Smadar Warden Manager, Member AlaskaSense, LLC

June 11, 2025

Dear Members of the Anchorage Municipal Assembly:

My name is Smadar Warden, and I am the 99% manager, member of AlaskaSense, LLC. This letter is to certify my understanding of the conditions set forth by the Anchorage Municipal Assembly in its May 6, 2025, resolution. I can confirm that the following statements are true and correct regarding the AlaskaSense, LLC business:

- 1) I, the licensee, have read and understand the requirements written within the Anchorage Municipal Code Title 21: Land Use Planning section 21.05.055 and can confirm AlaskaSense, LLC will be compliant with all of the regulations.
- 2) I, the licensee, understand my obligation to conform AlaskaSense's operations to the requirements of the code, regardless of circumstances.
- 3) I, the licensee, certify that on June 11, 2025, AlaskaSense, LLC and the Midtown Community Council entered into a Memorandum of Understanding (MOU). A copy of the signed MOU is attached.

Please see the attached printed copy of AMC section 21.05.055 to show that the correct section has been reviewed by me. I have reviewed and understand both the regulations and the conditions set forth in the resolution. Everything stated in this letter is accurate and true.

Very Truly Yours,

Smadar Warden

4. Hotel/Motel

a. Definition

Any building containing 20 or more guestrooms, rented for compensation by the day or week, and offered for use by the general public in conjunction with subordinate services and facilities, such as restaurants and meeting rooms. Meeting facilities designed to accommodate 1,500 or more persons shall constitute a separate principal use and be classified as "civic/convention center" under this title.

b. Use-Specific Standards

- Any use that involves the retail sale of alcohol is subject to the special land use permit for alcohol process; see section 21.05.020A.
- ii. Establishments in the R-4 and R-4A districts shall have all their guestrooms accessible by means of interior corridors.
- iii. Establishments whose rooms are individually accessible from the outdoors shall have frontage on a major arterial or street of greater classification. This restriction shall not apply in the GRST-1 and GRST-2 districts.
- iv. In the R-4 district, hotels shall have a minimum lot size of 14,000 square feet and shall have principal access from a street of collector class or greater.

5. Inn

a. Definition

A building or group of buildings containing between six and 19 guest rooms, or up to 60 pillows, for overnight lodging for compensation, where at least one meal per day may be provided to the guests, there is a central meeting room or lounge available to all of the guests, and there are no shared kitchen facilities.

b. Use-Specific Standards

- i. Any use that involves the retail sale of alcohol is subject to the special land use permit for alcohol process; see section 21.05.020A.
- ii. Inns in the R-4A district shall be subject to the multifamily building design standards in section 21.07.110C., and the multi-family building parking standards in section 21.07.090. In the R-4A district, inns shall adhere to the maximum floor area ratio permitted for multi-family dwellings.

6. Recreational and Vacation Camp

a. Definition

An overnight recreational camp, such as a children's camp, family vacation camp, or outdoor retreat. These establishments provide accommodation facilities, such as cabins and fixed camp sites, and incidental recreational and educational facilities.

(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO 2014-133, 11-5-14; AO 2015-82, 7-28-15)

21.05.055 MARIJUANA ESTABLISHMENTS

This section defines specific commercial and industrial use types relating to marijuana growing, processing, production, testing, and sales, listed in table 21.05-1. This section also contains use-specific standards that apply to specific use types. The use-specific standards apply regardless of the approval process for the particular use type. All uses involving the commercial cultivation, production, testing, and sales of marijuana are governed by this section; no other use in any other section shall involve marijuana. Personal cultivation and use of marijuana is not regulated by this section.

A. Use-Specific Standards Applicable to All Marijuana Establishments

1. Licenses Required

- a. All marijuana establishments are required to obtain a license from the state of Alaska Marijuana Control Board, and a license from the municipality of Anchorage, before beginning operations.
- b. If at any time either the state license or the municipal license is suspended or revoked, the establishment shall immediately cease operations, until such time as both required licenses and the land use approval are valid.
- c. Licenses from the municipality of Anchorage shall be issued in accordance with chapter 10.80.

