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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Joe DeVries

SUBJECT: Cannabis Regulatory Commission
Biennial Report

DATE: November 23, 2015

City Administrator Approval

Date:

12/3/15

RECOMMENDATION

Staff recommends that the Public Safety Committee accept this informational report from the Cannabis Regulatory Commission (**Attachment 1**).

On November 2, 2004 the Oakland electorate passed ballot Measure Z, a voter initiative entitled "Oakland Cannabis Regulation and Revenue Ordinance." Measure Z became effective on December 7, 2004. In February 2006, a quorum of Committee members had been appointed and the first meeting of the Measure Z Community Oversight Committee took place on February 16, 2006. In an effort to more accurately reflect the work of the Committee, the members voted to change the name of the Committee to the "Cannabis Regulatory Commission" in 2012.

In accordance with Ordinance No. 12694 C.M.S., Section 1 (c), the Biennial Report for calendar years 2014 and 2015 is forwarded for City Council review.

For questions regarding this report, please contact Joe DeVries, Assistant to the City Administrator at (510)238-3083.

Respectfully submitted,

Joe DeVries
Assistant to the City Administrator
City Administrator's Office

Attachment 1- Cannabis Regulatory Commission Biennial Report (includes Attachments A, B, and C)

Item: _____
Public Safety Committee
January 12, 2016

Cannabis Regulatory Commission

To: Oakland City Council Public Safety Committee
From: Cannabis Regulatory Commission
Re: 2014-2015 Biennial Report
Date: November 19, 2015

Members

Matt Hummell, Chair, *District 5*
A. Kathryn Parker, Vice Chair, *At Large*
Dale Gieringer, *District 1*
Sean Donahoe, *District 2*
James Anthony, *District 3*
Jacob Sassaman, *District 7*
Amanda Reiman, *City Auditor*
Joe DeVries, *City Administrator*

Introduction

We are pleased to submit the 2014-2015 Biennial Report of the Cannabis Regulatory Commission (Commission). Pursuant to City Council Ordinance No. 12694 C.M.S., the Commission is charged to “(a) advise the City Council of concerns, issues regarding the lowest law enforcement [priority] policy for private adult cannabis offenses; (b) make recommendations to the Council regarding policy implementations; and (c) report annually to the Council on the implementation of Measure Z.”

We prepared our report, and the Commission approved it for submission to this Committee at our February 2015 meeting. However, we delayed submitting the report so it could accompany our report to this Committee on the proposed changes to Chapters 5.80 and 5.81 of the Municipal Code. Unfortunately, this Committee is just now hearing that item; since we’ve concluded our work for 2015, we decided to include a report on our activity this year, too.

The Commission met eight times in 2014. At the start of the year, 10 seats were filled. In June, Tyson Nagler (District 2) vacated his seat. In October, Sean Donahoe joined the Commission, filling the District 2 vacancy. At the end of 2014, the Commission again had 10 members. When Leslie Bonnett resigned in December 2013, she was still serving as chair, so the Commission elected an interim Chair and Vice Chair. Matt Hummel was elected as Interim Chair, and Kathryn Parker was elected Interim Vice Chair. In April 2014, Mr. Hummel and Ms. Parker were elected to full terms as Chair and Vice Chair, respectively.

The Commission met seven times in 2015. No commissioners resigned or joined the Commission in 2015. However, Marlon Hendrix’s (District 6) term expired. There are currently nine members serving on the Commission since the Mayor has yet to appoint someone to fill the vacancy created when Leslie Bonett resigned from the Commission two years ago. This constant vacancy puts an extra strain on the Commission to meet quorum each month.

Primary Discussion and Action Items

I. Monitor OPD Compliance with Measure Z

a. OPD Activity at Unlicensed Dispensaries

In 2014, the Commission's discussion focused largely on OPD's activity at unlicensed dispensaries. The Commission is aware of at least five search warrants OPD executed on these unlicensed dispensaries with SWAT-style force between December 2013 and July 2014. While the Commission understands the City cannot ignore complaints and agrees the City should have the authority to close unlicensed businesses, executing search warrants with SWAT-style force is not the way to respond. It is a waste of Oakland's limited resources to handle complaints in this manner. The City should respond to these complaints through the established administrative process in the nuisance-abatement department, which does not involve OPD except under extreme circumstances.

