buffers are from the front door of an alcohol establishment to the property line of a school, or from the front door of an alcohol establishment to the front door of a church.

MOTION by Mr. Peters to use the property boundary and not the front door, and that we look to the 200 foot minimum, or to the minimum established by the State when the regulation is adopted, and forward this recommendation to the Planning Commission.

OBJECTION to the motion by Mr. Satre. Mr. Satre stated that the intent of the initiative was to regulate marijuana like alcohol, and that the State regulation will reflect that.

Roll call:

Aye: Ms. Becker, Ms. Gladziszewski, Chair Kiehl, Mr. Peters, Ms. White
Nay: Mr. Satre

Motion passed, 5 ayes, 1 nay.

Chair Kiehl asked for consensus from the Committee to forward the current working draft buffer zone maps to the Planning Commission.

Ms. Mead stated that there is a separate category for marijuana clubs, and there are two issues for the Committee or the Planning Commission to address regarding marijuana clubs 1) the Assembly will need to address the second-hand smoke code for smoking clubs, and 2) whether or not there is a basis to regulate marijuana clubs differently from smoking clubs. The issue of marijuana clubs may be broader than simply amending the TPU.

Chair Kiehl called on Ms. Becker for her comments regarding the issue of marijuana clubs.

Ms. Becker stated she is concerned that the smoking ordinance may be jeopardized by giving a club to one particular group of people. She stated that she is not in favor of the Committee discussing marijuana clubs at this time. She stated it will take more discussion.

Ms. Gladziszewski stated that she agrees with Ms. Becker. She stated that the club issue could take a lot of time to sort out. She suggested that the Committee revisit the marijuana club issue later.

Ms. White stated that the marijuana club issue will take one entire meeting of its own, and agreed to hold discussion until a later meeting.

MOTION by Chair Kiehl to table Committee discussion regarding marijuana clubs until a future meeting.

Hearing no objection, the motion passed by consensus.
Chair Kiehl asked Ms. McNally to refresh his memory regarding cultivation in Rural Reserve – specifically why would CBJ not allow processing in the Rural Reserve district for onsite drying, trimming, and processing.

Ms. McNally stated that in talks with other communities, processing was most like manufacturing within the TPU, with low intensity (drying processes) and high intensity (extraction). Definitions are established to allow some cross-over within Rural Reserve districts up to the point where it would have impacts on surrounding properties.

Chair Kiehl stated that precise definitions will be a point for the Planning Commission to reflect on.

MOTION by Mr. Satre to move the draft buffer zone maps and draft TPU, with the exception of the marijuana clubs as previously discussed, to the Assembly for its review and forwarding on to the Planning Commission.

Hearing no objection, the motion passed by consensus.

Mr. Satre complimented staff on the draft maps and the draft TPU, both of which illustrate the addition of marijuana establishments within the TPU and CBJ zoning districts.

Mr. Kiehl stated that he will work with staff to draft a short memo to the Assembly for their consideration, and potentially forwarding on the Committee’s recommendations to the Planning Commission.

Ms. McNally inquired if the 500 foot buffer should be included on the maps.

Chair Kiehl clarified that per the earlier motion by Mr. Peters, the 500 foot buffer should be excluded from the maps to be forwarded to the Assembly and Planning Commission. He thanked staff for their work and stated that this may not be the last time staff hears from the Marijuana Committee.

B. Law Department materials, provided by Municipal Attorney, Amy Mead
   - Draft ordinance entitled 'An Ordinance Amending the Land Use Code Relating to Marijuana Establishments
   - CBJ 49.70.905 Coastal development


Ms. Mead stated that the purpose of the draft ordinance was to give the Committee an idea of what the ordinance would look like. There will be amendments to the TPU and also a specific use chapter related to marijuana establishments.

Ms. Mead stated that other materials included in the packet were from the Coastal Management Plan, CBJ 49.70.905 Coastal development. She stated her legislative research topic was water-oriented uses and commercial retail in waterfront areas, and the research went as far back as 1987. She stated the concepts are currently embodied in CBJ 49.25 as illustrated by Ms. McNally, and the concepts in the Coastal Management Plan in CBJ 49.70 have all been
consistent. She stated research showed that since 1987 if an industry catered to cruise ship passengers the industry was properly in the Waterfront Commercial area.

Mr. Satre asked if a retail shop is allowed in Waterfront Commercial would that shop owner specify in their application that their industry delivered to a water-dependent clientele.

Ms. Mead stated that this would be something the Planning Commission and Assembly would consider in general. She stated that if the marijuana retail industry will receive business from the cruise ship passengers, and if that business enhances the waterfront area, then that area is open to those types of businesses.

Chair Kiehl stated the draft regulations from the State provided for possibility to allow a municipality to hold all retail licenses to operate businesses themselves, or to contract to commercial businesses. He stated that all of the examples from Colorado are instances of dual licensing – they have both state and local licenses. He stated that local license allows a local government to act more quickly if there is a ‘bad actor’ in the industry. He stated that local licenses do not exist as the law is currently written. He asked what would be legally necessary from CBJ to write those contracts, would CBJ need the same special use permit process?

Ms. Mead stated that the initiative is very specific on when a municipality can issue a license. As a Home Rule Municipality CBJ can do anything not prohibited by law. She stated that the initiative does not prohibit a dual license. She stated there could be a contract between CBJ and the operators tailored to the types of operations. Ms. Mead stated that the CBJ would be the applicant and would obtain the permit to operate the facility, and CBJ would stand in the shoes of the operator.

Chair Kiehl stated that he is not interested in running warehouses or retail shops with CBJ employees.

Ms. White stated that her alarm bells were sounding off in regards to Risk Management.

Ms. Kiefer stated CBJ will look at the use of business licenses for operators of marijuana establishments. She stated that if the contract includes language that the facility is operated by the municipality then risk management is involved – a business license to independent operators mitigates that risk.

Chair Kiehl scheduled the next meeting for June 18, 2015. He stated that Fire Chief Etheridge and Fire Marshal Dan Jager will attend the next Committee meeting to discuss fire codes, and answer questions about fire safety, especially with regard to extraction processes, and the current CBJ Code application.

VI. COMMITTEE MEMBER COMMENTS AND QUESTIONS

No further comments.

VII. ADJOURNMENT

The meeting was adjourned at 6:59 p.m.