

Kenai Peninsula Borough
Office of the Borough Clerk

MEMORANDUM

TO: Brent Johnson, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Brandi Harbaugh, Finance Director *SD for BH*
Sean Kelley, Borough Attorney *SK*

FROM: Johni Blankenship, Borough Clerk *JB*

DATE: December 22, 2021

RE: Alaska Off Grid Cannabis Co. – Standard Marijuana Cultivation Facility
New License 27711

On September 21, 2021, the Assembly approved the issuance of a Letter of Protest to the Alcohol & Marijuana Control Board regarding the new marijuana cultivation License 27111 filed by Alaska Off Grid Cannabis Co.

The protest was based on the substantial outstanding tax obligations owed to the Kenai Peninsula Borough (KPB) by Shawn McDonough (debtor) who is a principal and 50% member owner of Alaska Off Grid Cannabis Co. The debtor has now agreed to enter into a payment plan to resolve the outstanding tax debts.

RECOMMENDATION:

In consideration of a payment plan that will resolve the debtor's outstanding tax debt, it is recommended that the Assembly authorize the Borough Clerk to:

- (1) forward a notice of withdrawal of the assembly's September 21, 2021, protest of the license application to the Alcohol & Marijuana Control Office, upon debtor's entry into the secured payment plan with KPB; and
- (2) issue a letter of non-objection to the Alcohol Marijuana Control Office regarding the new marijuana cultivation license as requested by **Alaska Off Grid Cannabis Co.** with the recommendation that the following conditions be placed on the state license pursuant to 3 AAC 306.060(b):

1. The marijuana establishment shall conduct their operation consistent with the site plan submitted to the Kenai Peninsula Borough.
2. There shall be no parking in borough rights-of-way genercted by the marijuana establishment.
3. The marijuana establishment shall remain current in all Kenai Peninsula Borough tax obligations consistent with KPB 7.30.020(A).