Making all cannabis offenses lowest law enforcement priority is another way the Council could prevent the City from using unnecessary resources to enforce a law the people of Oakland believe should be repealed (Prop 19, which would have legalized possession, use and sales of cannabis, passed Alameda County with 56% of the vote, and Measure Z passed with 65% of the vote.) **If the City Council passed a resolution making all cannabis offenses the lowest law enforcement priority, OPD would be able to better focus its limited resources on the crime that hurts Oakland's communities.** This would also resolve the Commission's long-standing dispute with the City Attorney's office regarding the definition of "private," which continues to be a topic the Commission discusses regularly.

b. OPD's 2015 Annual Report to the Commission

In June 2015, Captain Kirk Coleman and Sergeant Tam Dinh presented OPD's annual report with 2014 arrest data for cannabis-related offenses. Once again, the Commission received a thorough report from OPD, which included demographic data to better enable the Commission to evaluate the Police Department's compliance with Measure Z. (See Attachment A.)

As in past years, the Commission remains concerned with the racial disparity in enforcement – 94% of those cited or arrested for possession, cultivation, or sales of cannabis in Oakland in 2014 were people of color.

c. OPD's 2014 Annual Report to the Commission

In August 2014, Assistant Chief Paul Figueroa and Lt. Tony Jones presented OPD's annual report with 2013 arrest data for cannabis-related offenses. Again, the Commission received a thorough report from OPD. (See Attachment B.)

As in past years, the Commission remains concerned with the racial disparity in enforcement – 96% of those cited or arrested for possession, cultivation, or sales of cannabis in Oakland in 2013 were people of color. The Commission was encouraged by Assistant Chief Figueroa's dedication to evaluate and combat this racial disparity through the Department's work with Stanford Researcher Jennifer Eberhardt to analyze OPD's 2013 stop data, which includes a sampling of the cannabis arrests from 2013. We were also encouraged that OPD invited Member Martinez to serve on OPD's committee to review stop data. Unfortunately, Member Martinez reports this group has been slow to provide the data promised and has yet to actually meet to discuss it. The Commission hopes OPD will stay dedicated to this work, resume course with this project, and eradicate racial disparity from its enforcement of the law.

II. Cannabis Regulations

a. Proposed Amendments to Chapters 5.80 and 5.81

The Commission spent the majority of its time in 2015 discussing the City's proposed amendments to Chapters 5.80 and 5.81 of the Municipal Code. When this Committee first discussed these amendments in December 2014, the Commission already had a model cultivation ordinance ready because in 2014 the Commission's Cultivation Regulation Research Committee continued its work researching options for cultivation regulations in Oakland and drafted model language for modifying Oakland's regulations for cultivating cannabis in light of community members' concerns regarding large cultivation sites in Oakland.

In February, we drafted a report to this Committee summarizing our opinions on the proposed amendments to Chapters 5.80 and 5.81 at that time. (See Attachment C.) The City took these comments, as well as the comments we made at our July and October meetings seriously and incorporated many in the draft presented to this Committee today. We are appreciative of the work Greg Minor has put into this, as well as the time he has taken to speak with the Commission. After much discussion and feedback from community members, the Commission supports this current draft, though we would like to see several amendments. We've been informed many of these recommendations will be incorporated in the draft before this Committee now; we still include these recommendations to provide a full reflection of our concerns but indicate which we've been told have already been addressed.

Proposed Amendments to Chapters 5.80 and 5.81

1. Create separate licenses for delivery and brick and mortar dispensaries – *accepted*
2. Increase the cap for personal cultivation to match the new state law
3. Remove “ingested or otherwise consumed” from Chapter 5.80.040(A) to allow on-site consumption of edibles –*accepted*
4. Remove “no more than sixteen” and the entire second sentence of Chapter 5.80.020(C) to remove the cap on the number of dispensaries allowed
5. Remove all references to the Attorney General’s guidelines –*accepted*
6. Include a distributor license –*accepted*
7. Include a nursery licenses, in line with the new state law
8. Remove “or a testing laboratory” from Chapter 5.80.010(F)
9. In Chapter 5.81.010, add priority for currently state-compliant facilities –*accepted*
10. As the number of dispensaries increase, proportionally decrease the annual fee for a dispensary permit –*accepted*

