

Agenda

Committee of the Whole

City and Borough of Juneau

Nicole Grewe, Chair

January 26, 2016

Assembly Chambers

5:00 PM

I. ROLL CALL

II. REGULAR AGENDA

A. Title 49 Amendments related to marijuana establishments

III. OTHER BUSINESS

IV. REPORT OF REGULAR AND SPECIAL COMMITTEES

V. ADJOURNMENT



Community Development

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Date: January 19, 2016

To: Planning Commission Committee of the Whole

From: Chrissy McNally, Planner II *Chrissy McNally*
Community Development Department

Re: Title 49 Amendments in regard to marijuana establishments

Attachments:

Attachment A: December 10, 2015 Marijuana Committee Minutes

Attachment B: Ordinance 2015-39

Attachment C: Ordinance 2015-38

Attachment D: Memo from City Attorney regarding Ordinance 2015-38

Background

In light of the passage of ballot measure 2 on November 4, 2014 establishing AS 17.38, an act to tax and regulate the production, sale and use of marijuana, a CBJ Marijuana Committee was appointed to make recommendations on the local regulation of marijuana. Based on information and recommendations provided by the CBJ Law Department, Finance Department, Community Development Department (CDD) staff and the public, the Marijuana Committee has moved a special use ordinance related to marijuana cultivation, processing, testing, and retail.

The Marijuana Committee forwarded zoning recommendations for marijuana establishments at their June 4, 2015 meeting. The Marijuana Committee recommendations were first considered by the Title 49 subcommittee prior to being heard before the Planning Commission. On September 22, 2015 the Planning Commission recommended amendments to the Table of Permissible Uses to the Assembly for marijuana establishments. New use categories were added for cultivation, processing, testing and retail. The Assembly approved the amendments to the Table of Permissible Uses on November 9, 2015 (Attachment B).

The Marijuana Committee further directed staff to draft a special use ordinance related to marijuana establishments and to include a local business license option. A draft of Ordinance 2015-38 moved out of the Marijuana Committee at their December 10, 2015 meeting (Attachment C). The minutes from that meeting are found in Attachment A. In addition, a memo from City Attorney Amy Mead is found in Attachment D explaining committee amendments made to the ordinance.

As directed by the Marijuana Committee, CBJ Law and CDD staff brought forward a draft special use and marijuana business licensing ordinance at the October 8, 2015 meeting. Staff was directed not to

duplicate any regulations that are in AS 17.38 where the City did not want to be more restrictive than the State. Therefore the ordinance before you addresses Conditional Use Permit requirements, a local business license, internal signage, hours of operation, and odor as well as procedures for addressing non-compliance. While the ordinance was moved out of committee, there was disagreement over the merits of a local license.

Conditional Use Permit

A Conditional Use Permit (CUP) is required for each type of marijuana establishment in all allowed zoning districts. The CUP process will serve to address site specific concerns with conditions applied based on the given circumstances of a specific proposal. The use will run with the land so that if a marijuana business licensee sells the business to a new licensee, barring any major modifications, a new CUP would not be required.

In general, a CUP application is reviewed for the requirements found in CBJ 49.15.330(e)(1)(A) – (1)(C); that is whether the proposed use is appropriate according to the table of permissible uses, whether the application provides sufficient information for review, and whether the development will comply with Title 49, the Land Use Code. CBJ 49.15.330(g) identifies those conditions the Planning Commission may impose on an approved Conditional Use Permit. The conditions specified in this section related to marijuana establishments include the extent of the use, traffic mitigation, screening, use location on the site, and lighting. In addition, each type of marijuana establishment has operating processes unique to marijuana establishments that should be reviewed through the CUP.

Conditional Use Permit application submittal requirements are determined by the criteria outlined above and the general conditions found in CBJ 49.15.330(g). For example, since Title 49 is explicit that traffic mitigation can be conditioned, application submittals typically require a parking and circulation plan and estimated business traffic. Therefore, Ordinance 2015-38 only includes submittal requirements that would be unique to marijuana. For instance, marijuana cultivation with up to 500 square feet of grow space is allowed in the D-1 zoning district. It will be important for staff to know exactly how much space is dedicated to growing and other related cultivation uses. Therefore proposed CBJ 49.65.1165(a)(1) requires a site plan indicating how floor space will be used.

While required for a state license, the Marijuana Committee determined that security, waste disposal, and ventilation have significant potential for off-site impacts and that local review of those plans would be prudent. Plans for each item would be required for a CUP application under this ordinance. Staff supports the inclusion of the security, ventilation and waste disposal plans in the required CUP application materials as they relate to public welfare, neighborhood harmony and off-site impacts. The ventilation plan will address harmful growth on the plants, odor, and carbon dioxide use in cultivation. The requirement for marijuana product manufacturing and testing facilities to submit information regarding extraction methods is required to review the extent of combustible solvents used in the process.

Staff recommends the Planning Commission adopt the submittal requirements for marijuana establishment CUP applications.

Special Use Requirements

Three standards in the special use ordinance to be applied generally to marijuana establishments include hours of operation, signage, and odor control. Hours of operation are limited to 8 a.m. to 11 p.m. unless it is determined through the CUP process that more restrictive hours are necessary to maintain public welfare or neighborhood harmony. Proposed CBJ 49.65.1155(b)(1)(A)-(E) lists the five health related signs to be displayed inside the businesses. Proposed CBJ 49.65.1155(2)(A)-(B) includes one sign warning against public consumption and one sign identifying transport prohibitions for marijuana.

Marijuana is known to have significant odor impacts if not managed properly. The ordinance includes a requirement for an odor management system for all marijuana establishments and sets the standard for determining when an odor issue may be addressed.

Staff recommends the Planning Commission adopt the special use regulations related to hours of operation, odor management and signage.

Licensing

A marijuana business license would be held by the individual operating the business and be of general applicability compared to the site specific review conducted under the CUP process. Tying the license to the specific operator rather than the site would allow CBJ to address noncompliance in a more efficient and timely manner than the CUP revocation process allows. The license would directly enforce hours of operation, odor, signage and any conditions placed on a CUP. Proposed CBJ 49.65.1125(a)(3) gives broad enforcement powers using the license option by requiring compliance with not only local law but A.S. 17.38. Title 49, the Land Use Code can regulate anything related to time, place and manner of a use. Incorporating broad compliance requirements gives the CBJ the opportunity to identify the nexus between the offense and time, place or manner.

The intent of including the local license in Title 49 is to allow for local control over compliance issues. There is a concern that, like licensed liquor establishments, the CBJ would have to rely on State enforcement when there is a violation of local law. The proposed local license would provide for a speedier and less cumbersome suspension or revocation of the right to operate the marijuana business should the operation become noncompliant.

