

# North Coast is profitable for marijuana retailers

## Clatsop County sold \$8 million in pot products last year

By Edward Stratton  
The Daily Astorian

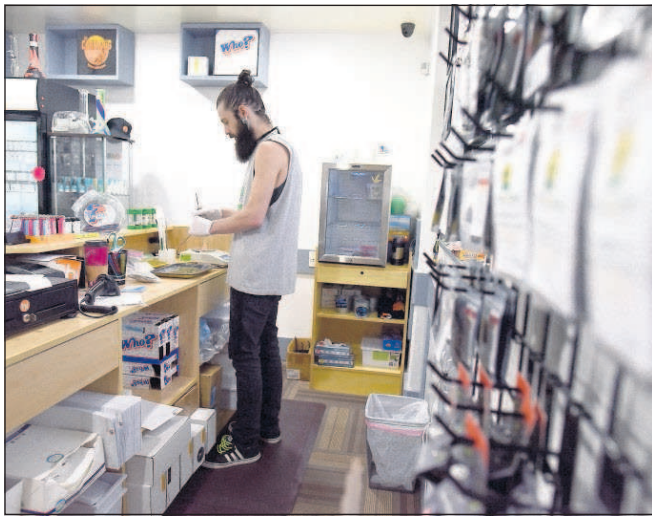
With their lower populations and higher rates of tourism, North Coast counties sold some of the most marijuana per capita in Oregon last year.

The 14 licensed marijuana retailers in Clatsop County sold more than \$8 million in products last year, part of the nearly \$520 million sold statewide. The industry has grown to employ more than 12,000 people, while the state has raked in more than \$100 million in tax revenue.

There were six marijuana retailers in Astoria, four in Seaside, one in Cannon Beach, two along U.S. Highway 26 and one in Westport — more than 1 for every 2,800 people. Combined sales equaled \$208 per person, the sixth-highest rate in the state during the first full year of recreational sales regulated by the Oregon Liquor Control Commission.

Tillamook County ranked fifth, selling \$5.6 million in marijuana products, equal to \$214 per person. Lincoln County came in third, at \$13.6 million, \$284 per person.

Stephanie Schlip, who manages Oasis Cannabis locations in Newberg, Monmouth and Seaside, said her sales on the Oregon Coast will



COLIN MURPHEY/THE DAILY ASTORIAN

Jeremy Nelson works the counter at Hi Casual Cannabis in Astoria.

**'THERE'S A LOT OF MONEY FLOATING AROUND.'**

Don Morse

often outstrip those in the Willamette Valley by 25 percent in the summer and lag behind in winter.

"I would say about 1 out of every 20 customers say they're from another state, and they've never been in a dispensary," she said.

Many were Californians before that state recently legalized recreational sales, she said. Many were from Idaho, the only state bordering Oregon where recreational marijuana is illegal.

Curry County, on the border with California, ranked second in sales per capita, selling \$310 worth of marijuana per person. Rural Baker County, with 16,750 residents and across the border from

more than 600,000 people in Idaho's Treasure Valley, sold \$16 million worth of marijuana last year, or \$960 per person. Multnomah County sold \$176 million in marijuana products last year, or \$220 per person, the fourth-highest rate statewide.

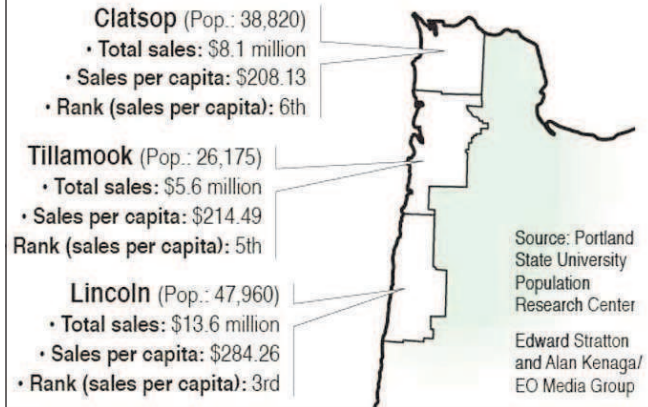
"I think it's just the beginning," said Don Morse, director of the Oregon Cannabis Business Council, a trade association. "I think sales are going to increase, and they'll certainly get a lot higher as we take away from the black market."