The Commission is aware the existing permitted dispensaries have formed a coalition, which provides the City with important insight into which regulations have led to the successes of their businesses. We are glad this Committee invited the Commission to this discussion, giving the community a space to have its voice heard in this process and effectively expanding the purview of the Commission. We hope this Committee will consider making this change official and recommend to the full City Council amending Ordinance No. 12694, Section 1 to read¹:

- Section 1. It shall be the function and duty of the Community Oversight Committee to oversee implementation of the Lowest Law Enforcement Priority Policy and ensure timely implementation of Measure Z by:
- a. advising the Council of concerns, issues regarding the lowest law enforcement policy for private adult cannabis offenses;
 - b. making recommendations to the Council regarding the policy implementation; ~~and~~
 - c. *making recommendations to the Council regarding all cannabis policies, including use, sale, cultivation, distribution, and preparation for medical and non-medical purposes; and*
 - ed. reporting annually to the Council on the implementation of Measure Z

¹ Notwithstanding the recommendation we make in Section I.a. of this report for the City Council to pass a resolution making all cannabis offenses the lowest law enforcement priority. If the Council passes such a resolution, this Commission would then like to take on the responsibility of advising the Council of concerns, issues regarding the lowest law enforcement priority policy for all adult cannabis offenses, not just private offenses.

b. Licenses for On-Site Consumption

In 2014, the Commission discussed a potential licensing system to allow on-site consumption of cannabis in private social clubs. The motivation behind these licenses is to foster community development, bring business to Oakland to increase revenue, and encourage cannabis consumption in a private facility, rather than in public. The licensing system would allow a venue to have a permanent or temporary license permitting on-site cannabis consumption. The vision is to create a community-center-like space that provides a safe space for people to engage with their neighbors and consume cannabis in private, generating revenue for the community. The Commission tabled this project in 2015 to focus on the proposed amendments to the Municipal Code and advocate for on-site consumption in permitted dispensaries.

c. Reducing Waste

In 2014, the Commission discussed ways to better dispose of waste associated with cannabis cultivation, including pesticides, fertilizers, unused plant material, soil, rockwool, and other growing materials. The Commission consulted with Alameda County's Household Hazardous Waste Management and the Alameda County Department of Agriculture as a part of its discussion to make sure any solutions could be implemented with the resources currently provided in the county.

The Commission also discussed ways to reduce waste from packaging used for retail cannabis sales, including a deposit/return system for glass jars often used to package cannabis for retail sales.

d. Potential Economic Benefits

The Commission is working to prepare Oakland for regulating adult cannabis use and sales to maximize revenue for the community. The Commission plans to work with the City Auditor's office to prepare a financial analysis of the fiscal impact and potential revenue of regulated cannabis sales to adults.

Attachment A



MEMORANDUM

TO: CANNABIS REGULATORY COMMITTEE **FROM:** Kirk Coleman
SUBJECT: Citations and Arrests for Marijuana Offenses - **DATE:** June 12, 2015
2014

BACKGROUND

The Oakland Cannabis Regulation and Revenue Ordinance (Measure Z), passed with a 65 percent “Yes” vote on November 2, 2004 and became law on December 7, 2004. In short, Measure Z stated that the City of Oakland would make law enforcement related to the private adult cannabis (marijuana) use, distribution, sale, cultivation and possession, the City’s lowest law enforcement priority.

Measure Z did not change California or Federal law, both of which prohibit non-medical cannabis use. The Oakland Police Department (OPD) maintains the right to continue law enforcement activities related to private adult cannabis offenses. Additionally, Measure Z does not apply to minors, and thus Measure Z in no way mandates OPD to treat cannabis offenses committed by minors (possession, distribution or consumption) as a lower priority offense.

In 2005, the Office of the City Attorney (OCA) defined private adult cannabis offenses that are covered by the lowest priority for law enforcement as those that occur on private property and in a setting that is not in public. “Private” does not include commercial settings such as cafes, markets, retail outlets, cabarets or on City owned or leased property. The City Council amended the ordinance to include this definition of “private.”

