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Oakland Municipal Code Chapters 5.80 and 5.81 are hereby amended as follows.
Additions are shown in underline and deletions are shown as ~~strikethrough~~.

5.80.120 - Local Authorization for Temporary State Licenses

Nothing herein shall be construed to have the Planning Department or Revenue Management Bureau precondition any approval on the actions of another City Department. The Planning Department and Revenue Management Bureau are to act independently as quickly as practical to approve permits. Approval from the Revenue Management Bureau shall be granted if the Applicant has a business license or has submitted a business license application.

5.81.140 - Local Authorization for Temporary State Licenses

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5.80.035 – Prohibition on Sharing Applicant Data with Federal Government

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5.80.020 - Business permit and application required

C. The City Administrator shall issue no more than eight new valid permits for the operation of dispensaries in the City per calendar year, with a minimum of half of the dispensary permits issued each calendar year issued to Equity Applicants. Delivery only dispensaries shall not be subject to these limits. Dispensary permits shall be issued through an equity permit process done in collaboration with the department of race and equity.

Any of the 8 allowed dispensary permits not issued in 2017 shall be added to the number of new dispensary permits authorized to be issued in 2018.

**Oakland Municipal Code Chapter 5.81 is hereby amended as follows.
Additions are shown in underline and deletions are shown as ~~strikethrough~~.**

5.81.020 – Definitions

The following words or phrases, whenever used in this chapter, shall be given the following definitions:

A. "Applicant" as used only in this chapter shall be any individual or business entity that applies for a permit required under this chapter.

B. "Batch" as used only in this chapter shall be defined by the City Administrator to mean a discrete quantity of dried cannabis produced and sold together.

C. "Cannabis" or "Marijuana" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010.

D. "Cannabis concentrate" as used only in this chapter shall mean manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product's potency.

E. "Cannabis Dispensary" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010 and is also referred to herein as "dispensary."

F. "City Administrator" as used only in this chapter shall mean the City Administrator for the City of Oakland and his or her designee.

G. "Commercial Zone" means any zone with a name that contains the words "Commercial Zone."

HG. "Cultivate" as used only in this chapter shall mean to plant, grow, harvest, dry, cure, grade or trim cannabis in an area greater than two-hundred and fifty square feet of total area within one parcel of land.

IH. "Distribute" as used only in this chapter shall mean the procurement, sale, and transport of ~~medical~~ cannabis and ~~medical~~ cannabis products between State licensed ~~medical~~ cannabis entities.

JJ. "Edible cannabis product" as used only in this chapter shall mean manufactured cannabis that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum.

KJ. "Equity Applicant" shall mean an Applicant whose ownership/owner:

1. Is an Oakland resident; and

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2. In the last year, Has had an annual income at or less than 80 percent of Oakland Average Medium Income (AMI) adjusted for household size; and

3. Either (i) has lived in any combination of Oakland police beats 2X, 2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, 5X, 8X and 35X for at least ten of the last twenty years or (ii) was arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland.

LK. "General Applicant" shall mean an Applicant other than an Equity Applicant.

M. "Industrial Zone" means any zone with a name that contains the words "Industrial Zone."

NL. "Manufactured cannabis" as used only in this chapter shall mean raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.

OM. "Manufacture" as used only in this chapter shall mean to produce, prepare, propagate, or compound manufactured ~~medical~~ cannabis or ~~medical~~ cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis.

PN "Medical cannabis collective" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010.

QQ. "Medical marijuana" or "Medical cannabis" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010.

RP. "Ownership" as used only in this chapter shall mean the individual or individuals who:

(i) with respect to for-profit entities, including without limitation corporations, partnerships, limited liability companies, has or have an aggregate ownership interest (other than a security interest, lien, or encumbrance) of 50 percent or more in the entity.

(ii) with respect to not for-profit entities, including without limitation a non-profit corporation or similar entity, constitutes or constitute a majority of the board of directors.

(iii) with respect to collectives, has or have a controlling interest in the collective's governing body.

SQ "Parcel of land" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010.

TR "Permittees" as used only in this chapter are individuals or businesses that have obtained a permit under this chapter to cultivate, distribute, manufacture, test or

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transport.

US. "Primary caregiver" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010.

VF. "Qualified patient" as used only in this chapter shall be the same, and as may be amended, as is defined in Section 5.80.010.

WU. "Testing" as used only in this chapter shall mean the conducting of analytical testing of cannabis, cannabis-derived products, hemp, or hemp-derived products.

X. "Storefront" means the facade or entryway of a retail space, typically located adjacent to the sidewalk on the ground floor of a commercial building and including one or more display windows. A "storefront" functions to attract visual attention to a business and its merchandise.

YU. "Testing" as used only in this chapter shall mean the conducting of analytical testing of cannabis, cannabis-derived products, hemp, or hemp-derived products.

