

# CITY OF SPOKANE ETHICS COMMISSION

## ETHICS COMPLAINT FORM

Please review the City of Spokane's Code of Ethics – Chapter 1.04A SMC – before completing this complaint form. When you have completed this form, submit it to:

City of Spokane Ethics Commission  
Attention: Rebecca Riedinger  
Office of the City Attorney  
5<sup>th</sup> Floor Municipal Building  
W. 808 Spokane Falls Blvd.  
Spokane, WA 99201

or at: [riedinger@spokanecity.org](mailto:riedinger@spokanecity.org)

**\*\*Please be advised that the completed complaint form is a public record pursuant to the Washington State Public Records Act, Chapter 42.56 RCW and will be filed with the City Clerk's Office, posted on the Ethics Commission's website and provided to the person who is the subject of the complaint as well as any other individual making request for a copy of the complaint. The Ethics Commission's review of the complaint will occur in a meeting open to the public. \*\***

Pursuant to the City of Spokane's Code of Ethics, I am filing a complaint regarding conduct which I believe constitutes a violation of the City's Code of Ethics.

**Name, position, and department of person(s) I believe to have violated the Code of Ethics:**

Name:                     **Karen Stratton**

Position/Title:                     **City of Spokane, Councilmember, District 3**

**Nature of Code of Ethics violation:**

What specific provision of SMC 1.04A.030 do you believe has been violated?

In essence, an official City of Spokane Council Member letter from Council Member Karen Stratton on June 20, 2018 to the Pasco, WA City Council appears to co-mingle Stratton's business interests with her position as an elected official. Violations of (see attached please)

Describe in as much detail as possible the alleged Code of Ethics violation conduct. Attach additional sheets of paper, if necessary. Please include all documentation you believe demonstrates a violation. Your description should include the date, location and frequency of the alleged violation.

**Please see attachment for further detail.**

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**Names and positions of the persons who may have witnessed the event:**

Karen Stratton, Spokane City Council Member

Members, Pasco, WA City Council (as of June 20, 2018)

David and Shilo Morgan, Owners/Operators, "Lucky Leaf," a Spokane, WA Business

Kyle Overbust, Legislative Assistant to Spokane, WA City Council Member, Karen Stratton

**Evidence or documentation**

Please list any evidence or documentation that would support your allegation of a Code of Ethics violation. Indicate whether you can personally provide that information.

The information referenced is readily-available on the Internet, including:

1. Spokane Council Member Stratton June 20, 2018 Letter to Pasco, WA Council Members
2. "It's Pasco's turn to rethink its marijuana ban," Wendy Coverwell, January 19, 2019, Tri-City Herald.
3. "The Weed Queen of Spokane: A City Council Member Puts Down Roots in the Marijuana Biz." Amber Cortes, April 19, 2017 the Stranger

**Please see attachment for further detail.**

**Complainant Declaration**

I declare under penalty of perjury of the laws of the State of Washington that to the best of my knowledge, information, and belief formed after reasonable reflection, the information in the complaint is true and correct.



\_\_\_\_\_  
Complainant's Signature

9/13/19

\_\_\_\_\_  
Date

Date and Place (e.g. City, State)

Spokane, Wa  
\_\_\_\_\_

Name (please print): Neil Muller

Address: 935 E 19th Ave Spokane, WA 99203

Phone Number(s): 509-220-9736

E-Mail Address: neilallenmuller@gmail.com



SPOKANE CITY COUNCIL  
808 W. Spokane Falls Blvd.  
Spokane, WA 99201-3335  
509.625.6255

Councilmember Karen Stratton  
District 3

June 20, 2018

Pasco City Council  
Pasco City Hall  
525 N. 3<sup>rd</sup> Avenue  
Pasco, WA 99301

Council Members,

I send you this letter as a fellow elected official in Spokane. Like you, I am deeply concerned about economic development in my community and, in particular, the orderly and safe growth of the cannabis industry. My experience with these businesses is personal in that we own a producer farm in Cheney, Washington. That said, on a political level I am also keenly aware of the positive impacts cannabis businesses can have in a community.