2014 MARIJUANA CITATIONS AND ARRESTS

In 2014, OPD cited 373 persons for possession of less than one ounce of marijuana under Section 11357(b) H&S (California Health and Safety Code). This is a 31 percent increase over 2013 citations (**See Table 1 below**). Approximately 40 percent of the incidents involved vehicle stops for traffic violations where marijuana was observed or found after the stop. A majority of the remaining incidents involved stops where persons were observed with marijuana in a public place.

Table 1: 2014 11357(b) H&S Citations by Sex and Race

Race	Male	Female	Total	%
African American	257	29	286	77%
Asian	5	1	6	2%
Hispanic	52	5	57	15%
White	13	3	16	4%
Other	8	0	8	2%
Total	335	38	373	100%

In 2014, 15 individuals were cited for possession of more than one ounce of marijuana under Section 11357(c) H&S. In a majority of these incidents for possession of marijuana, the marijuana was discovered after a vehicle enforcement stop or during a pedestrian contact in a public place.

In 2014, the Oakland Police Department’s Homicide Section investigated 80 deaths that were classified as homicides per Federal Bureau of Investigation (FBI) Uniform Crime Report (UCR) guidelines. The motives in three of these murders involved attempts to steal marijuana.

In 2014, OPD made nine arrests for marijuana cultivation (Section 11358 H&S). A majority of these arrests were made during investigations of other criminal offenses.

Arrests for the sale of marijuana increased 32 percent from 180 in 2013 to 238 in 2014. Arrests involving the sale and transportation of marijuana increased by 71 percent from 55 in 2013 to 94 in 2014. Police beats 30X, 34X and 4X had the highest number of arrests at 31, 31 and 21, respectively. Tables 2 through 4 below provide an overview of marijuana arrests by sex, race, and police beat.

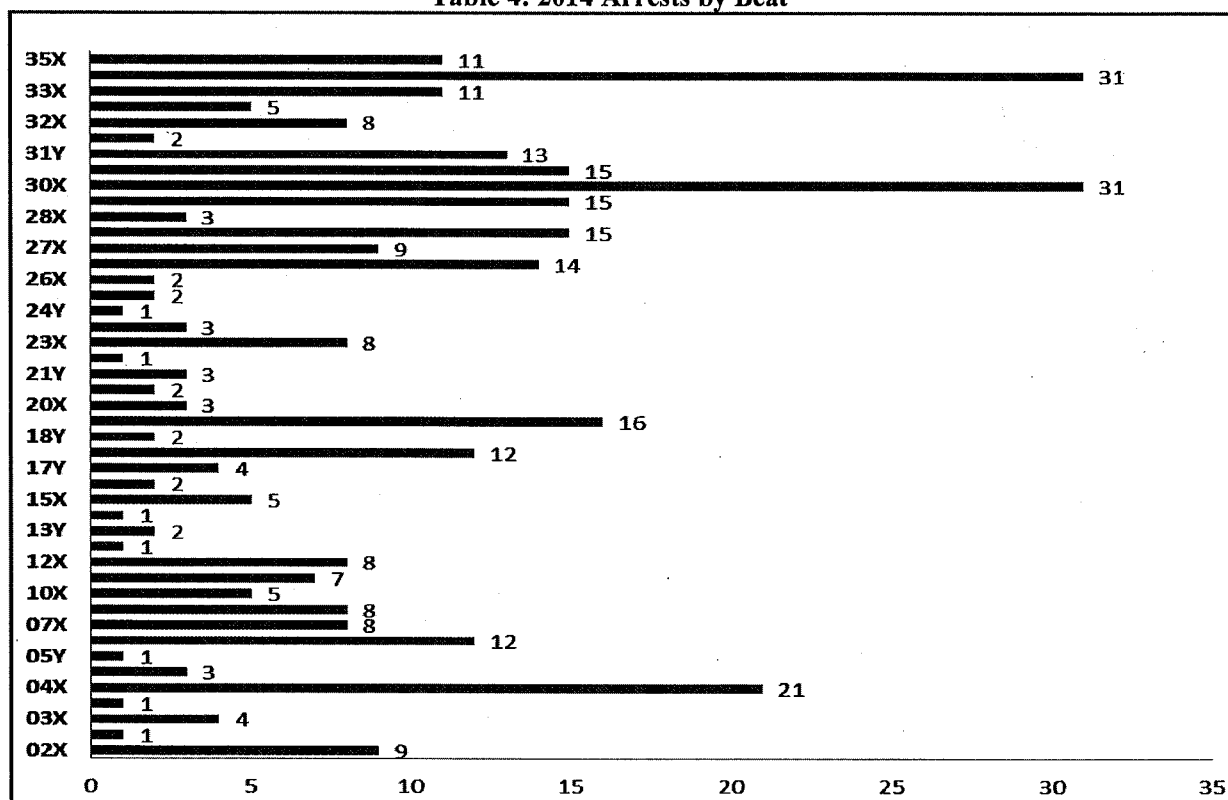
Table 2: 2005 – 2014 Criminal Marijuana Arrests by Calendar Year

