



Nicole Bales/The Astorian

A sign welcomes visitors to Cove Beach, a small community south of Arch Cape that is experiencing an extended water moratorium.

Cove Beach property owners call moratorium into question

Some doubt water shortage

By NICOLE BALES
The Astorian

Property owners in Cove Beach are raising concerns about the lack of transparency and oversight of the Falcon Cove Beach Water District. The water district voted for a six-month moratorium last December after reporting water production had been at record low levels for the past several years during the late summer months. The moratorium was extended for another six months in June so the board could continue to look at long-term options to protect the water supply. The water district may vote to extend the moratorium again in December. As long as the moratorium is in effect, property owners have to come up with another means of get-

ting their water to obtain a development permit from Clatsop County, said Gail Henrikson, the county's director of land use planning. Each home is required to document a water source that will provide 250 gallons a day. The county accepts several types of alternate water supply systems, including rain catchment. But the alternatives can increase building costs, leaving some property owners in limbo as they are unclear how long the moratorium will be in place. Several property owners are not convinced there is an emergency that warrants a moratorium.

Data examined

Guido Paparoni and his wife, Margaret Rozendaal, bought a parcel in Cove Beach in 2017. They want to build a home and move to the coast when they retire.

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Hailey Hoffman/The Astorian

Residents of Cove Beach are upset by the lack of transparency of the Falcon Cove Beach Water District.



Cannabis businesses can struggle with banking

Financial gray area
By JEFF MAPES
Oregon Public Broadcasting

David Alport's retail cannabis shop is neat as a pin. The glass counters at north Portland's Bridge City Collective gleam, and the products are carefully positioned. The only unusual note is a decidedly not-so-sleek ATM given a prominent place of honor near the entrance. "It gets used a lot," Alport said, "being an all-cash business."

Because marijuana operates in a gray area — legal in Oregon and many other states but illegal under federal law — cannabis businesses have long struggled to get banking services. That means they can't simply accept the credit cards used by consumers for everything from the humblest food cart to a gigantic online retailer. Opening a checking account or getting a business loan can also be a challenge. As the legal cannabis business in the United States grows from \$10 billion in sales now to an estimated \$30 billion by 2025, pressure is building to bring the industry into the financial mainstream. The U.S. House last month passed legislation that would make it clear to banks and other financial institutions that they can serve the marijuana industry without running afoul of federal law. The measure is now in the Senate, where it faces uncertain prospects. At the same time, a jerry-built financial infrastructure is springing up around the cannabis industry. In Oregon, a pathbreak-

ing credit union is attracting hundreds of millions of dollars a year in deposits by serving more than 500 cannabis businesses. A welter of startups hawk products designed to allow customers backdoor ways to use their credit cards to buy marijuana. And a burgeoning network of private financiers offer loans to cannabis businesses. "It's starting to normalize a little," said Beau Whitney, a Portland-based economist and industry consultant, "because people are seeing opportunities in this space to fill the void."

At the same time, almost everybody in the business seems to have stories about scam artists, predatory lenders and promised financial solutions that don't pan out. In short, the business side of the industry can be as surreal as some of its most fancily named hallucinogens. Here are three snapshots illustrating the ups and downs of the financial world of legal marijuana.

'IF WE HAD TO PAY OUR TAXES. WE WOULD DRIVE DOWN TO SALEM WITH STACKS FULL OF BILLS.'

David Alport | owner of Bridge City Collective in north Portland

Gift card went to pot

The trouble apparently started last April 20 — aka 4/20, the day many people celebrate cannabis culture by lighting up at 4:20 p.m. Sales were surging, and Linx, a California-based startup providing "gift cards" for cannabis retailers, began running into trouble paying its merchants. Janice Grossman, who owns Oregon's Green Rush shop in Eugene, was one of them. "It's like living in the wild, Wild West," fumed Grossman, who said Linx now owes her \$60,000. Grossman is not alone. Two other retailers —

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The big picture

Hanour sustained by her artwork

By LUCY KLEINER
The Astorian

Light pours in through the windows, filtering over the piles of art supplies stacked in shelves, spilling off desks and heaping in baskets on the floor. Sketches scatter the room — on thin papers that nearly cover the floor, on thick canvases propped against an easel, on the cab-

inets and walls. The chaos is intriguing, though relatively common for an art studio. What makes this studio unique, however, is the massive painting that dominates the center of the space. At 8 feet tall and 6 feet wide, local artist Meghann Hanour's most recent creation, "Sister," towers over her, even after accounting for her heeled black boots and thick ballerina bun that add an extra 5 inches to her frame. Three women are painted on the canvas, each donning detailed attire from the biblical age and holding a thin gold strand that weaves among them. The painting will soon be

EVERYDAY people

on display at Astoria's Imogen Gallery, where a number of Hanour's works are presented and sold. "What I love about images is that they use no sound," Hanour said. "I love that they speak, but they're really not saying a word." "Sister," Hanour explains, speaks of shame and hope. "The woman on the right, she symbolizes this transfer of brightness," she said, "and she's transferring this brightness to that middle woman. And then the woman



Lucy Kleiner/The Astorian

Meghann Hanour is a local artist who tells stories through paintings.



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