Title 49 is not clear on how to revoke a CUP. CBJ 49.10.620 provides the general process for enforcement actions, but that code appears to only apply to specific corrective orders and only addresses permits issued by the department not decisions made by the Planning Commission. If a marijuana business were violating terms of its CUP it would take significant time and expense to revoke the CUP, if at all. In the interim, the only enforcement mechanism available to the Community Development Department is a civil penalty.

The Marijuana Committee was evenly divided over whether to include a marijuana business license in Ordinance 2015-38. Three members were in support, three against and one voiced support for either approach. Those in support of the license cited local control as the primary reason for having a license. The intent is to not have to rely on the state to shut down noncompliant businesses since there is no guarantee how effective the state will be at enforcement.

Committee members opposed to the local license option had slightly varying reasons for opposing a license. Two committee members were in opposition to more government processes in general and one

member felt the state could sufficiently conduct enforcement and specific concerns related to marijuana establishments could be reviewed through the CUP. The latter perspective cited challenges with enforcement; a license will require inspection of the premises and there is a concern over CDD's available staff time for such a practice. The committee member stated the CUP will be sufficient enough to regulate businesses and the CBJ can go to state to have a license suspended or revoked if necessary.

License Fee

The Marijuana Committee moved to set the license fee at \$50. However, there was discussion among the committee to provide for a part time marijuana licensing officer which would also serve the general code enforcement needs of CDD. The discussion included partially funding a position with licensing application fees. However, in order for this position to be partially funded by marijuana business licensing fees, a higher fee would have to be established than the \$50 licensing fee recommended by the Marijuana Committee. It is unknown how many licenses would be issued.

Should the Planning Commission support the local license option, staff seeks guidance on the license fee amount.

Corrective Action

Corrective orders are outlined in proposed CBJ 49.65.1125. The Director has discretion through proposed CBJ 49.65.1130 and CBJ 49.65.1170 as whether to revoke the proposed license in order to stop business activity all together, issue a civil penalty or both.

The civil fine schedule is found in Title 3. The first offense related to a land use permit violation is \$100. The second offense is \$200. A mandatory court appearance is required after the third violation. Should the Planning Commission decide on a specific fine schedule for marijuana establishments that table would be added to Title 3.

The Marijuana Committee discussed the civil fine fee for marijuana establishment permit violations found in section 5 of the draft ordinance, but chose to leave decision to the Planning Commission. Three committee members supported a fine schedule similar if not identical to the existing fine schedule found in CBJ 03.30.063 Land Use Fine Schedule.

Given the CBJ's ability to revoke a marijuana business license as proposed in this ordinance, staff recommends applying the existing civil fine schedule for all land use permit violations to marijuana establishments. If a business were out of compliance in a way that affected the immediate health and safety of the public, the CBJ could move to stop operations immediately through the revocation of the license. If a business was found to be noncompliant for a minor issue, the CBJ could use the corrective order and civil fine to conduct enforcement.

With regard to appeals of license decisions, the Marijuana Committee supported appeals going first to the City Manager and then the Assembly instead of first going before the Planning Commission. The intent was to provide for a speedier appeal process. However, the memo from City Attorney Amy Mead points out that this is an unnecessary step and appeals could go directly to the Assembly.

Summary

The main question before the Commission with regard to Ordinance 2015-38 is how to conduct enforcement for noncompliant marijuana businesses. There are three options for enforcing compliance issues with regard to marijuana business;

1. Adopt Ordinance 2015-38 as proposed and give CDD the option of using the local license to enforce CUP conditions and special use regulations as well as the option of issuing civil penalties.
2. Amend Ordinance 2015-38 to only address CUP requirements and special use regulations to be enforced through the corrective order and civil penalty approach.
3. Amend Ordinance 2015-38 to only address CUP requirements and special use regulations to be enforced through the corrective order and civil penalty approach. Further, amend Title 49.10 Article VI Enforcement with regard to the CUP revocation process.

12/10/15 – 6 pm Marijuana Committee

Agenda Approved – No obj.

Minutes 11/12 approved.

Gavin Burke – Thanked the committee for the work. He is from Ketchikan and has read the minutes of the meetings and has followed the issue.

Update on State Marijuana Control Board – Loren Jones

Brief statements – On Nov 20 board met what we thought was final time – review all comments. Had 49 pages of excel spreadsheets of comments, 450 pages of comments. The result – 5pm night of 20th we adopted regulations – had to do so by 11/24. December 1 we met and made one amendment related to residency requirements. The regs in total go to the Governors office, Dept. of Law and the legislature. The DOL does standard regulatory review. The Governor's office has time to comment as well as the legislature. By Feb 24, regs will have gone through review and be published by the governor. We need to be ready to accept license applications by that date per the law. Up until then, no license applications will be accepted. The next meeting is Feb 10 in Juneau. The ABC will meet Feb 9. We hope to have all information from staff on applications for licensure. We have 45-90 days to approve/disapprove a license, which includes the time for the local government to do its review as well, then the application goes to the mcb for final and issuance. We want to issue licenses for testing first, then manufacturing and retail, when legal product would be available that was grown under a cultivation license. We are looking at about April until the cultivation license will be issued and then ? days until products can be sold.

Re Clubs – the MCB eliminated the section about no licensing for clubs.

Residency established if registered voter, but that was changed to qualifying for a permanent fund dividend.

MCB had a prohibition that a retail store could only sell marijuana or mj products, but that was eliminated, and now a retail can sell anything but alcohol.

MCB added language that states under certain conditions the MCB will issue a rider on a retail license to allow consumption in a separate part of the facility. That was controversial, it passed 3-2, and I am not sure if it will pass the dept. of law, but this establishes a process that dept of law will have to review the conditions – take them out for public hearing, and adopt them prior to any endorsement on a retail license. The door is open but no one can go through because we don't know how this will be processed yet.

There is a condition on the initiative about not allowing consumption in public. Clubs??? Considered private?

Most of other changes were cosmetic,.

Gladyszewski – you took language out that prohibited clubs, but didn't replace it with anything –Jones yes. G - So now there is an endorsement on retail with consumption in a separate section, and it doesn't violate public? Mr. Jones said that DOL had reservation. 306 – 305 – retail marijuana store privileges. With prior approval of the board – permit mj purchased on premise only to be consumed – they can't bring their own. Defining prior approval of the board still needs to be determined. G – this will not be determined by February – Jones – no, that is to come.

Watson – April 1 first license issued for growing? Jones – yes, if we accept application on Feb 24 – the 90 days time frame takes us into may. When retail? Jones – once we think there is a legal product to be sold – about June. Mr. Watson – then the retail owner needs to come to the Planning commission? Mr. Jones – when application submitted – a copy will be sent to the local community, and a business can submit a license application and conditional use permit at the same time – the 90 days is the time for both state and local to do work – it is overlapping. If there is a delay on either side, municipalities can say we have not done our work and we need more time, and mcb could delay issuance.