Statute	2005	2006	2007	2008	2009
Cultivation-11358 H&S	4	9	13	29	37
Possession for Sales-11359 H&S	377	311	508	618	571
Sales/Transportation-11360(A) H&S	201	111	115	164	128
Statute	2010	2011	2012	2013	2014
Cultivation-11358 H&S	58	8	24	1	9
Possession for Sales-11359 H&S	517	275	192	180	238
Sales/Transportation-11360(A) H&S	136	29	33	55	94

Table 3: 2014 Arrests by Sex and Race

Statute	African American		Asian		Hispanic		White		Other		Total
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
11358 H&S	2	0	1	0	5	0	1	0	0	0	9
11359 H&S	160	7	5	2	40	3	10	3	8	0	238
11360(A) H&S	68	2	2	0	13	1	5	2	1	0	94
Total	230	9	8	2	58	4	16	5	9	0	341

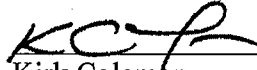
Table 4: 2014 Arrests by Beat



City of Oakland Overall Crime Statistics

In 2014, the City of Oakland experienced an overall 6 percent decrease in crimes classified as Part One Crimes by the FBI.¹ There was an 11 percent reduction in murders, a 5 percent reduction in aggravated assaults, a 32 percent reduction in robberies, and a 27 percent reduction in burglaries.

¹ Part One Crimes are murder/non-negligent manslaughter, rape, robbery, aggravated assault, burglary, larceny-theft, and motor vehicle theft



Kirk Coleman
Captain of Police



Tam Dinh
Sergeant of Police

Attachment B

CITY OF OAKLAND

MEMORANDUM

To: Cannabis Regulatory Committee
From: Oakland Police Department
Date: 16Jul14

Subject: **Police Department Activities Related to Arrests for Criminal Marijuana Offenses for 2013**

In 2013, the Oakland Police Department arrested/cited 291 persons for possession of less than one ounce of marijuana (11357(b) HS), up 8% from 269 in 2012. Only 4 individuals were arrested/cited for possession of more than an ounce of marijuana (11375(c) HS). The majority of the arrests and citations for marijuana possession were in a public place, discovered during vehicle stops and often are the result of specific complaints or investigations into other criminal activity.

Table 1: 2013 11357(B) HS Citations Sex & Race

Race	Male	Female	Grand Total	%
Asian	1	0	1	0%
African Am	203	18	221	76%
Hispanic	45	3	48	16%
White	13	2	15	5%
Other	6	0	6	2%
Grand Total	268	23	291	100%

In 2013, the Oakland Police Department Homicide Section investigated 107 UCR homicides in Oakland. Of those 107 homicides, 3 were instances where marijuana was the motive for the murder.

The Oakland Police Department continues to maintain a policy that the investigation, citation and arrest for private cannabis offenses are the lowest law enforcement priority. In 2013, there was only one arrest for 11358 HS. The arrest occurred after citizens reported two suspicious persons in the 50 block of Martin Luther King Jr. Way, possibly trying to steal copper wiring. Responding officers contacted two individuals and one was on probation with search clause. The officers conducted a probation search and recovered suspected hashish.