I am also personally acquainted with many cannabis business owners in Spokane, including David and Shilo Morgan, who own Lucky Leaf in downtown Spokane. The area of downtown where they are located struggled with crime, homelessness, and derelict buildings. The area has seen a resurgence of investment in recent years, and Lucky Leaf has been an important part of that resurgence. Since 2016, when Lucky Leaf opened, new businesses have opened nearby and the area that area of downtown continues to flourish and is experiencing less crime. This is due in no small part to David and Shilo, who run their business in a safe, professional and welcoming manner. We are truly fortunate to have them in downtown Spokane.

Spokane has benefited greatly from cannabis industry. It has created many jobs in our city and employs a large number of people. It has also boosted business in other industries with all of the materials and services needed to operate those businesses. Whatever minor problems arise with the legalization of cannabis in Washington are far outweighed by the positive contribution of the industry to economic development and safe use of cannabis. The tax revenues Spokane receives every year helps our annual budget and allows us to do more.

I encourage you to give careful consideration to the positive aspects of cannabis business in Pasco. Retailers in Spokane have proven to be clean, well-maintained, and positive contributors to our business community. Lucky Leaf in Spokane is no exception. David and Shilo Morgan have made a special effort to reach out to the local community to explain their business and debunk the many myths about cannabis businesses. They are great spokesmen for the industry in Spokane. Pasco would be fortunate to have their energy and business acumen as part of its business community.

Thank you,

Karen Stratton  
Council Member, District 3

**Nature of Code of Ethics violation:**

**What specific provision of SMC 1.04A.030 do you believe has been violated?**

In essence, an official City of Spokane Council Member letter (“Pasco letter”, “the letter”) from Council Member Karen Stratton on June 20, 2018 to the Pasco, WA City Council appears to co-mingle Stratton’s business and personal interests with her position and permissible, ethical activities as an elected official. Violations of the Code of Ethics, both in spirit and specifically may involve provisions:

**A. General Prohibition Against Conflicts of Interest.**

Stratton’s Pasco letter cannot reasonably be construed to be a communication consistent with the City of Spokane’s interests. Instead, the objective of the letter appears to be to; 1. Encourage the City of Pasco, WA Council Members to change or adopt cannabis-friendly laws, and 2. Specifically promote Stratton’s “personal acquaintances,” David and Shilo Morgan, “who own Lucky Leaf in downtown Spokane.”

In the letter, Stratton identifies herself and an unclear “we” as owner(s) of a producer farm. It can be assumed that Stratton is referring to a cannabis farm, based on her previous sentences. Since Stratton is a producer of cannabis, it would be reasonable that Stratton would benefit from expanding markets to which Stratton’s product may be sold.

For context, refer to attached, “It’s Pasco’s turn to rethink its marijuana ban,” Wendy Coverwell, January 19, 2019, Tri-City Herald.

The letter, at a minimum, displays little regard for the Code of Ethics, and a lack of desire to avoid the appearance of conflict or impropriety. Stratton could have easily chosen to write a personal and/or business letter supporting her cannabis business colleagues and forwarding her personal political beliefs. Instead, she invoked her office and the City of Spokane in a most improper manner.

The Commission may choose to ascertain as to whether Stratton sought advice as to a potential conflict of interest before disseminating the letter.

**C. Remote Interest**

Stratton would not be considered to have a remote interest in her business, “Family Plot LLC” that may stand to benefit from pro-cannabis changes to Pasco, WA laws. See attached, “Declaration of Christopher Wright,” in which Stratton is said by her husband to, along with him, own 50% in a cannabis farm.

**E. Representation of Private Person at City Proceeding Prohibited.**

When Stratton used her office and the City of Spokane to communicate with Pasco, WA, she involved the City of Spokane in not only an active effort to lobby another municipality to change their laws, but also in a highly compromised position to benefit herself financially as well as her chosen personal cannabis acquaintances.

Stratton’s letter is clearly an official representation of private interests, both her and those of David and Shilo Morgan of Lucky Leaf.

**F. Certain Private Employment Prohibited.**

Stratton's business as per "Family Plot, LLC" is in violation of federal law. See attached, "Order Dismiss." Stratton's letter to Pasco puts the City of Spokane in a position of promoting the violation of federal law, along with her own business and that of the Morgan's Lucky Leaf retail business.

**G. Personal Interest in Legislation Prohibited.**

Stratton via her cannabis farm, "Family Plot LLC," clearly stands to benefit through the expansion of cannabis markets in Washington State, in this case, through her efforts to encourage Pasco to open the market in their city. Lobbying another municipality to affect changes in legislation as a Spokane City Council Member likely requires coordination with other council members, at a minimum.