Satre – flip side – they could have their CUP – once moratorium is done we will need to start acting, prior to the issuance of a license.

Jones – there are only 3 more staff for enforcement and only one more for licensing. Nov Dec Alcohol – may June marijuana

G – will you require a cup to be issued for issuing a license? Jones – yes, will issue if local community has not protested will issue. G – will you require proof from business that they have local permission to operate? What comes first, what is a complete app? Jones – all the info we require on file, as well as fee, and staff have all info they have to do their work, info to do criminal background checks, location of the operation, did they meet regs in terms of site and sound, surveillance, can they meet the requirements for tracking system? In addition, we will need statement from the local that they do or do not protest the license. If no CUP, I assume there would be a protest. G – you won't require a finished permit, you only require an ok from the city.

Mr. Kiehl – a local community still involved in CUP could pause the MCB clock? Jones – yes, if we agree. If we feel that we have to honor a protest from the community unless we determine it is arbitrary and capricious. We will handle the protest the same as it has been done with alcohol licensing. The place this has been used the most is in Anchorage. If a community does its work, goes through the process, and unless it is A & C, then there is no reason to base a denial on that standard.

G – license fee? Varies based on type of operation – it is in the regulation and it wasn't changed. Page 27 of regs – retail, \$5,000, eliminated broker license, Under 500 ft grow, ??? (500?), cultivation \$5,000,

manufacturing extract only \$1,000, if making food products \$5,000, testing \$1000. Each employee of business will have to have a \$50 mj handling card, and the owners.

B – Draft CBJ Marijuana Land Use Ordinance

Memo from city attorney included. Mr. Orman said the memo addresses 7 changes made by Ms. Mead.

Mr. Kiehl turned to the memo.

Item 2 – Ms. G – Liens 21-25 page 6 –of ten, she said the language was confusing. How is the list different from the standard CUP? Ms. McNalley – this is in addition to the standard CUP. Ms. G said parking and circulation were standard so it should not be in the list. Ms. McNalley said staff could revise so there is no duplication. In addition to the standard requirements of the CUP, these are the items required – please don't add only half the list of standard CUP requirements. Mr. Orman said items 1 and 3 may need to be removed.

Line 9, page 7 of 10 – drafting error per Ms. G.

Mr. K said the attorney was asking for some guidance on any additions to the signage requirements currently in place that would apply. Discussed state reg limitation on size of signs, and number of signs. Ms. McNalley said that in some cases the cbj sign ordinance was more restrictive so we did not recommend any changes, and the content of the sign is not a subject for regulation based on recent court case. Mr. Watson said he thought current sign regulations are sufficient. Ms. G asked about the Reed case. Mr. Orman said there was a suit regarding directing individuals to a church and the supreme court ruled that all ordinances to try to limit the signs was content based and therefore was prohibited Reed. V. Gilbert. This makes the sign ordinance more difficult to apply.

G – instructions that MJ is dangerous, don't give to kids...Kiehl - 360 applies – read the section on the warning labels in the regs. Mr. Jones said it was for advertising or marketing. There are some restrictions for cultivation and retail that the product has to be not visible to the general public if they walk by. A sign designating what the business is is allowed, there has to be a sign outside no entry unless over 21, and what proof is needed of age. Warning is only for package.

Becker – any restriction on “joe camel” type of marketing? Mr. Jones – yes. And no advertising within a 1000 ft of church, school, youth recreational facility. Facility not allowed within 500 feet of those establishments. 360 – section on retail advertising – Mr. Jones read it to the committee.

The committee discussed indoor signage of health warnings.

Ms. Kiefer – there was discussion about adding language to the sign about prohibited transporation of the product on airplane/ferry, etc.

MOTION, by Ms. G to compose language to add a warning sign inside retail establishments on the transport of the product and public consumption. Hearing no objection, the motion passed.

MOTION, by Becker, to compose language to require a sign with the language from the state regs regarding the health warning, pregnant and breastfeeding, health risks of consumption, and regarding non use by children.

Satre spoke about the required signs for alcohol and so this is not much different than those requirements. Pregnant women, providing to under 21...

Ms. Becker said birth defects from alcohol was proven, but health risk was more general and she was not sure what could be said about the effect on children.

Mr. Satre – use exact same verbage as state regs.

Ms. G – or see the warning on the package.

Mr. Peters – what size is the sign regulated to be?

Ms. G – see what text says and big enough to read – maybe a font size – Peters – same as signs for alcohol

No objection.

Mr. Orman, proposal for two separate signs regarding transport and the other for the warning? Yes.

Point 4 – Civil penalty table and fee for license application – we need to review/recommend these. We asked CDD to bring comparable schedule. Ms. McNalley said she has provided that in a previous memo to the committee. Starts at \$350 for use permit - \$500, \$750, \$1000 based on size of operation. Ms. G- penalty for violation ?

Mr. Orman, 49.65.1170, page 9 of 10 – it is a civil violation ability to have civil fine - \$100/200 2nd and 3rd MCA. Application, corrective orders, inspection of premises, and there is some legislative decision on when to have civil fine vs revocation process. 49.65.1130 – upon expiration of time of a corrective order, failure to comply, then suspension or revocation. Violation – corrective order and a civil fine can be issued at the same time. Similar to drivers license points and tickets. The intent is to give the ability to use both methods for compliance. Mr. Orman said the language in the ordinance provides the director with discretion.

Mr. peters said he was challenged with the idea that another license was needed when there were CUP conditions, another license, and it is a regulatory burden. The CUP speaks to the issues and the state license are enough.

Ms. Becker said there should be some way locally to seek compliance and I think a license should be required actually for all businesses.

Ms. White – rather than create another license – I would be happy to join everyone in getting the legislature to allow us to protest someone's state business license. This

Motion, by G – make the penalty on the high end of our penalty schedule. 03,30630 – in land use – Mr. Orman – this is where it would go – do you want it scaled for first / second/ third or just a flat fee for each violation. Ms. G – motion - \$300 flat fine level for civil penalty. Mr. Watson objected and thought there should be consistency if the fine was in the land use code. Mr. Peters asked about deferring fines to Title 49 committee work. Mr. Kiehl supported that approach. Ms. G did not object if it would come back to the MJ comm. Mr. Kiehl title 49 – Planning Commission - Assembly. Ms. G – wants title 49 recommendation to go to the COW.

MOTION – Glad – CBJ marijuana license fee \$50.

Mr. Peters objected to the license itself, and a fee. This won't pay for itself, and will be burdensome regulation.