Arrests for marijuana sales were down 6% from 192 in 2012 to 180 in 2013. Arrests for the sales and transportation of marijuana increased by 67% from 33 in 2012 to 55 in 2013. Police beats 26Y and 34X, had the highest number of arrests at 20 and 26, respectively. The following tables and charts provide an overview of marijuana arrest percentages by sex, race and police beat.

Item: E-1
Cannabis Regulatory Committee
July 16, 2014

The Oakland Police Department is conducting an analysis of the citations for African Americans since inquiries were made at a previous public safety meeting. The results will be submitted via memorandum to this committee and the Public Safety Committee. We anticipate the completion of this analysis by the end of August 2014.

Table 2: Criminal Marijuana Arrests for Calendar Years 2005 – 2013

ARREST TYPE	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cultivation of Marijuana - 11358 HS	4	9	13	29	37	58	8	24	1
Possession of Marijuana for Sale - 11359 HS	377	311	508	618	571	517	275	192*	180
Sales/Transportation of Marijuana- 11360(A) HS	201	111	115	164	128	136	29	33*	55

*Updated from 2012 report.

Table 3: 2013 Arrestee Sex

STATUTE	MALE	FEMALE	Grand Total
11358 HS	1	0	1
11359 HS	169	11	180
11360(A) HS	49	6	55
Grand Total	219	17	236

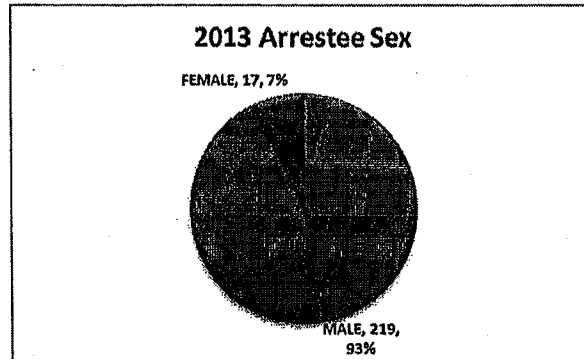
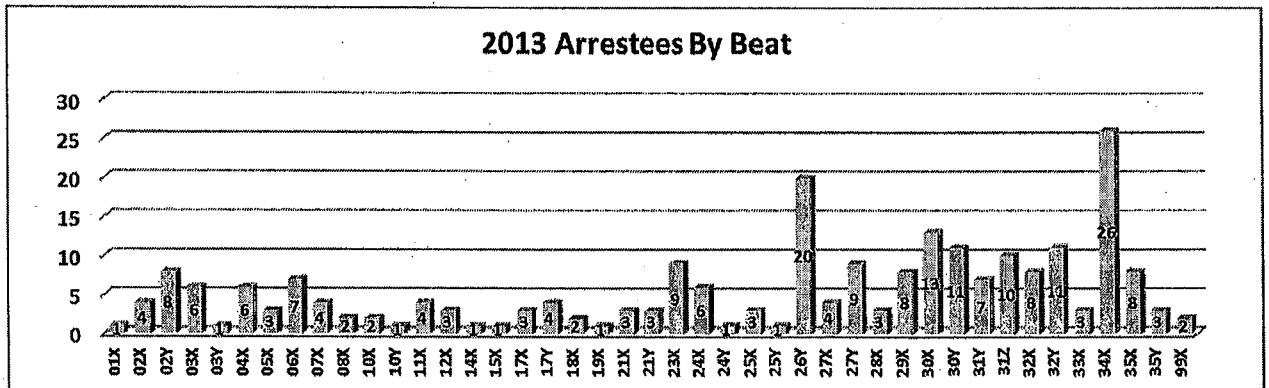
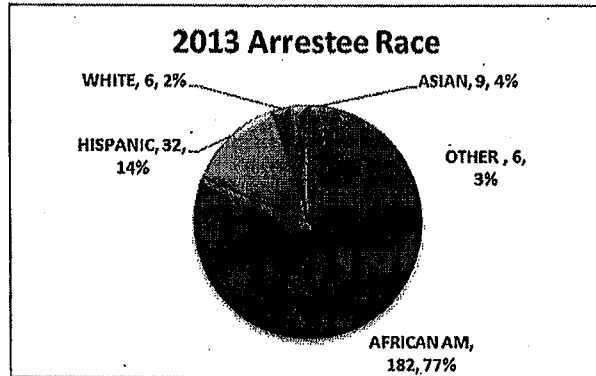