**H. Continuing Financial Interest.**

While Stratton via the letter is not lobbying the City of Spokane in a manner that is likely to benefit her cannabis business, she does exactly that with regard to the City of Pasco. In communicating her requests for policy changes in Pasco on City of Spokane letterhead, she compromises Spokane, putting the City and her colleagues in an unnecessarily precarious position.

**J. Acceptance of Compensation, Gifts, Favors, Rewards or Gratuity.**

It may be of interest to the Commission that Stratton's campaign committee, "People for Stratton" reported to the Washington State Public Disclosure Commission (PDC) receiving \$1,000 from Lucky Leaf LLC on August 8, 2019.

**K. Fair and Equitable Treatment.**

In summary, the Code rightfully states, "No City officer or employee shall knowingly use his or her office or position to secure personal benefit, gain or profit, or use position to secure special privileges or exceptions for himself/herself or for the benefit, gain or profits of any other persons."

I believe there is ample evidence provided in this ethics inquiry to cause the Commission to determine as to whether Council Member Karen Stratton's letter to Pasco should be determined to either be a best-practice or a teachable moment, whereby future similar communications may be compared.

1 JAMES D. PERKINS, WSBA #12996  
Attorney for the United States Trustee  
2 United States Dept. of Justice  
920 West Riverside, Room 593  
3 Spokane, WA 99201  
Telephone (509) 353-2999  
4 Fax (509) 353-3124

5  
6  
7 **UNITED STATES BANKRUPTCY COURT**  
8 **EASTERN DISTRICT OF WASHINGTON**

9 In re:

10 Christopher John Wright &  
11 Karen Jeanne Stratton

12 \_\_\_\_\_ Debtors

Case No. 19-00350-FPC7

UNITED STATES TRUSTEE'S MOTION  
TO DISMISS

13  
14 The United States Trustee moves to dismiss this case for cause pursuant to 11  
15 U.S.C. § 707(a). The Debtors are fifty percent owners and Mr. Wright is the managing  
16 member of an LLC which is actively growing marijuana and the Court should not enforce  
17 the protections of the Bankruptcy Code to aid violations of the federal Controlled  
18 Substances Act. In support of the motion, the United States Trustee respectfully states as  
19 follows:

20 **FACTS**

21 1. The Debtors filed their voluntary petition for relief in this case under  
22 Chapter 7 on February 14, 2019. The Debtors filed their Schedules of Assets and Liabilities  
23 and a Statement of Financial Affairs on March 7, 2019. *Docket #14*.

24 2. Kevin D. O'Rourke was appointed Chapter 7 Trustee (the "Trustee") in this  
25 case and continues to serve in that capacity.  
26  
27

1           3.       On their Schedule B, the Debtors listed their 50% ownership in Family Plot  
2 LLC and valued it at \$55,000.00 based on its equipment and harvested inventory. *Docket*  
3 *#14, p.6*. The Debtors also listed this LLC on their Statement of Financial Affairs as a  
4 business in which the Debtors have owned an interest in the last 4 years and described that  
5 business as a “marijuana farm.” *Docket #14, p.37*. The Debtors claimed \$7979.94 of the  
6 value of this LLC interest as an exempt asset. *Docket #14, p. 12*.

7           4.       The Chapter 7 meeting of creditors under 11 U.S.C. § 341 was held on  
8 March 19, 2019. During the 341 Meeting, the Debtors testified to the following facts about  
9 Family Plot LLC:

- 10           a.       Family Plot LLC was formed by the Debtors and Mrs. Stratton’s sister and  
11               brother-in-law. It was formed for the purpose of growing marijuana and  
12               has been doing so on leased land since 2014. Family Plot LLC has a  
13               marijuana producer license from the State of Washington for and is growing  
14               marijuana for the recreational marijuana market.
- 15           b.       As of the date of the 341 Meeting, Family Plot LLC’s assets consisted of  
16               approximately \$30,000 of marijuana growing equipment and an inventory  
17               of approximately \$90,000 of harvested marijuana. As of that same date  
18               Family Plot LLC’s only liability was an outstanding loan of approximately  
19               \$10,000 from Washington Industrial.
- 20           c.       As of the date of the 341 Meeting, Family Plot LLC did not have a 2019  
21               marijuana crop planted, but expected to begin planting in the near term  
22               future.