Ms. White said if we start requiring license for particular industry, it will snowball to all licenses. We should have the ability to protest a state issued business license. The money could be spent better by businesses to give to charity.

Ms. G. said this was a local control issue to handle a new industry in Juneau that carries some risks. It seems prudent to be able to control our destiny by pulling a local license – this will quickly help people to comply with local rules – the state will take longer to pull a license. It has been hard to enforce our own laws with civil penalties. I think this will help the businesses work in this town.

Mr. Watson agreed that a local business license was not needed, and that the city could approach the state with a local violation.

Mr. Kiehl said the law department has done a good job drafting a local license so it doesn't snowball to a wide local business license and this is a one of a kind business. He said we can't count on the state to shut down bad actors.

Mr. Satre said he was undecided on whether a local license was needed or not and there were good points on both side. This group makes recommendations to the PC and Assembly. I will support the motion on fees so that this conversation can continue. We should have public comment on this issue, through the ordinance process.

Item 5 - consumption on licensed premises through state regs to be written may require the ordinance to be amended. MR Orman 1145.b. – trigger if there is a change to the type of license or an endorsement to the license. Ms. G. said if there is an endorsement, that changes the type of use of the establishment. – Mr. Orman said that issuance of such an endorsement would trigger a CUP review. NO objection to ??? 7:38 p.m.

Item 6 - Manner of revocation or suspension – an appeal of director decision – to the planning commission or to the manager?

Mr. Watson said there is currently a process for this to direct appeals of director decision to Planning commission – then to Assembly, then to superior court. I would be inclined to go to the city manager – then to the Assembly – to cut down the appeal time.

MOTION, by Watson – to direct the appeal of director decision to the city manager. No objection.

Item 7 – Committee said yes – be consistent and use references to state statute for four types of marijuana businesses. No objections.

Mr. Peters – duplication page 8 lines 21, 22 – repeated.

Ms. G – general question about who gets the license. If applicant is not a natural person...does a license go to the business or the person. If it is both the language should be consistent within the code. Mr. Orman said he would pass that on to Ms. Mead for clarification.

Ms. G - Page 7, item 3, list of uses on the property... 7;47. Mr. Orman 49.60.1115 – may clarify, and we need to clarify that we don't have a rubber stamp and then revocation, rather than ???

Ms. G – Page 4, line 20, director may issue corrective order...**any** law of state or muni...? Mr. Orman said that was either too broad – if so, then we can remedy this. Ms. G – thought the license was laws specific to marijuana, so please look at this. Violation of AS 17.38 - Kiehl – city and state marijuana laws only. No objection to this – became a motion after the fact... 7:51 p.m.

Ms. G – 49.65 ... processing in residential areas? We have a land use TPU – is this section necessary? Mr. Kiehl said this is a reference to “at home” extractors, not licensed businesses. Does this belong in Title 49 – its intent is about non-licensed processors – water/butane extraction – does this belong in the criminal section? Orman 1160 – odor ? does that need to be included. MOVE 1165 out of this section to another part of the code. Ms. Becker said JPD / Fire wanted this section. No objection to moving “at home” extractions from Title 49 to criminal code. Asked staff to bring this back elsewhere in the code – no objection.

Motion, by Glad – to move this ordinance to the next proper place with the corrections on to the planning commission – no objection.

Mr. Satre asked that this debate on local licensing be addressed when it comes before the planning commission.

Comments, Questions –

Mr. Watson – last meeting?

Mr. Kiehl – this is the last meeting I'm scheduling. Mr. Watson said he was terming out as is Mr. Satre, so he thanked everyone on the committee for their effort.

Mr. Peters – merry xmas.

Ms. G –thanks to the committee for all the work.

Mr. Satre thanked all the members of the public – told people to pay attention to the planning commission process as that is where public comment will happen.

Ms. Becker thanked Mr. Watson and Mr. Satre for their work on the planning commission and it will be a big loss to the commission. She thanked Mr. Kiehl for his chairmanship of the committee.

Mr. Kiehl thanked Mr. Watson and Mr. Satre for their insights and expertise. Thanked all committee members for their work. He thanked the public for their thoughts and insights. Thanks to staff – Ms. McNally has become an expert on this issue. Ms. Mead has done significant amount of work and the admin staff, and a special thanks to Deb Senn for taking the minutes and preparing the packets. Sympathies to her.

Ms. Becker thanked Mr. Jones for the many hours he has spent on the issue.

Adjourn – 8:04 p.m.

Presented by: The Manager
 Introduced: 10/20/2015
 Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-39(am)

An Ordinance Amending the Land Use Code Relating to Marijuana Establishments.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Table. Category 2.000 Sales and Rental Goods, Merchandise or Equipment, of CBJ 49.25.300 Table of Permissible Uses, is amended to add a new use description to read:

	Use Description	RR	D1	D3	D5	D10SF	D10	D15	D18	LC	GC	MU	MU2	WC	WI	I
...																
2.200	Storage and display of goods with greater or equal									1,3	1,3	1,3	1,3	3 ^N	3 ^N	3
2.300	Marijuana retail store	3								3	3	3	3	3	3	3

Section 3. Amendment of Table. Category 3.000 Professional Office, Clerical, Research, Real Estate, Other Office Services, of CBJ 49.25.300 Table of Permissible Uses, is amended to add a new use description to read:

	Use Description	RR	D1	D3	D5	D10SF	D10	D15	D18	LC	GC	MU	MU2	WC	WI	I
...																
3.400	Offices greater than 2,500 square feet									1,3	1,3	1,3	1,3	1 ^N ,3 ^N		3 ^S
3.500	Marijuana testing facility	3								3	3	3	3			3

Section 4. Amendment of Table. Category 4.000 Manufacturing, Processing, Creating, Repairing, Renovating, Painting, Cleaning, Assembling of Goods, of CBJ 49.25.300 Table of Permissible Uses, is amended to add a new use description to read:

	Use Description	RR	D1	D3	D5	D10SF	D10	D15	D18	LC	GC	MU	MU2	WC	WI	I
...																
4.210	Seafood processing	3 ^T												3,	1,3	1,3
4.220	Marijuana product manufacturing facility	3 ^{AC}									3	3				3

Section 5. Amendment of Table. Category 14.000 Aquaculture, Agriculture, Silviculture, Mining, Quarrying Operations, Spring Water Bottling, of CBJ 49.25.300 Table of Permissible Uses, is amended to add a new use description to read:

	Use Description	RR	D1	D3	D5	D10SF	D10	D15	D18	LC	GC	MU	MU2	WC	WI	I
...																
14.200	Commercial agricultural operations															
...																
14.240	Marijuana cultivation (500 square feet or more under cultivation)	3								3	3					3
14.245	Marijuana cultivation (fewer than 500 square feet under cultivation)	3	3 ^{AB}							3	3					3

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Section 6. Amendment of Table. Category 19.000 Open Air Markets, Nurseries, Greenhouses, of CBJ 49.25.300 Table of Permissible Uses, is amended to add a new use description to read:

	Use Description	RR	D1	D3	D5	D10SF	D10	D15	D18	LC	GC	MU	MU2	WC	WI	I
...																
19.200	Nurseries, commercial greenhouses															
...																
19.230	Marijuana cultivation (500 square feet or more under cultivation)	3								3	3					3
19.240	Marijuana cultivation (fewer than 500 square feet under cultivation)	3	3 ^{AB}							3	3					3

Section 7. Amendment of Table. CBJ 49.25.300 Table of Permissible Uses, is amended by adding two new notes to the Notes section to read:

AB. Use is prohibited in the urban service area but allowed outside the urban service area.