Table 4: 2013 Arrestee Race

STATUTE	ASIAN	AFRICAN AM	HISPANIC	WHITE	OTHER	Grand Total
11358 HS	0	1	0	0	0	1
11359 HS	5	140	25	5	5	180
11360(A) HS	4	41	8	1	1	55
Grand Total	9	182	32	6	6	236



City of Oakland Overall Crime Statistics:

In 2013, the City of Oakland experienced an overall 1% decrease in Part One crimes. See Attachment for more specific information on Crime Statistics.

 Tony Jones
 Lieutenant of Police

 Tam Dinh
 Sergeant of Police

Attachment C

Oakland Cannabis Regulatory Commission

One Frank H. Ogawa Plaza
Oakland, CA 94612

Matt Hummel, Chair
A. Kathryn Parker, Vice Chair
Dale Gieringer
James Anthony
Sierra Martinez
Marlon Hendrix
Jake Sassaman
Amanda Reiman
Sean Donahoe

To: Oakland City Council,
Public Safety Committee

From: Matt Hummel, Chairperson,
Oakland Cannabis Regulatory Commission

Date: February 17, 2015

Re: Amendments to Chapter 5.80 of the Oakland Municipal Code (Cannabis Cultivation)

On December 16th the City Council Public Safety Committee received a recommendation from staff to modify Oakland Municipal Code (OMC) 5.80, Medical Cannabis Dispensary Permits, to provide for a secondary special business permit for City of Oakland licensed medical cannabis dispensaries to operate a closed-loop dispensary cultivation facility.

At the close of the deliberation the Committee voted to ask the Cannabis Regulatory Commission to provide recommendations on the Ordinance and on Council Member Kalb and Kaplan's proposed amendments that were submitted in a separate memo.

The Cannabis Regulatory Commission conducted a Special Meeting on January 29th to discuss the ordinance and proposed amendments and developed the below recommendations. During the meeting the Commission received input from City Staff, current dispensary operators, consumers, and representatives of other cannabis related businesses.

The Commission strongly supports the City moving forward and regulating cultivation of cannabis more broadly than the current Ordinance allows. Oakland led the State in developing regulations for personal gardens for individual patients and their caregivers and also led in efforts to create a regulatory system for its dispensaries. However, there exists a large gap in the "Seed to Sale" supply chain for medical cannabis and related products (such as edibles and tinctures) and the Commission sees the renewed discussion around cultivation as an opportunity to close that gap. The Commission also sees the timeliness of this conversation in anticipating changes to state law that may occur in 2016 when many believe all adult cannabis use will become legal in California. If the City has a well-developed set of regulations for cultivation, it could again lead the way in Californian's road toward a well regulated Cannabis Industry.

In discussing the ordinance, the Commission first voted on each of Council Members Kalb/Kaplan's suggested amendments and then discussed other changes to the Ordinance that it sees as important:

Oakland Cannabis Regulatory Commission

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Oakland, CA 94612

1. Remove restriction in Section 5.80.020 (D)(1) that dispensaries cannot be near each other:

The Commission voted to support this amendment and passed a separate motion to also remove the restriction of parks and recreation facilities.

2. Modification of limitation to who can hold a cultivation facility business permit to allow not only medical cannabis dispensary permit owners, but to also allow other qualified Oakland residents who demonstrate that they have a contract with one or more Oakland medical cannabis dispensaries to sell their product to that dispensary:

The Commission voted to support this amendment but recommend it not be implemented for nine months so that several complex policy concerns can be further evaluated. Also, the Commission voted to remove the contract requirement for cultivators because it was argued that many legitimate growers are not selling to dispensaries but instead providing it for alternate uses such as edible products. Also, it was noted that the dispensaries in Oakland do not necessarily purchase cannabis from Oakland growers nor do Oakland growers necessarily sell to Oakland dispensaries. Many people who spoke indicated that the current proposed ordinance does not acknowledge these growers exist and could drive them further underground by creating new penalties against them.