23           5.       Based on the facts as stated above, it appears that as of the date this case  
24 was filed the Debtors were been engaged in the production of marijuana, intended to  
25 continue to engage in the production of marijuana, and were in possession of a substantial  
26 quantity of marijuana all through their family owned LLC, Family Plot LLC. All of these  
27

1 activities are is illegal pursuant to the provisions of the federal Controlled Substances Act,  
2 21 U.S.C. §§ 801-904 (the “CSA”).

3

4

#### ARGUMENT

5 Section 707(a) of the Bankruptcy Code authorizes the bankruptcy court to dismiss  
6 a chapter 7 case for “cause.” *See* 11 U.S.C. § 707(a). Section 707(a) provides three  
7 statutory examples of “cause,” “including – [1] unreasonable delay by the debtor that is  
8 prejudicial to creditors.” *See* 11 U.S.C. § 707(a)(1). The examples of “cause” to dismiss  
9 set forth in section 707(a) are not an exhaustive list. *See* 11 U.S.C. § 102(3) (construing  
10 the term “including” as being “not limiting”).  
11

12 The Ninth Circuit has not defined “cause” to dismiss under section 707(a), but it  
13 has recognized that “cause” for dismissal is not limited to the three examples in the statute.  
14 *Neary v. Padilla (In re Padilla)*, 222 F.3d 1184, 1191 (9th Cir. 2000). The Ninth Circuit  
15 prescribes a two-part inquiry when the basis alleged as “cause” to dismiss is not one of the  
16 three statutory examples. *Padilla*, 222 F.3d at 1191-94. First, the court must determine  
17 whether the alleged misconduct is contemplated and addressed by a more specific  
18 Bankruptcy Code provision. *Sherman v. SEC (In re Sherman)*, 491 F.3d 948, 970 (9th Cir.  
19 2007). If so, it does not constitute cause under section 707(a). *Id.* If not, then the  
20 bankruptcy court must consider whether the circumstances otherwise meet the criteria for  
21 “cause” for dismissal. *Id.*  
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28 United States Trustee’s Motion to Dismiss - 3

1 controlled substance . . . “. 21 U.S.C. §841. In addition, 21 U.S.C. §846 makes it a crime  
2 to conspire to violate 21 U.S.C. §841. A person is engaged in such a conspiracy when he  
3 or she knowingly agrees to engage in the distribution of marijuana with the intent to further  
4 that distribution. *United States v. Gil*, 58 F.3d 1414, 1423 (9<sup>th</sup> Cir. 1995). Because the  
5 Debtors own an LLC that is actively growing and selling marijuana and because the  
6 Debtors are knowingly participating in the distribution of that marijuana, they are in  
7 possession of marijuana in violation of 21 U.S.C. §841 and/or are engaged in a conspiracy  
8 to do so in violation of 21 U.S.C. §846.  
9

10 In *Rent-Rite Super Kegs West, Ltd.*, 484 B.R. 799, 803-04 (Bankr. D. Colo. 2012),  
11 the bankruptcy court found that by owning and leasing warehouse space to tenants engaged  
12 in the cultivation of marijuana, a chapter 11 debtor-in-possession was engaged in an  
13 ongoing criminal violation of the federal Controlled Substances Act, 21 U.S.C. §§ 801-904  
14 (the “CSA”). The court found that it could not be asked to enforce the protections of the  
15 Bankruptcy Code in aid of a debtor whose activities constitute a continuing federal crime.  
16 *Id.* at 805. The Court determined that the debtor’s violation of federal criminal law justified  
17 the application of the clean hands doctrine. *Id.* at 807. The Court then considered the clean  
18 hands doctrine in addition to the nonexclusive examples of cause under 11 U.S.C. §  
19 1112(b) and found that the debtor’s continued criminal activity constituted “cause” for  
20 dismissal or conversion. *Id.* at 807-09.  
21  
22

23 In *In re Arenas*, 514 B.R. 887 (Bankr. D. Colo. 2014); *aff’d* 535 B.R. 845 (10th Cir.  
24 BAP 2015), the Bankruptcy Court found that the reasoning in *Rent-Rite* applies equally to  
25 debtors in chapter 7. The debtors in that case were engaged in the business of producing  
26 and distributing marijuana in the state of Colorado, and possessed all of the required  
27

