Alton Tables Dispensary Amendment; Terrace Rep Accuses City Of "Gerrymandering"

by Dalton Brown, News Reporter April 8 2024 8:52 PM



ALTON - Alton officials held off on changing the city's map of dispensary zones on Monday after a Terrace Dispensary representative accused them of "gerrymandering" the map to benefit their competitor, the Alton Dispensary.

The Alton City Code currently divides the city into two dispensary zones - Zone 1 in the north and Zone 2 in the south - and allows each zone to have one dispensary at a time. The Terrace representative claimed city officials had carved out a portion of Zone 2 in the southeastern portion of the new map, absorbing it into Zone 1 so that the Alton Dispensary can follow through with their <u>plans to reopen</u> in a former bank building in the area.

The Terrace representative admitted multiple times that his client has a direct business interest in the amendment's passage or failure. However, he did not mention the link between Terrace and Subsero Alton Ops LLC, the Alton Dispensary's former management company which was accused in a lawsuit with misappropriating \$1.8 million in Alton Dispensary funds, launching cyberattacks against them, and more in retaliation for terminating their contract with Subsero.

Documents filed with the Illinois Secretary of State list David S. Ruskin of Chicago as the registered agent for both Subsero Alton Ops LLC and Emerald Coast LLC, the latter of which also operates under the active assumed names "Terrace Cannabis - Alton" and "Terrace - Alton."

The Alton Dispensary was originally located at 1400 E. Broadway, the same building Terrace currently occupies. IllinoisCannabis49 (d/b/a The Alton Dispensary) President Jeremy Wysocki said Subsero RE LLC (which also lists Ruskin as its registered agent) evicted them from that building. The Alton Dispensary has since announced their next location at a former First MidAmerica Credit Union facility at 3401 East Broadway.

Terrace's representative said the city's original map had been drawn with "great care" to ensure both the northern and southern zones would benefit from increased tax revenues. He said the newly proposed map is not only unfair to the city's north side, but also to Terrace, which wasn't expecting to compete with any other dispensaries in the immediate area.

"Terrace has ... worked with the city very closely - down to the smallest detail - to ensure that we are compliant with everything, with the belief and understanding that we would be the one, only operating dispensary within this southern zone," the representative said.

"When I look at what is - and I hate to use the term - appears to be gerrymandering, almost, effectively, where we're cutting out a very, very, very small portion of the southeastern portion of what used to be Zone 2, and now making it part of Zone 1."

He also claimed the amendment would "add competition to an area that was not initially intended" for it, referring to downtown Alton, an area with multiple businesses competing in close proximity. Beyond the city's downtown, he said it would render the northern part of Zone 1 unusable for another dispensary.

"I don't know if the proposal was made for what someone believes is the best interest of the City of Alton, but I'm fearful it's what's in the best interest for another proposed business that would like to operate in the City of Alton - specifically at a location that's a bank building at the very southeast corner of this zone," the Terrace representative said.

He also accused Wysocki, who is working to open the Village Dispensary in Godfrey in the former Woody's Chicken building, of "taking away the competitive tax bases in the northern zone" and asking the city to "gerrymander him in a new place" in the southern zone, in what he believes is an attempt to "monopolize" the city's tax bases.

When the amendment came to a vote at the Alton Committee of the Whole meeting on April 8, 2024, Alderman Raymond Strebel moved to lay the item over. His motion was seconded, and the item was laid over.

A recording of the Committee of the Whole meeting is available at the top of this story, on the <u>Riverbender.com Facebook page</u>, or on <u>Riverbender.com/video</u>.