



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Blaine Gilman, Assembly President
Members, Kenai Peninsula Borough Assembly

FROM: Mike Navarre, Mayor *MN*

DATE: January 7, 2016

SUBJECT: Ordinance 2016-05, An Ordinance Enacting KPB 2.40.110 and KPB Chapter 7.20 – Marijuana Regulation, and Designating the Planning Commission as the Local Regulatory Authority Within the Kenai Peninsula Borough Under Alaska Statute Chapter 17.38 for Marijuana Establishments (Mayor)

Pursuant to AS 17.38.210 the Kenai Peninsula Borough may establish a regulatory authority for the issuance of commercial marijuana licensing. The issuance of marijuana registrations or licenses by the borough at this time would be duplicative since the State of Alaska has established a board and adopted regulations for these purposes. However, a local regulatory authority could comment to the state regarding the issuance of state licenses within the borough. The establishment of a local regulatory authority also entitles the borough to a portion of the state fees associated with applications for state licenses for commercial marijuana facilities. The state will start processing licenses as early as February 24, 2016 and it is in the borough's best interest to have established an authority to comment to the state on the issuance of licenses within the borough in a manner similar to local liquor license protests. The Kenai Peninsula Borough Marijuana Task Force has also recommended the planning commission be established as the local regulatory authority with the assembly as an appeal board. Since the state has established regulations it is unlikely the borough will need an active regulatory board therefore an appeals board is not proposed at this time.

As the cities are also authorized to create their own regulatory authority, this borough regulatory authority would only have jurisdiction in the area of the borough outside the cities.

Additionally, AS 17.38.210(b) authorizes local time, place, and manner restrictions on commercial marijuana facilities. Any such land use regulations, which are also authorized by AS 29.40, would be recommended to the assembly by the planning commission and would be administered and implemented by the planning commission and planning department. Your consideration of this ordinance is appreciated.