Z1V. "Topical cannabis" as used only in this chapter shall mean a product intended for external use such as with cannabis-enriched lotions, balms and salves.

Z2W. "Transport" as used only in this chapter means the transfer of ~~medical~~ cannabis or ~~medical~~ cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity, as defined by State law.

Z3X. "Transporter" as used only in this chapter means a person licensed to transport ~~medical~~ cannabis or ~~medical~~ cannabis products between State licensed ~~medical~~ cannabis facilities.

Z4Y. "Volatile solvents" as used only in this chapter shall mean those solvents used in the cannabis manufacturing process determined to be volatile by the California Department of Public Health or Oakland Fire Department.

5.81.030 - Business permit and application required

A. Except for hospitals and research facilities that obtain written permission for cannabis cultivation under federal law, it is unlawful to cultivate, distribute, manufacture, test or transport without a valid business permit issued pursuant to the provisions of this chapter. Possession of other types of State or City permits or licenses does not exempt an applicant from the requirement of obtaining a permit under this chapter.

B. The City Administrator shall issue, as detailed below, special business permits for ~~medical~~ cannabis cultivation, distributing, manufacturing, testing and transporting. All General Applicants shall pay any necessary fees including without limitation application fees, inspection fees and regulatory fees that may be required hereunder.

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C. All cultivation, distribution, manufacturing, testing and transporting permits shall be special business permits and shall be issued for a term of one year. No property interest, vested right, or entitlement to receive a future license to operate a ~~medical marijuana~~ cannabis business shall ever inure to the benefit of such permit holder.

D. Cultivation, distribution, manufacturing, testing, and transporting permits shall only be granted to entities operating legally according to State law.

E. More than one ~~medical~~ cannabis operator may situate on a single parcel of land, however, each operator will be required to obtain a permit for their applicable permit category.

F. No proposed use under this Chapter shall be located within a 600-foot radius of any public or private school providing instruction in kindergarten or grades 1 to 12, inclusive (but not including any private school in which education is primarily conducted in private homes), unless the school moved into the area after the proposed use was issued a permit under this Chapter. The distance between facilities shall be measured via path of travel from the closest door of one facility to the closest door of the other facility.

G. An applicant for a permit under this chapter shall not be disqualified from receiving a permit on the ground that the applicant also operates or intends to operate in an additional cannabis-related field, such as a dispensary.

5.81.040 - Cultivation, distribution, testing and transporting of cannabis medical marijuana

A. Proposed cultivation, distribution, testing or transporting locations shall be in: i) up to three thousand (3,000) square feet of non-storefront building space in the CC Community Commercial Zone, excluding any area such zoned on Broadway, Telegraph Avenue, 14th Avenue, San Pablo Avenue, East 12th Street from 12th Avenue to 13th Avenue; or the area bounded by Fruitvale Avenue, International Boulevard, 26th Avenue, and East 12th Street; and ii) areas where "light manufacturing industrial," "research and development industrial," or their equivalent use, is permitted by right under the Oakland Planning Code, as may be amended; provided, however, that no vested or other right shall inure to the benefit of any cultivation, distribution, testing or transporting facility permittee.

B. The aforementioned location restrictions shall not apply to existing dispensary cultivation facilities located at a retail location that are compliant with building and fire codes.

C. The maximum size of any areas of cultivation shall not exceed any limitations or restrictions set forth in State law.

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5.81.045 - Manufacturing of cannabis medical marijuana

A. Proposed locations for manufacturing of medical cannabis products using nonvolatile solvents shall be in i) non-storefront buildings or non-ground floor areas of buildings in the CC Community Commercial Zone; ii) up to three thousand (3,000) square feet of ground floor storefront space in the CC Community Commercial Zone. No manufacturing operation under this provision occupying a storefront building space in the CC Commercial Zone shall be located within a 300-foot radius of any other such operation; iii) areas where "custom manufacturing industrial," or its equivalent use, is permitted by right under the Oakland Planning Code, as may be amended; or iv) in Residential Zones if the manufacturing is compliant with the restrictions imposed on cottage food operators under the California Homemade Food Act, Chapter 6.1 (commencing with Section 51035) of Part 1 of Division 1 of Title 5 of the Government Code.

Applicants seeking to engage in the production of infused edible cannabis products and topicals may be located in the same locations allowed above for the manufacturing of cannabis products using nonvolatile solvents and commercial zones where commercial kitchens are allowed.