AC. Use is prohibited within 1000 feet of recognized neighborhood association established in accordance with CBJ chapter 11.35.

Section 8. Amendment of Section. CBJ 49.80.120 is amended by the addition of the following definition to be incorporated in alphabetical order:

Square feet under cultivation means the area of a licensed premises of a cultivation facility that is used for growing marijuana, measured from the perimeter of the floor or growing space for marijuana. "Square feet under cultivation" does not include a processing or storage area, an equipment storage area, an office, a hallway, or another area if that area is not used for growing marijuana.

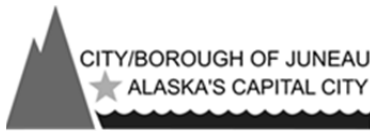
Section 9. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 9th day of November, 2015.


Greg Fisk, Mayor

Attest:


Laurie J. Sica, Municipal Clerk



**Law Department
City & Borough of Juneau**

MEMORANDUM

TO: Marijuana Committee
 FROM: Amy Gurton Mead, Municipal Attorney *AGMead*
 DATE: December 8, 2015
 SUBJECT: Draft Ordinance 2015-38

1. This draft removes references to sales tax compliance within the context of licenses.
2. As directed at the last meeting, this draft also removes those provisions the Committee identified as better addressed through the CUP process and created a new section addressing additional application requirements for marijuana establishment CUPs.
3. The provisions of Title 49 relating to signs already apply, as do the prohibitions (and requirements) outlined in the state regulations (once adopted). What does the Committee want to include in addition?
4. Guidance is needed as to specific penalty amounts to be imposed for violations. The draft has a placeholder for a new civil penalty table at Section 5. (This can be done as part of the Title 49 process if the Committee chooses.) Similarly, guidance is needed with respect to the fee for a license application.
5. This ordinance will need to be amended if the regulations allowing consumption on licensed premises with a license endorsement are adopted.
6. Should revocation and suspension of license appeals (which is a director process) go to the Planning Commission or manager on appeal (the former under CBJ 49.20.110, the latter is like the process used for public records appeals.)
7. Marijuana is defined in other sections of CBJ code with a reference to state law. Does the Committee want to do the same with the four types of establishments?

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-38 (MC v.2)

An Ordinance Amending the Land Use Code to Provide for the Regulation of Marijuana Use and Marijuana Establishments and Providing for a Penalty.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Chapter. CBJ 49.65 Specified Use Provisions is amended by adding a new article to read:

ARTICLE X. MARIJUANA ESTABLISHMENTS

49.65.1100 Purpose.

It is the purpose of this article to establish reasonable regulations that allow for the operation of marijuana establishments within the City and Borough in a manner that promotes public health, safety, and general welfare.

49.65.1105 Licensed required.

(a) No person may operate a marijuana establishment within the City and Borough without a conditional use permit, a valid license issued by the City and Borough, and a valid license issued by the State of Alaska. The following types of licenses may be issued under this article:

- (1) Marijuana retail store license;
- (2) Marijuana cultivation facility license;
- (3) Marijuana product manufacturing facility license; and
- (4) Marijuana testing facility license.

(b) A separate license shall be required for each specific business or business entity or for each geographic location.

(c) Upon denial or revocation of a marijuana establishment license issued by the State of Alaska, any license issued by the City and Borough under this article shall be null and void. If a court of competent jurisdiction determines that the issuance of local licenses violates State or federal law, all licenses issued under this article shall be deemed immediately revoked by operation of law, with no ground for appeal or redress on behalf of the licensee.

49.65.1110 Prohibited Acts.

(a) It is unlawful for any licensee to engage in business contrary to any term or condition of any City and Borough of Juneau marijuana establishment license or any provision of this chapter.

(b) It is unlawful for any person to obtain or attempt to obtain a license by making a false statement in any application for a license, or by any other fraudulent or deceptive means.

(c) It is unlawful for any person to forge, counterfeit, or fraudulently alter a license issued under this chapter.

(d) It is unlawful for any person to obstruct, impede or otherwise refuse to allow an administrative inspection authorized under CBJ 49.65.1140.

(e) It is unlawful for any person licensed or regulated under this article to knowingly or willfully authorize, order, instruct or permit an employee, agent or person under the licensee's control to do an act in connection with the licensed activity which violates any provision of this article or any license issued under this article.

49.65.1115 Application for license.

(a) An applicant for a marijuana establishment license shall submit an application on a form provided by the director accompanied by the appropriate fee. Applications must include the following documentation:

- (1) If the applicant is not a natural person, the organizational documents for all entities identified in the application;
- (2) A copy of the lease or deed for the property upon which the marijuana establishment will be located;
- (3) A list of all other uses on the property;
- (4) A statement verifying compliance with any buffer requirements imposed by 3 AAC Chapter 306 of the Alaska Administrative Code;
- (5) A copy of the Notice of Decision approving the conditional use permit by the City and Borough of Juneau Planning Commission; and
- (6) Any additional documentation determined by the director to be necessary to make a decision whether to approve or deny the license application, or approve with conditions.

49.65.1120 Term of license; renewal.

- (a) No license granted or issued under any of the provisions of this title shall be in any manner assignable or transferable.
- (b) Licenses are valid only as long as the applicant holds a current license from the State and is in compliance with the applicable conditional use permit.
- (c) Licenses issued under this chapter are effective from the date of issuance through December 31 of the same year.
- (d) Licenses shall automatically renew upon the timely remittance of the annual license fee, due by January 1. Failure to timely remit the annual license fee shall result in the license expiring and will require a new license application.