1 licenses and permits necessary to legally engage in this business. *Arenas*, 514 B.R. at 888.  
2 The court granted the United States Trustee’s motion to dismiss the case pursuant to section  
3 707(a), concluding that the administration of the case and the non-exempt assets under  
4 chapter 7 was impossible without inextricably involving the Court and the chapter 7 trustee  
5 in the debtors’ ongoing criminal violations of the CSA. *Id.* at 892. The *Arenas* court  
6 explained,

7  
8 To allow the Debtors to remain in a chapter 7 bankruptcy  
9 case under circumstances where their Trustee is unable to  
10 administer valuable assets for the benefit of creditors would  
11 allow them to receive discharges without turning over their  
12 non-exempt assets to the Trustee. That would give the  
13 Debtors all of the benefits of a chapter 7 bankruptcy  
14 discharge while allowing them to avoid the attendant  
15 burdens. The impossibility of lawfully administering the  
16 Debtors’ bankruptcy estate under chapter 7 constitutes cause  
17 for dismissal of the Debtors’ case under 11 U.S.C. § 707(a).

18 *Id.*

19 In affirming the Bankruptcy Court’s decision, the Bankruptcy Appellate Panel  
20 summarized the prejudicial impact in Chapter 7 proceedings as follows: “Administering  
21 the debtors’ Chapter 7 estate would require the Trustee to either violate federal law by  
22 possessing and selling the marijuana assets or abandon them. If he did the former, the  
23 Trustee would be at risk of prosecution; if he did the latter, the creditors would receive  
24 nothing while the debtors would retain all of their assets and receive a discharge as well.  
25 Either amounts to prejudicial delay that is sufficient to demonstrate cause to dismiss their  
26 Chapter 7 case under [§ 707\(a\)](#).” *In re Arenas*, 535 B.R. 845, 854 (10th Cir. BAP 2015).<sup>1</sup>

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27 <sup>1</sup> Although both *Arenas* and *Rent-Rite* were decided under non-Ninth Circuit law, the Ninth Circuit’s  
28 interpretation of section 707(a) in *Padilla* and *Sherman* does not dictate a different result. The specific  
rationale for dismissal here, the potential illegality of the administration of the estate, is not more  
specifically addressed in any section of the Bankruptcy Code. Therefore, under the reasoning of *Padilla*, it

1 For the reasons discussed in *Rent-Rite* and *Arenas*, there is cause for dismissal of  
2 this chapter 7 Case under section 707(a). The Debtors have indicated that the existing  
3 marijuana inventory owned by Family Plot LLC (a primarily non-exempt asset of the  
4 estate) is worth approximately \$90,000. The Trustee, meanwhile, is unable to take control  
5 of the Debtors' interest in this LLC for the benefit of creditors without involving himself  
6 and the Court in the Debtors' violations of the CSA. Allowing this case to proceed would  
7 provide the Debtors with the benefits of bankruptcy (a discharge) but, because the Trustee  
8 may not administer these non-exempt assets without subjecting himself to criminal  
9 liability, the Debtors would also retain their non-exempt assets which should be used to  
10 pay creditors.  
11

12  
13 **CONCLUSION**

14 The United States Trustee respectfully requests that the Court dismiss this case  
15 pursuant to 11 U.S.C. §707(a), and grant such other and further relief to which the  
16 United States Trustee may be entitled.  
17

18 Dated: April 5, 2019  
19

20 Respectfully submitted,

21 GREGORY M. GARVIN  
22 Acting United States Trustee

23 */s/ James D. Perkins*  
24 JAMES D. PERKINS  
Attorney for the United States Trustee

25  
26 \_\_\_\_\_  
may properly be included under the catch-all definition of "cause" in section 707(a). *Padilla*, 222 F.3d at  
1191-94.  
27

# It's Pasco's turn to rethink its marijuana ban

BY WENDY CULVERWELL

JANUARY 19, 2019 03:21 PM, UPDATED FEBRUARY 06, 2019 11:48 PM

Tri-City Herald

PASCO, WA

Six years after Washington voters legalized recreational marijuana, Tri-City residents are hard-pressed to legally buy bud.

Most local jurisdictions prohibit cannabis-related businesses, citing the unpopularity of Initiative 502 — the 2012 bill that makes it legal to grow, process and sell cannabis.

But as the industry tops \$1 billion in sales, two local cities are under pressure to lift city bans that critics say ignore the will of the people and keep millions in potential tax revenue out of local coffers.