2. Separation from Protected Land Uses

- In addition to the other methods for measuring the separation distances as set forth in this subsection, all marijuana establishments shall be separated from the protected land uses listed in subsection 2.c. below by at least 200 feet, as measured from the lot line of the marijuana establishment directly to the closest lot line of the protected land use. Applicants who have initiated a state of Alaska marijuana license on or before January 1, 2017, are exempt from this provision.
- b. Additionally, all marijuana establishments shall be separated from schools (items 2.c.i., 2.c.ii., and 2.c.iii. below) by at least 500 feet, measured from the lot line of the marijuana establishment directly to the closest lot line of the school. Applicants who have initiated a state of Alaska marijuana license on or before January 1, 2017, are exempt from this provision.
- c. Additionally, all marijuana establishments shall be located at least 500 feet away from the following uses except in zoning districts established for Chugiak-Eagle River in chapter 21.10 where marijuana establishments shall be located at least 1,000 feet away from all the following uses, including the uses specific to Chugiak-Eagle River listed below:
 - i. Boarding school.
 - ii. Elementary or middle school.
 - iii. High school.
 - iv. Playground.
 - v. A housing facility owned by a public housing authority.
 - vi. Child care center.
 - vii. Homeless and transient shelters.
 - viii. Habilitative care facilities.
 - ix. Dedicated parks in zoning districts established for Chugiak-Eagle River in chapter 21.10.
 - x. A residential district established for Chugiak-Eagle River in section 21.10.040.
 - xi. The Harry J. McDonald Memorial Center.
 - xii. Community centers.

- xiii. Neighborhood recreation centers.
- xiv. Religious assemblies.
- xv. Correctional institutions.
- xvi. Athletic fields.
- xvii. Correctional community residential centers.
- **d.** All marijuana establishments shall be located at least 100 feet away from video arcades with at least 10 arcade machines.
- **e.** Except in zoning districts established for Chugiak-Eagle River in chapter 21.10, the separation distance required in subsections 2.c. and 2.d. above shall be measured by the shortest practicable pedestrian route from the main entrance to the proposed marijuana establishment to:
 - i. The closest lot line of a school, child care center, community center, neighborhood recreation center;
 - The edge of a playground or athletic field (including abutting parking lots); and
 - iii. A main public entrance of the building containing any other use listed above.
- In zoning districts established for Chugiak-Eagle River in chapter 21.10, this distance shall be measured "as the crow flies" from the closest lot line of the proposed marijuana establishment to:
 - The closest lot line of a school, community center, neighborhood recreation center, correctional institution, or residential district;
 - The edge of a playground or athletic field (including abutting parking lots); and
 - iii. The closest lot line of any other use listed above.

3. Prohibited with Alcohol License

A marijuana establishment shall not be allowed in the same establishment as a use that holds a state alcohol license.

4. Prohibited with Residential

A marijuana establishment shall not be allowed on a lot that contains a residential use other than a caretaker's residence. The caretaker's residence shall be inhabited by a person or persons associated with the marijuana establishment: a licensee, an affiliate, or an employee of the establishment.

5. Inspection of Premises

All premises of all marijuana establishments shall be open at all times during business hours for the inspection and examination by the municipality.

6. Ventilation

The premises shall be ventilated so that the odor of marijuana cannot be detected by a person with a normal sense of smell at any lot line of the subject property.

7. Public Display of Land Use Approval Conditions

Each establishment shall display in a location near the main entrance, and visible to the public in those establishments where the public are permitted, the conditions imposed through the land use approval, using the Conditions Certificate provided by the department.

8. Permanent Structure

A marijuana establishment shall be in a permanent structure with a valid certificate of zoning compliance. No marijuana establishment shall be authorized in a vehicle or trailer, a mobile food unit, a standalone intermodal shipping container (connex unit), or a temporary structure.

9. Signs

Signs shall comply with state regulations and chapter 21.11. Signs for all marijuana establishments may only be placed in a window of the establishment or attached to the outside of the licensed premises. No temporary signs are permitted.

B. Principal Uses

1. Marijuana Cultivation Facility

a. Definition

A facility that cultivates and harvests marijuana for transfer or sale to a marijuana manufacturing facility, a marijuana testing facility, or a marijuana retail sales establishment.

b. Use-Specific Standards

- i. Marijuana plants shall not be visible from a public right-of-way.
- ii. All cultivation facilities shall be organized in orderly rows compliant with all building and fire codes. Aisles between planting rows shall be included in the square footage under cultivation.
- iii. Direct retail sales to the general public is prohibited.
- iv. Marijuana cultivation facilities are permitted in the B-3 district when collocated with and attached to a marijuana retail sales establishment. The Assembly may allow the operation of a cultivation facility in the B-3 district if a complete application for the collocated and attached retail sales establishment has been received by the municipality.