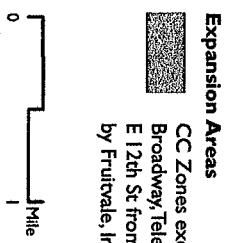
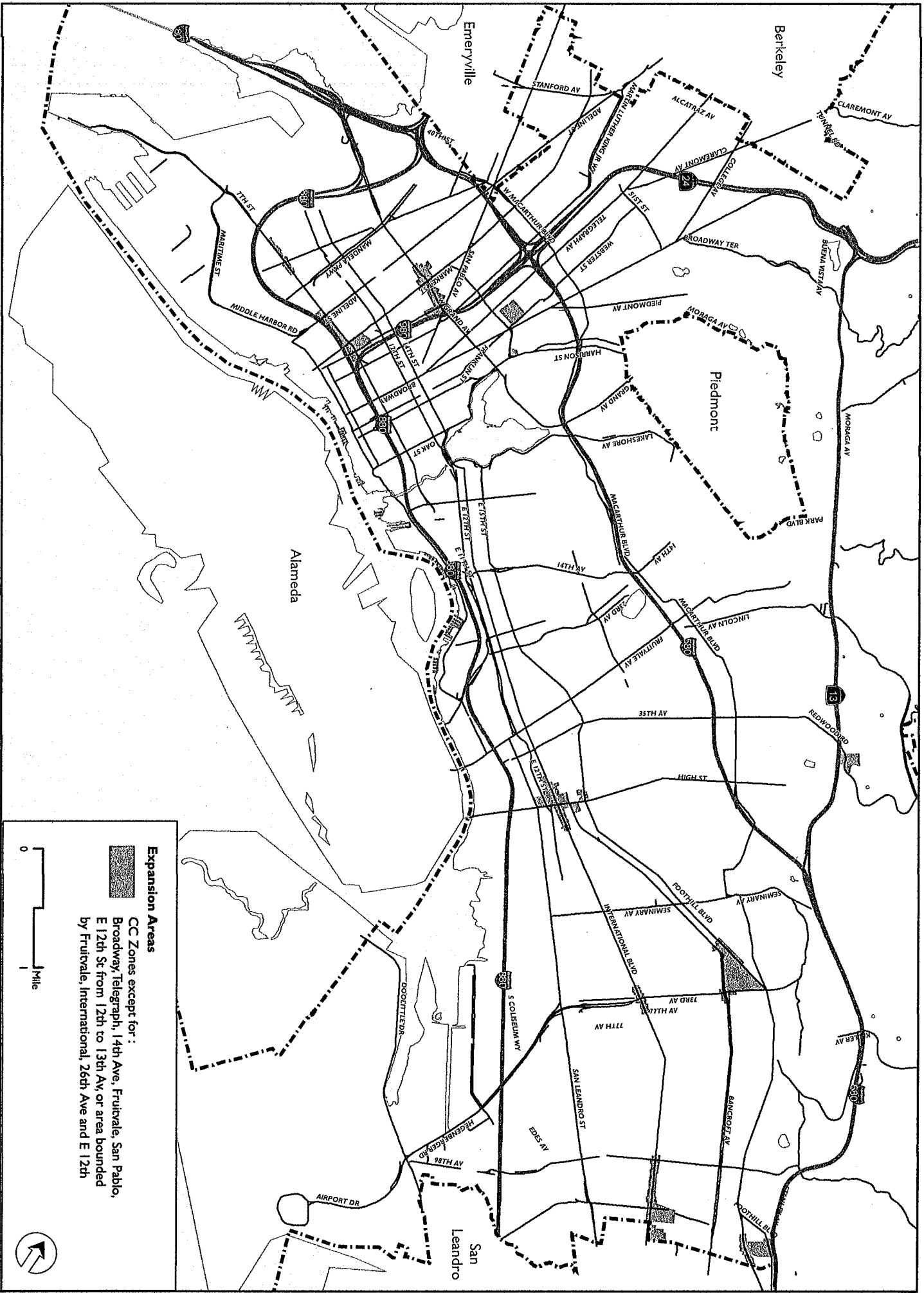
B. Proposed locations for manufacturing of medical cannabis products using volatile solvents shall be in areas where "general manufacturing industrial" or its equivalent use, is permitted by right under the Oakland Planning Code, as may be amended.

5.81.046 – Application for Alternate Location

If an applicant wishes to propose a location for a cannabis facility outside of the above-listed areas, they may apply for such an allowance and provide information about why such location would not be problematic. The consideration of this request will include notification of nearby properties, and shall be reviewed based on the procedures listed in Oakland Planning Code Chapter 17.134.040(B)(1), "Procedures for consideration." The Administration may issue further regulations to effectuate this process.



EXPANSION AREA FOR CULTIVATION, DISTRIBUTION, TESTING & TRANSPORTING



Expansion Areas
 CC Zones except for :
 Broadway, Telegraph, 14th Ave, Fruitvale, San Pablo,
 E 12th St from 12th to 13th Av, or area bounded
 by Fruitvale, International, 26th Ave and E 12th