Richland faces a citizen-led initiative to remove its moratorium. Now, Pasco is confronting an industry-led one.

The Richland and Pasco efforts don't appear to be part of a coordinated effort to reverse the dozens of bans instituted by cities and counties across Washington. The Association of Washington Cities and The Cannabis Alliance confirmed they are not aware of organized efforts or legislation that would override local rules statewide.

Both cities have been less than receptive so far, which is unsurprising given the controversy that's engulfed Benton County.

The county did not initially ban cannabis businesses after I-502 passed, leaving the door open to retailers, processors and producers before it enacted its own bans in 2017.

In Richland and Pasco, pro-cannabis advocates say local governments are acting against their own interests, and those of the citizens who have to drive elsewhere to purchase a product that is legal in Washington.

## LEGALIZE RICHLAND

The Richland City Council will discuss an initiative by Legalize Richland during its annual retreat Jan. 29.

Legalize Richland, an arm of the Benton County Libertarian Party, submitted more than 2,700 valid signatures Nov. 6 on a petition calling on the council to drop the ban or let voters settle the matter.

The city attorney said the petition was invalid on legal grounds. Mayor Bob Thompson and Councilman Ryan Lukson say the voters who signed the petition deserve to have it discussed.

Andrue Ott, a Legalize Richland official, said it is waiting to see what the council decides at its workshop before it takes more aggressive steps to press its case.

Ott said the group has faith its representatives will hear out their constituents.

## PASCO PUSHED BY INDUSTRY

In Pasco, pressure to drop the ban comes from partners in two of the four cannabis retailers authorized to open stores by the Washington Liquor and Cannabis Board.

Eric Larson of Clear Mind Cannabis and David Morgan of Lucky Leaf Co. pitched their case to the city council this month.

The response was decidedly subdued.

Mayor Matt Watkins confirmed the moratorium remains and that no council member has expressed interest in revisiting it.

Both licenses holders vowed to keep pushing.

#### 79 CITIES AND COUNTIES BAN POT

Cannabis was a \$1.4 billion industry in 2017, according to the liquor and cannabis board. The 37 percent excise tax generated nearly \$318 million.

For the first half of 2018, the industry reported \$534 million in sales and paid nearly \$121 million in excise taxes.

Most of the cannabis-generated tax revenue is earmarked for public health programs. Local governments that allow cannabis activity take a small share.

Benton County was expected to receive nearly \$260,000 in 2018.

Advocates say they hope a mostly new Pasco City Council will see things differently than the one that banned cannabis five years ago.

Five of the seven council members joined the council after the original moratorium was enacted in 2014.

“There’s a different makeup on the city council than when they placed that moratorium,” said Tom Platfoot, a Vancouver-based partner in Clear Mind Co. “Now we feel we have a better chance to get that lifted.”

Mayor Pro Tem Craig Maloney is one of the newcomers, elected in 2016.

Cannabis isn’t a priority, but the council could take it up if citizens want a review, he said.

I-502 passed statewide, largely on the strength of yes votes in the Puget Sound area. Voters in Benton and Franklin voted overwhelmingly against legal marijuana.

Statewide, 79 cities and counties bar cannabis businesses, according to Municipal Research & Service Center, a nonprofit advising local governments.

#### RETURN OF LUCKY LEAF?

Morgan and his wife Shilo drew headlines when they opened Lucky Leaf at King City in 2015, shortly after it received its state license, but without a city business license. The city forced it to close a few weeks later.

The dispute went to court and a judge sided with the city. The Morgans transferred the license to Spokane, where they operate a 2,500-square-foot store with 14 employees.

Still determined to operate in Pasco, Morgan said he bought a 51 percent share in one of the four Pasco licenses for \$200,000.

Lucky Leaf pays \$1,500 a month rent for a building on North Capitol Avenue. The empty store is near the Auto Zone warehouse in a gritty stretch near King City Truck Stop.

“I have a lot riding over there,” he said. “It was expensive to buy it.”

Lucky Leaf has a fan in Spokane city Councilwoman Karen Stratton.

The business contributed to the revitalization of its neighborhood, Stratton told Pasco officials in a letter last June.

Lucky Leaf Spokane

Lucky Leaf Co. operates a cannabis store at 1111 W. First Ave. in Spokane. Owner David Morgan has a license for a second store in Pasco’s King City. He wants the Pasco City Council to lift its moratorium against cannabis sales. Courtesy David Morgan, Lucky Leaf Co.