49.65.1125 Corrective orders.

- (a) The director may issue a corrective order whenever a licensee:
 - (1) Has violated any provision of this chapter;
 - (2) Has relinquished legal control of the licensed establishment to any other person;
 - (3) Has failed, refused or neglected to comply with any general or special term or condition of the license issued under this chapter, or any law of the State or the municipality;
- (b) A corrective order shall be served on the licensee by hand-delivery or certified mail and shall specify:
 - (1) The term or condition of the license that has been violated;

(2) The corrective action, if any, the licensee may take to prevent suspension or revocation of the license, and the time limited for such corrective action, which shall be no earlier than seven (7) days following date of issuance of the corrective order;

(3) Notification of the penalties provided by this title; and

(4) That the licensee may request an informal meeting before the director during the seven day period specified above prior to suspension or revocation of the license in order to allow the licensee to contest the grounds for issuance of the corrective order and to provide the licensee the opportunity to provide information to the director relevant to the grounds for the corrective order.

(c) Based on information timely received from the licensee, or from any other source, the director may amend the terms or conditions of the corrective order, or after consideration of the information provided by the licensee, affirm the corrective order as issued.

49.65.1130 License suspension or revocation.

Upon the expiration of the time allowed in a corrective order issued in CBJ 49.65.1125, if the licensee has not complied with the corrective order, the marijuana establishment license will be suspended or revoked. Upon suspension or revocation of any license, the director shall notify the person whose license has been suspended or revoked by certified mail or by hand-delivery. Following such suspension or revocation and after notification, it is unlawful for the licensee to continue to operate the marijuana establishment.

49.65.1135 Appeal.

The revocation or suspension of a marijuana establishment license is appealable in accordance with CBJ 49.20.110.

49.65.1140 Inspection of premises.

A marijuana establishment or an applicant for a marijuana establishment license under this chapter shall, upon request, make the licensed premises or the proposed licensed premises, including any place for storage, available for inspection by the director for the purpose of ensuring compliance with this chapter and any applicable marijuana establishment license. Inspection shall include access to any marijuana or marijuana product on the premises, equipment used in cultivating, process, testing or storing marijuana, the inventory tracking system and business records of the licensee or applicant.

49.65.1145 Marijuana establishment conditional use permits.

(a) In addition to the permit application and supporting materials required by CBJ 49.15.330(c), an applicant for a conditional use permit for a marijuana establishment must submit the following additional materials:

- (1) A site plan of all buildings on the property where the premises is located, including, but not limited to: a floor plan showing how the floor space is or will be used to include but not limited to restricted access areas; parking and circulation for the premises; property lines and setbacks; total floor area of the building(s); and the nature and location of any existing or proposed exterior lighting and signage;

(2) A security plan indicating how the applicant will comply with the requirements imposed by State law.

(3) A waste disposal plan indicating how the applicant will comply with the requirements imposed by State law.

(4) Marijuana cultivation facility license applicants must provide a ventilation and filtration plan describing the systems that will be used to ensure compliance with CBJ 49.65.1155 and whether the applicant intends on using carbon dioxide. If carbon dioxide will be used by applicant, the plan should identify the storage area for the gas.

(5) Marijuana product manufacturing facility license applicants and marijuana testing facility license applicants must specify all means to be used for extraction, heating, washing or otherwise changing the form of the marijuana plant, along with proposed ventilation and safety measures to be implemented for each process.

(6) Marijuana cultivation facility license applicants and marijuana product manufacturing facility license applicants must specify the methods to be used to prevent the growth of harmful mold and compliance with limitations on discharge into the wastewater system.

(7) Any additional documentation determined by the director to be necessary for the commission to make a decision whether to approve or deny the permit, or approve with conditions.

(b) If a licensee desires to modify the licensed premises by changes to equipment or any approved plan, an amendment to the original application and required fee shall be submitted for review and approval.

(c) In addition to any conditions imposed under CBJ 49.15.330(g), the commission may impose any conditions necessary to ensure compliance with this chapter or State law.

49.65.1150 Hours of operation – marijuana retail stores.

Unless otherwise specified by a conditional use permit, licensed premises may open no earlier than 8 a.m. and shall close no later than 11 p.m. the same day, Monday through Sunday. No marijuana may be distributed, sold or dispensed at a licensed premises when the licensed premises is required to be closed pursuant to this section.

49.65.1155 License to be displayed.

A licensee shall prominently display the marijuana establishment license, in the same size and font as the original license issued by the director, in a conspicuous location inside the licensed premises near the main entrance.

49.65.1160 Odor.

All marijuana establishments shall utilize a ventilation and odor system that prohibits the detection of noxious odors from outside the licensed premises. All marijuana establishments shall utilize a ventilation and odor system that prohibits the detection of noxious odors from outside the licensed premises. For purposes of this section, noxious odors are those odors a reasonable person of ordinary sensibilities would find affect the person's enjoyment of life, health or property.

49.65.1165 Marijuana processing and manufacturing in residential areas.

Unless specifically authorized by license or permit to do so, it is unlawful for any person to process or manufacture marijuana concentrate by any means other than water-based or food-based extraction in a residential area.

49.65.1170 Penalty.

(a) A person who violates or causes or permits to be violated a provision of this chapter is guilty of a civil violation.

(b) In addition to any other remedies provided by law, the City and Borough may seek a court order enjoining the continued operation, within the municipality, of any business whose owner or operator fails to comply with correction orders issued under CBJ 49.65.1125, terms of any decision on appeal under CBJ 49.65.1135, or who fails to cease operation following suspension or revocation of a license under CBJ 49.65.1130.

Section 3. Amendment of Section. CBJ 49.80.120 Definitions, is amended by the addition of the following definitions to be incorporated in alphabetical order:

Marijuana has the same meaning as in Alaska Statute 17.38.900.

Marijuana cultivation facility

Marijuana product manufacturing facility

Marijuana retail store

Marijuana testing facility

Section 4. Amendment of Section. CBJ 49.85.100 Generally, is amended to read:

49.85.100 Generally.

Processing fees are established for each development, platting and other land use action in accordance with the following schedule:

...

(19) Marijuana license fee, \$.

Section 5. Amendment of Table. CBJ 03.30.070 Violations; civil fines, is amended to read:

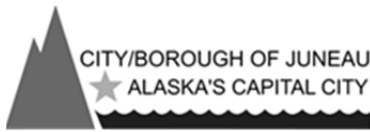
Section 6. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2015.

Attest:

Mary E. Becker, Mayor

Laurie J. Sica, Municipal Clerk



**Law Department
City & Borough of Juneau**

MEMORANDUM

TO: Planning Commission

FROM: Amy Gurton Mead, Municipal Attorney *AGMead*

DATE: January 7, 2016

SUBJECT: 2015-38 Planning Commission v. 1 – Marijuana Special Use Chapter

At the last Marijuana Committee meeting, the Committee members considered a number of amendments to the draft ordinance now coming before you. This memo outlines those changes.