But Morse and others see consolidation coming among the more than 500 retailers and 900 growers statewide.

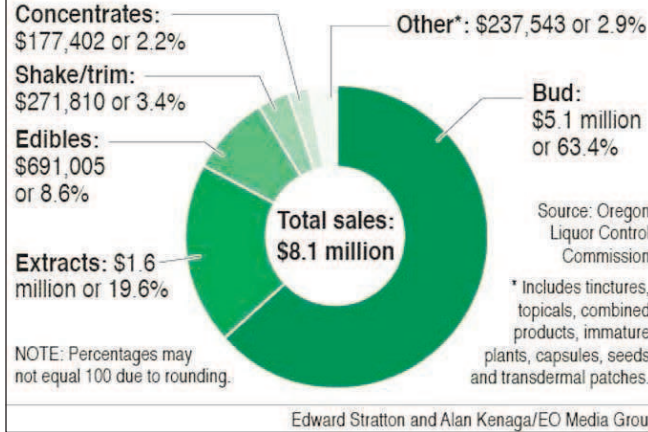
A presentation by New

## North Coast marijuana sales, 2017

Counties in Northwest Oregon rank among the highest statewide for per capita sales of marijuana and related products.



## Clatsop Co. marijuana sales by item, 2017



Frontier Data economist Beau Whitney noted the industry was reaching saturation. Retailers need about \$125,000 in monthly sales to be viable, but are averaging \$92,000 a month in Oregon, leaving them in distress.

Part of the issue is too much marijuana being produced. The estimated maximum canopy being used by

growers has gone from less than 10 million square feet in 2015 to more than 20 million square feet, Whitney said. Between October 2016, when recreational sales started, and November, the retail price of a pound of marijuana dropped from \$4,440 to less than \$3,000.

"It's no surprise to me that there's excess supply, or

that prices are plummeting," Whitney said, adding many growers are trying to get bought out.

Whitney has suggested retailers lower their prices to take price-conscious consumers away from the black market.

"In general, for every 1 percent or so reduction in price ... you'll increase your demand by 2 to 3 percent," he said. "That's conversion over from the illicit market."

The marijuana industry is also trying to tackle other regulatory hurdles, such as finding bankers to handle money and places to legally smoke outside of the home.

The Oregon Cannabis Business Council is planning legislation for the next session on social-use areas for cannabis, Morse said. A couple of cannabis clubs in Portland allow consumption, but are technically still illegal.

One issue, Morse said, is the state's Indoor Clean Air Act. "We don't even allow cigar bars, unless they were grandfathered in," he said.

North Fork 53, a farm and lodging on the Nehalem River in southern Clatsop County, had provided space and paraphernalia. But the business ended the practice amid difficulties turning a profit and creating spaces that complied with air quality standards.

On banking, the marijuana industry needs to show the state how much it is potentially losing in taxable income by businesses having to depend on cash.

"There's a lot of money floating around," Morse said.

## OBITUARIES

### Peggy Lou Bruner Seaside

Sept. 11, 1929 — Nov. 15, 2017

Peggy Scott Bruner was born in Longview, Washington, where she lived most of her life until moving to Seaside 13 years ago. Peggy enjoyed life at the beach, and was an active and fun-loving person until her peaceful demise.

Peggy worked 22 years at Weyerhaeuser and retired from mill work in 1988. She was one of the first group of women hired by Weyerhaeuser for general labor when the equal opportunity laws went into effect. Her family is proud she succeeded and flourished.

Peggy is survived by her son, Ty Bruner of Longview, and recently Seaside; and her daughter, Teresa Epstein, now living in Seaside. Her brother, Duane Scott, lives in Longview. Her father, Charlie Scott, and her mother, Georgia

Work Scott, preceded her in death.