Stratton, who identified herself as a cannabis producer, praised the Morgans for choosing an area plagued by crime, homelessness and empty buildings.

“Since 2016, when Lucky Leaf opened, new businesses have opened nearby and the area of that area of downtown continues to flourish and is experiencing less crime,” she wrote. “This is due in no small part to David and Shilo.”

Morgan said he wants the same for Pasco, his hometown. Residents who want legal cannabis have to drive to one of the three legal shops in Benton County or Tokio, in Adams County.

Or they can buy it illegally.

“All (the moratorium) does is ban jobs and tax revenue to the city,” Morgan said. “It’s not really effective in keeping cannabis out.”

CANNABIS STORES ON HOLD

Platfoot said Clear Mind Cannabis won’t choose a Pasco location “until” the city lifts the moratorium and identifies the zones where stores would be allowed.

“The state issued me a license,” Platfoot said. “We just have to get the local city of Pasco to agree.”

The remaining Pasco licenses are held by Green2Go, which is owned by Kennewick Mayor Pro Tem Steve Lee and his wife Jessy; and by Thrive, which gives an address of 2526 E. Hillsboro St. for its unopen location.

Thrive’s spot is several hundred feet from Morgan’s empty building for Lucky Leaf.

Lee said he is not involved with the campaign to reverse the Pasco moratorium. Green2Go’s Pasco license was converted to a certificate, which means it does not have to maintain a physical location as long as the moratorium is in effect.

If Pasco lifts the moratorium, the certificate would revert back into a license and the store could open.

Thrive could not be reached at the number listed on its license.

**CASH RECEIPTS  
 MONETARY  
 CONTRIBUTIONS**

**C3**  
 (1/02)

THIS SPACE FOR OFFICE USE  
 100923192  
 08-08-2019

Candidate or Committee Name (Do not abbreviate. Use full name.)  
**(PEOPLE FOR STRATTON)**

Mailing Address  
**PO BOX 10636**

City Zip + 4 Office Sought (candidates) Election Date  
**SPOKANE, WA 99209 CITY COUNCIL MEMBER 2019**

1. MONETARY CONTRIBUTIONS DEPOSITED IN ACCOUNT

Date Received		Amount	Total
	a. Anonymous .....		
	b. Candidate's personal funds deposited in the bank (include candidate loans in 1c).....		
	c. Loans, notes, security agreements. Attach Schedule L .....		
	d. Miscellaneous receipts (interest, refunds, auctions, other). Attach explanation .....		
	e. Small contributions \$25.00 or less not itemized and number of persons giving _____ (persons)		

2. CONTRIBUTIONS OVER \$25.00

Date Received	Contributor's Name, Address, City, State, Zip	Contributions of more than \$100: Employer's Name, City and State	P R I	G E N	Amount	Aggregate* Total
08/08/19	LUCKY LEAF LLC 1111 W 1st Avenue Suite A Spokane , WA 99201			X	\$1,000.00	\$1,000.00
		Occupation				
08/08/19	GENE BRAKE 424 W Park Place Spokane, WA 99205	EXP Realty Spokane, WA		X	\$100.00	\$100.00
		OccupationAGENT				
08/08/19	DONALD WALLER PO Box 442 Loon Lake, WA 99148			X	\$50.00	\$50.00
		Occupation				
08/08/19	CHERYL MILLER 531 W Buckeye Spokane, WA 99205			X	\$25.00	\$25.00
		Occupation				
08/08/19	JEANNE PHILLIPS 7019 N Normandie Street Spokane, WA 99208			X	\$25.00	\$25.00
		Occupation				
	<input type="checkbox"/> Check here if additional pages are attached	Sub-total			\$1,200.00	*See reverse for details.
		Amount from attached pages			\$0.00	

3. TOTAL FUNDS RECEIVED AND DEPOSITED OR CREDITED TO ACCOUNT  
 Sum of parts 1 and 2 above. Enter this amount in line 1, Schedule A to C4.

\$1,200.00

4. Date of Deposit: **08/08/19**

Treasurer's Daytime Telephone No.: **(509)939-1897**

I certify that this report is true and complete to the best of my knowledge

Treasurer's Signature: **BARBARA MARNEY** Date: **08-08-2019**