2. Marijuana Manufacturing Facility

a. Definition

A facility that receives harvested marijuana from a cultivation facility and extracts, processes, and/or manufactures marijuana products for transfer or sale to another marijuana manufacturing facility, a marijuana testing facility, or a marijuana retail sales establishment.

b. Use-Specific Standards

- i. An industrial hygienist or a professional engineer shall attest that:
 - (A) Any processes using solvents or flammables are safe, are in compliance with all applicable laws, and otherwise do not create a danger to any person or entity in or near the business.
 - (B) Any noxious gases or fumes created by such processes shall be mitigated with an appropriate ventilation system.
- ii. Direct retail sales to the general public is prohibited.

- iii. Marijuana manufacturing facilities that only manufacture edibles, but do not have extraction facilities or other types of manufacturing, are permitted in the B-3 district.
- iv. "Industrial hygienist" as used in this section, shall mean an individual who meets the definition for "industrial hygienist" set forth in Alaska Statute 45.50.477(a). "Professional engineer" as used in this section, shall mean an individual who meets the definition for "professional engineer" set forth in Alaska Statute 08.48.341.

3. Marijuana Testing Facility

a. Definition

A facility that analyzes and certifies the safety and potency of marijuana and marijuana products.

b. Use-Specific Standards

Direct retail sales to the general public is prohibited.

4. Marijuana Retail Sales Establishment

a. Definition

An establishment that receives marijuana and/or marijuana products from a marijuana cultivation facility or a marijuana manufacturing facility, for sale to the public.

b. Use-Specific Standards

- i. Establishments shall be closed to the public between the hours of midnight and 8:00 a.m. each day.
- ii. Establishments shall not have accessory drive-throughs.
- iii. No outdoor storage or display of products is permitted.
- iv. Marijuana retail sales establishments are permitted in the I-2 district when collocated with and attached to a marijuana cultivation facility or a marijuana manufacturing facility.
- v. Assembly issuance of special land use permits for marijuana establishments and the related licensing and regulation of marijuana establishments under AMC title 10 require engagement by the community council. The owner/operator of a marijuana retail sales establishment is encouraged to engage in neighborhood responsibility planning with neighborhood residents and other businesses. Where available, this may be done in conjunction with the community council. A copy of an informal memorandum of understanding (mou) outlining the elements confirmed with the community council may be included with the application. In the absence of a mou, the applicant may include applicant's report on the status of community engagement efforts.

(2016-3(S), 2-23-16; AO 2016-35, 4-12-16; AO 2016-144(S), 12-20-16; AO 2017-55, 4-11-17)

21.05.060 INDUSTRIAL USES: DEFINITIONS AND USE-SPECIFIC STANDARDS

This section defines the general industrial use categories and specific industrial use types listed in table 21.05-1. This section also contains use-specific standards that apply to specific use types. The use-specific standards apply regardless of whether the use type is permitted as a matter of right, subject to a site plan review process, or subject to the conditional use process.

MEMORANDUM OF UNDERSTANDING

Between AlaskaSense, LLC and Midtown Community Council Effective Date: _____June, 2025

I. RECITALS

This Memorandum of Understanding (hereafter "Agreement") is hereby entered into by and between Midtown Community Council (hereafter "MTCC"), a community council within the Municipality of Anchorage and AlaskaSense, LLC (hereafter "Marijuana Cultivation Facility"), an applicant for a municipal license and special land use permit for a marijuana cultivation facility located at 521 W. Tudor Road, Unit 202, Anchorage, AK 99503.

WHEREAS, the Community Council has a vested interest in ensuring that they represent the best interests of the community council area; and

WHEREAS, AlaskaSense, LLC is seeking to continue operating a legitimate business within the community council area; and

WHEREAS, the Community Council and AlaskaSense, LLC have a long-term interest in fostering a mutually beneficial relationship to address communications and problem-solving; and

WHEREAS, this Agreement is intended to satisfy neighborhood requirements in municipal code;

Now, therefore, the parties agree as follows:

II. AGREEMENT BASICS

- 1. The point of contact for AlaskaSense, LLC is Smadar Warden, who can be contacted by phone at 907-903-3534 or via email at smadi@cannabaska.com. Contact may be outside of store hours if necessary to address issues as they arise. Changes to the point of contact or contact information shall be promptly shared with the MTCC, in writing, and subject MOU will be updated at that time.
- 2. The point of contact for the MTCC is Kristine Stoehner who may be contacted by phone at 907-240-4324 or via email at stoehnerkris@gmail.com. Contact may be outside of regular business hours. Changes to the point of contact or contact information shall be promptly shared with the Marijuana Cultivation Facility.
- 3. The following three individuals are authorized to speak for the Marijuana Cultivation Facility at community council meetings: Smadar Warden, Nathan Warden, and Attorney Jana Weltzin. Changes in individuals authorized to speak for the Marijuana Cultivation Facility shall be promptly shared with the MTCC.
- 4. AlaskaSense, LLC shall engage with the residents and property owners within 500 feet of the business location through quarterly personal contact.
- 5. When residents or business owners in the MTCC raise issues of concern with the MTCC or with the Marijuana Cultivation Facility, the MTCC and the Marijuana Cultivation Facility will take the following steps:
 - a. Agree to discuss the issue at the next regularly scheduled community council meeting.
 - b. If requested, agree to call a special community council meeting to discuss the issue.

- c. If requested, agree to call an executive board meeting of the community council to discuss the issue.
- 6. AlaskaSense, LLC is encouraged to attend regular Community Council meetings. The Licensees, Smadar Warden or Nathan Warden will make a concerted effort to attend the Community Council meeting every three (3) months, at a minimum.
- 7. The Community Council has identified the following particular concerns relating to the Marijuana Cultivation Facility application and business:
 - a. Adherence to all municipal and state laws and regulations pertaining to the operation of a cannabis cultivation facility
 - b. Responsible business design and practices
 - c. Neighborhood communication
 - d. Active community citizenship
 - e. Effective dispute resolution
 - f. Cooperation with law enforcement
 - g. MTCC and the Marijuana Cultivation Facility have identified that there are specific community concerns revolving around odor and odor control. To address and mitigate odor concerns and to enhance odor control mechanisms, the so named business agrees to the following:
 - i. Maintain an odor internal report log. Each morning and each night a Cultivation Facility representative will walk around the exterior of the building to ensure no odor is seeping from the Facility and report those findings on the log;
 - ii. Maintain a regular schedule of changing charcoal filters that filter air out from the exhaust of the Cultivation Facility;
 - iii. Be cognizant of harvest schedule and take extra precautions during harvest time to control smell. This shall include being mindful of opening cultivation exterior doors for prolonged periods, ensuring that filters are not due for replacement, and taking extra smell log reports throughout harvest days to ensure smell is not seeping out of the Facility;
 - iv. Appointing an agent of the business to specifically be a direct point of contact for neighbors who have previously expressed concerns about odor. In case those neighbors smell odor they have direct contact to that person who will take action to mitigate the smell.
 - v. Create written smell mitigation policies for all cultivation staff to adhere to, including, but not limited to, an explanation of the importance of maintaining proper pressure in the building with clear direction on what not to do to disrupt the proper pressure of the building.
 - h) AlaskaSense, LLC identified the following particular concerns relating to locating within the Community Council:
 - a. Security Concerns
 - b. Odor Control (cultivation)

III. ASSEMBLY AUTHORITY

Each party recognizes and agrees that the authority to approve or deny a municipal license and special land use permit for a marijuana cultivation facility rests exclusively with the Anchorage Municipal Assembly.

IV. NO FORMAL PARTNERSHIP

This Agreement is mutually beneficial to the Community Council and AlaskaSense, LLC. The parties understand and acknowledge that they do not intend to create a formal partnership. Nothing in this Agreement shall be construed or interpreted to create any fiduciary responsibility between them. Neither party shall have any authority, express or implied, to act for or to assume any obligation or responsibility on behalf of the other party. Neither party shall be responsible for the liabilities of the other. The parties understand that non-compliance with this Agreement carries no penalties but instead shall be information to the Anchorage Municipal Assembly for consideration during original and subsequent license and land use actions.

IV. TERM OF AGREEMENT

The parties have executed this Agreement as of the effective date. The Agreement may be updated from time to time with the concurrence of both parties and shall remain in effect as long as AlaskaSense, LLC, is licensed to operate at the identified location.

Kris Stoehner - President

Midtown Community Council

Date 6-11-25

Smadar Warden - Manager, Member

Date: 6/11/25