Peggy enjoyed her local friends, her family, her community, playing pinochle, cooking, going out to dinner, jewelry, dogs, watching sunsets, the tides and wildlife in the Nacanicum estuary. Living in Seaside was a wonderful time in her life; it has been a great adventure for Peggy, and all who shared time with her.

Apache prayer:

May the Sun bring you new energy by day.

May the Moon softly restore you by night.

May the Rain wash away your worries.

May the Breeze blow new strength into your being.

May you Walk gently through the world and know its beauty all the days of your life.



Peggy Lou Bruner

### Paul H. Yearout Gearhart

Sept. 15, 1924 — March 6, 2018

On Tuesday, March 6, 2018, while surrounded by family and friends, our beloved father, Paul Yearout, passed peacefully from this world and returned to the Lord at the age of 93.

Born on Sept. 15, 1924, Dad lived in Provo, Utah, from 1964 until his retirement from Brigham Young University as a math professor in



Paul Yearout

1991, when he and wife Cliphane moved to the Oregon coastal town of Gearhart.

He is survived by two sons, six grandchildren, 11 great-grandchildren, and one great-great-grandson.

Please go online and sign the electronic guest book and leave memories and comments about our father at [hughes-ransom.com](http://hughes-ransom.com)

## Thompson files, Clement passes on county commission seat

### Race to fill House District 32 seat

By Jack Heffernan  
The Daily Astorian

A familiar face in Astoria politics will vie for a Clatsop County Board of Commissioners seat, while the incumbent will bow out.

Doug Thompson, a real estate broker, property manager and former Astoria city councilor, filed for the District 32 seat ahead of Tuesday's deadline. Commissioner Lisa Clement, co-owner of Clemente's Seafood, will not seek re-election.

Thompson made his decision after learning Clement did not file, he said.

"I'm in it to win it," he said.

Thompson is the chairman of the Clatsop County Democratic Central Committee. He is resigning from the post to pursue to the commission seat, he said.

He earned a business administration degree from Portland State University before serving as a city councilor from 1991 to 2002.

The county commission has three positions up for

election.

Pamela Wev, an Astoria land use planning consultant, and Peter Roscoe, a former Astoria city councilor and owner of Fulio's Pastaria, have also filed for the District 32 seat. The position covers parts of Astoria as well as Miles Crossing, Jeffers Garden, Lewis and Clark, Youngs River, Olney, Green Mountain and parts of Wal-luski.

Commissioner Scott Lee, the board's chairman, announced in 2016 that he would not seek re-election in District 1. Mark Kujala — former Warrenton mayor and owner of Skipanon Brand Seafood — Andrew Davis — a medical data analyst — and George McCartin — a retired lawyer and frequent public meeting attendee — have all filed for the seat.

Commissioner Lianne Thompson will campaign for a second term and run against Susana Gladwin, a Jewell farmer. The District 5 seat covers most of South County, including Cannon Beach, Arch Cape, Elsie, Jewell and parts of Seaside.

The race to replace state Rep. Deborah Boone in House District 32 includes four candidates.

Tim Josi — a Tillamook County commissioner — John Orr — an Astoria attorney — and Tiffany Mitchell — a progressive activist with Indivisible North Coast Oregon — have filed for the Democratic primary. Warrenton author and educator Melissa Ousley filed as a Democrat but withdrew her candidacy late last month.

Gene Stout — a general contractor from Banks — and Vineeta S. Lower — a Seaside teacher — will compete in the Republican primary, while Brian Halvorsen — a Rockaway Beach community organizer who founded North Coast Progressives — filed as an Independent.

Josi has received the strongest financial backing of all the District 32 candidates.

Ron Brown filed earlier this year as a district attorney candidate. Brown is a longtime deputy for Josh Marquis, who has held the position since 1994 but will not seek another term.

Circuit Court Judge Cindee Matyas also filed for re-election.

The primary election is May 15, and the general election will take place Nov. 6.

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