1. The Marijuana Committee recommended that 49.65.1145 (marijuana establishment conditional use permits) be amended to list only marijuana-specific items and to delete any references to items required as part of the conditional use process in general. As conditional use permit applications submittals aren't in code (and I had nothing to refer to), I relied upon CDD to make this change.
2. The Committee asked that there be a requirement for two warning signs: one related to health issues and one that covered transportation and consumption in public, with the required size and font to be consistent with similar provisions relating to alcohol in AS Title 04. See 49.65.1155 Documents to be displayed.
3. The Committee decided to leave the question of penalties to be imposed (the amount of the civil fine to impose) to the Planning Commission process.
4. The Marijuana Committee discussed the appeal process that should flow from the revocation or suspension of a marijuana license. The Committee decided the appeal would not be properly handled by the Planning Commission. There was a motion that an appeal of a director decision to revoke or suspend a license instead to go the "city manager and then the assembly."

Having the director decision on license actions go to the manager first before being appealed to the Assembly, though in keeping with the two step process for director decision appeals outlined in 49.20.110, is not necessary. The decision can be directly appealed to the Assembly. If it is decided that adding another layer of review is necessary, meaning an interim appeal to the Manager before the appeal is heard by the Assembly, we will need to amend the ordinance to specify the mechanics for handling that new process. Though I wasn't at the meeting when this issue was discussed, after reviewing the minutes I think the intent behind the motion was just to remove the requirement that the license action appeals be heard by the Planning Commission.

That was done by specifying appeal decisions can be appealed under the process in CBJ 01.50, instead of referencing 49.20.110 as originally done.

5. The Committee asked about the denial of a license (49.65.1115) and why appeals of denials weren't addressed in the draft. "Denial" was added to revocation and suspension decisions as being appealable under 49.65.1135.

6. There was a suggestion that the 49.65.1145 be amended to address license endorsements (as are being contemplated by the State). That was done.

7. The Committee wanted the corrective orders provision (49.65.1125(a)(3)) amended to clarify that only violations of marijuana-related laws were relevant. This was done.

8. There were questions about the references to "persons" in the proposed code, and what that meant. Title 49 contains a definition of "person" to mean "an individual, partnership, firm, company or corporation." CBJ 49.80.120.

9. The Committee set the license fee at \$50. (49.85.100).

10. The Committee directed that the definitions for marijuana and the marijuana establishments proposed for inclusion at 49.80.120 be consistent with State law. This was done (see Section 3 of the ordinance). The language is not verbatim because State law refers to "entities that are registered," meaning entities that have registered under State law to operate as marijuana establishments. Since our licensing and CUP process will come before the State licenses (or registrations) are issued, our definition had to be slightly tweaked.

11. The version of 2015-38 reviewed by the Marijuana Committee on December 10, 2015, contained a provision prohibiting certain types of manufacturing in residential neighborhoods. The Committee felt that provision was misplaced and needed to be moved to a different section of code. That was done (see Ordinance 2016-02, An Ordinance Amending the Nuisance Code Relating to Marijuana in Residential Zones and Providing for a Penalty.)

12. The Committee noted an ambiguity in 49.65.1125 relating to the time a licensee may ask for an informal meeting with the director prior to suspension or revocation of a license. The original version provided that the director could order a licensee to take corrective action within a certain time period, which time period could be no earlier than seven days following the date of issuance of the order, and that the licensee could request an informal meeting during the seven day period specified above..." Since the timeline set by the director can be longer than seven days, 49.65.1125 was amended to simply allow a licensee to request an informal meeting at any time prior to the revocation or suspension.

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2015-38 (PC v.1)

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(b) A separate license shall be required for each specific business or business entity or for each geographic location.

(c) Upon denial or revocation of a marijuana establishment license issued by the State of Alaska, any license issued by the City and Borough under this article shall be null and void. If a court of competent jurisdiction determines that the issuance of local licenses violates State or federal law, all licenses issued under this article shall be deemed immediately revoked by operation of law, with no ground for appeal or redress on behalf of the licensee.

49.65.1110 Prohibited Acts.

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(b) It is unlawful for any person to obtain or attempt to obtain a license by making a false statement in any application for a license, or by any other fraudulent or deceptive means.

(c) It is unlawful for any person to forge, counterfeit, or fraudulently alter a license issued under this chapter.

(d) It is unlawful for any person to obstruct, impede or otherwise refuse to allow an administrative inspection authorized under CBJ 49.65.1140.

(e) It is unlawful for any person licensed or regulated under this article to knowingly or

willfully authorize, order, instruct or permit an employee, agent or person under the licensee's control to do an act in connection with the licensed activity which violates any provision of this article or any license issued under this article.

49.65.1115 Application for license.

(a) An applicant for a marijuana establishment license shall submit an application on a form provided by the director accompanied by the appropriate fee. Applications must include the following documentation:

- (1) If the applicant is not a natural person, the organizational documents for all entities identified in the application;
- (2) A copy of the lease or deed for the property upon which the marijuana establishment will be located;
- (3) A list of all other uses on the property;
- (4) A statement verifying compliance with any buffer requirements imposed by 3 AAC Chapter 306 of the Alaska Administrative Code;
- (5) A copy of the Notice of Decision approving the conditional use permit by the City and Borough of Juneau Planning Commission; and
- (6) Any additional documentation determined by the director to be necessary to make a decision whether to approve or deny the license application, or approve with conditions.

49.65.1120 Term of license; renewal.

(a) No license granted or issued under any of the provisions of this title shall be in any

manner assignable or transferable.

(b) Licenses are valid only as long as the applicant holds a current license from the State and is in compliance with the applicable conditional use permit.

(c) Licenses issued under this chapter are effective from the date of issuance through December 31 of the same year.

(d) Licenses shall automatically renew upon the timely remittance of the annual license fee, due by January 1. Failure to timely remit the annual license fee shall result in the license expiring and will require a new license application.

49.65.1125 Corrective orders.

(a) The director may issue a corrective order whenever a licensee:

- (1) Has violated any provision of this chapter;
- (2) Has relinquished legal control of the licensed establishment to any other person;
- (3) Has failed, refused or neglected to comply with any general or special term or condition of the license issued under this chapter, or any provision of Alaska Statute Chapter 17.38, or regulations adopted pursuant to that chapter;

(b) A corrective order shall be served on the licensee by hand-delivery or certified mail and shall specify:

- (1) The term or condition of the license that has been violated;
- (2) The corrective action, if any, the licensee may take to prevent suspension or revocation of the license, and the time limited for such corrective action, which shall be no earlier than seven (7) days following date of issuance of the corrective order;
- (3) Notification of the penalties provided by this title; and

(4) That the licensee may request an informal meeting before the director prior to suspension or revocation of the license in order to allow the licensee to contest the grounds for issuance of the corrective order and to provide the licensee the opportunity to provide information to the director relevant to the grounds for the corrective order.

(c) Based on information timely received from the licensee, or from any other source, the director may amend the terms or conditions of the corrective order, or after consideration of the information provided by the licensee, affirm the corrective order as issued.

49.65.1130 License suspension or revocation.

Upon the expiration of the time allowed in a corrective order issued in CBJ 49.65.1125, if the licensee has not complied with the corrective order, the marijuana establishment license will be suspended or revoked. Upon suspension or revocation of any license, the director shall notify the person whose license has been suspended or revoked by certified mail or by hand-delivery. Following such suspension or revocation and after notification, it is unlawful for the licensee to continue to operate the marijuana establishment.

49.65.1135 Appeal.

The denial, revocation, or suspension of a marijuana establishment license is appealable in accordance with CBJ 01.50.

49.65.1140 Inspection of premises.

A marijuana establishment or an applicant for a marijuana establishment license under this chapter shall, upon request, make the licensed premises or the proposed licensed premises,

including any place for storage, available for inspection by the director for the purpose of ensuring compliance with this chapter and any applicable marijuana establishment license. Inspection shall include access to any marijuana or marijuana product on the premises, equipment used in cultivating, process, testing or storing marijuana, the inventory tracking system and business records of the licensee or applicant.

49.65.1145 Marijuana establishment conditional use permits.

(a) In addition to the permit application and supporting materials required by CBJ 49.15.330(c), an applicant for a conditional use permit for a marijuana establishment must submit the following additional materials:

- (1) A site plan of all buildings on the property where the marijuana use will be located, including, but not limited to: a floor plan showing how the floor space is or will be used to include but not limited to restricted access areas and the total floor area of the building(s);
- (2) A security plan indicating how the applicant will comply with the requirements imposed by State law.
- (3) A waste disposal plan indicating how the applicant will comply with the requirements imposed by State law.
- (4) Marijuana cultivation facility license applicants must provide a ventilation and filtration plan describing the systems that will be used to ensure compliance with CBJ 49.65.1155 and whether the applicant intends on using carbon dioxide. If carbon dioxide will be used by applicant, the plan should identify the storage area for the gas.
- (5) Marijuana product manufacturing facility license applicants and marijuana

testing facility license applicants must specify all means to be used for extraction, heating, washing or otherwise changing the form of the marijuana plant, along with proposed ventilation and safety measures to be implemented for each process.

(6) Marijuana cultivation facility license applicants and marijuana product manufacturing facility license applicants must specify the methods to be used to prevent the growth of harmful mold and compliance with limitations on discharge into the wastewater system.

(7) Any additional documentation determined by the director to be necessary for the commission to make a decision whether to approve or deny the permit, or approve with conditions.

(b) If a licensee desires to modify the licensed premises by changes to equipment, increased use, such as in accordance with an approved State license endorsement, or any approved plan, an amendment to the original application and required fee shall be submitted for review and approval.

(c) In addition to any conditions imposed under CBJ 49.15.330(g), the commission may impose any conditions necessary to ensure compliance with this chapter or State law.

49.65.1150 Hours of operation – marijuana retail stores.

Unless otherwise specified by a conditional use permit, licensed premises may open no earlier than 8 a.m. and shall close no later than 11 p.m. the same day, Monday through Sunday. No marijuana may be distributed, sold or dispensed at a licensed premises when the licensed premises is required to be closed pursuant to this section.

49.65.1155 Documents to be displayed.

(a) A licensee shall prominently display the marijuana establishment license, in the same size and font as the original license issued by the director, in a conspicuous location inside the licensed premises near the main entrance.

(b) A licensee shall display two separate warning signs as follows:

(1) A sign containing the following health warnings:

(A) “Marijuana has intoxicating effects and may be habit forming.”;

(B) “Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.”;

(C) “There may be health risks associated with consumption of marijuana.”;

(D) “For use only by adults twenty-one and older. Keep out of the reach of children.”; and

(E) “Marijuana should not be used by women who are pregnant or breastfeeding.”

(2) A sign containing the following warnings:

(A) “Consumption of marijuana in public is prohibited by law. AS 17.38.040; CBJ 42.20.230.”;

(B) “The transportation or shipment of marijuana and marijuana products outside of the City and Borough of Juneau by U.S. mail, air travel or in the waters of the United States is prohibited by federal law. AS 17.38.010(d).”

(c) The warning signs required by subsection (b) of this section must be at least 11 inches by 14 inches in size, and the lettering must be at least one-half inch high and in contrasting colors. The warning signs must be displayed in conspicuous location inside the licensed

premises near the main entrance.

49.65.1160 Odor.

All marijuana establishments shall utilize a ventilation and odor system that prohibits the detection of noxious odors from outside the licensed premises. For purposes of this section, noxious odors are those odors a reasonable person of ordinary sensibilities would find affect the person's enjoyment of life, health or property.

49.65.1170 Penalty.

(a) A person who violates or causes or permits to be violated a provision of this chapter is guilty of a civil violation.

(b) In addition to any other remedies provided by law, the City and Borough may seek a court order enjoining the continued operation, within the municipality, of any business whose owner or operator fails to comply with correction orders issued under CBJ 49.65.1125, terms of any decision on appeal under CBJ 49.65.1135, or who fails to cease operation following suspension or revocation of a license under CBJ 49.65.1130.

Section 3. Amendment of Section. CBJ 49.80.120 Definitions, is amended by the addition of the following definitions to be incorporated in alphabetical order:

Marijuana means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate; "marijuana" does not include fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

Marijuana cultivation facility means an entity that cultivates, prepares, and packages marijuana and sells marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

Marijuana product manufacturing facility means an entity that purchases marijuana; manufactures, prepares, and packages marijuana products; and sells marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

Marijuana retail store means an entity that purchases marijuana from marijuana cultivation facilities, purchases marijuana and marijuana products from marijuana product manufacturing facilities, and sells marijuana and marijuana products to consumers.

Marijuana testing facility means an entity that analyzes and certifies the safety and potency of marijuana.

Section 4. Amendment of Section. CBJ 49.85.100 Generally, is amended to read:

49.85.100 Generally.

Processing fees are established for each development, platting and other land use action in accordance with the following schedule:

...

(19) Marijuana license fee, \$50.00.

Section 5. Amendment of Table. CBJ 03.30.070 Violations; civil fines, is amended to read:

TBD

Section 6. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2015.

Attest:

Mary E. Becker, Mayor

Laurie J. Sica, Municipal Clerk

DRAFT