3. Add environmental criteria (such as offsetting their carbon footprint) to the permitting process when considering approval of cultivation facility business permits.

The Commission voted to support this amendment.

4. Reducing the timeframe (from one year to two months) by which a facility cultivation business permit holder may apply for a permit that allows for a larger than 10,000 square foot cultivation facility.

The Commission took no position on this amendment. During discussion it was noted that because cannabis grows on a three month harvest cycle, changing the timeframe from one year to two months is meaningless because any dispensary could seek a larger grow allowance two months into growing their first crop and the City would not be basing its decision on any relevant data.

5. Require the City Administration to return to the Council's Public Safety Committee within six months a proposed ordinance to permit onsite non-smoking medical cannabis consumption at licensed medical cannabis dispensaries:

The Commission voted to support this proposal. The Commission has had lengthy conversations about the need to modify the City's smoking ordinance or somehow create a way to allow on-site consumption of cannabis at licensed facilities. For many years patient advocates have pointed out that many low-income patients who suffer from chronic disease often do not have a safe place at home to consume their medicine and therefore allowing on-site consumption is an act of compassion to those most in need. If the City were to make this modification, the Commission has a lot of

Oakland Cannabis Regulatory Commission

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research on what other jurisdictions have done and would welcome the opportunity to provide its insight to the City.

6. Require the City Administration to return to the Council's Public Safety Committee within six months with an analysis and recommendations regarding increasing the number of medical cannabis dispensary permits allowed in the City of Oakland:

The Commission voted to support this proposal. In light of the fact that there are many unregulated "Measure Z" clubs, the Commission believes the City would benefit from lifting the restriction on the number of licensed dispensaries and allowing the market to decide the most viable number. Also, in anticipation of major changes in 2016, if there were more licensed dispensaries now, the transition to a fully legal cannabis industry would be smoother.

There were two portions of the current proposed Ordinance that the Commission also took an official position on:

Modify Section 5.80.010 C. regarding the definition of a dispensary:

The current language reads:

"Cannabis dispensary" or "Dispensary" shall mean a collective or cooperative that distributes, dispenses, stores, exchanges, processes, delivers, makes available, transmits and/or gives away marijuana in the City for medicinal purposes to four or more qualified patients and/or primary caregivers pursuant to California Health and Safety Code Sections 11362.5, 11362.7 et seq.

The proposed change is:

Cannabis Dispensary or "Dispensary" means a collective, cooperative, or other entity that distributes, dispenses, exchanges, delivers, makes available, transmits, or gives away medical cannabis in the City of Oakland at retail directly to individual Patients...

The key difference from the current proposed definition is the elimination of the uses "stores" and "processes" and also further refines the definition to clarify it refers to cannabis sold "At Retail." This will help avoid a legitimate grower who provides their surplus to an establishment that is involved in producing edibles to be permitted while also delineating that if one is selling cannabis at retail, they are considered a dispensary and the normal regulations would apply.

Modify Section 5.80.025:

The current language reads:

Any use or activity that involves possessing, cultivating, processing and/or manufacturing more than 9 pounds of dried cannabis or 96 square feet of cultivation area shall constitute cultivation of

Oakland Cannabis Regulatory Commission

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Oakland, CA 94612

medical cannabis and shall be subject to administrative citation, pursuant to Chapters 1.08, 1.12 and/or 1.16, and other applicable legal, injunctive or equitable remedies, unless a permit as

prescribed in this Chapter has been granted. 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.

The Commission is recommending this language be changed to:

Cultivating more than 9 pounds of dried cannabis or 96 square feet of cultivation area shall constitute cultivation of medical cannabis and may be subject to administrative citation, pursuant to Chapters 1.08, 1.12

This makes the definition more accurate and specific and avoids the City accidentally criminalizing someone who is not involved in cultivation but is involved in the industry. For example, all licensed dispensaries currently have their product tested for purity and the lab that conducts those tests does, in fact, store large amounts of cannabis as part of their work. The current proposed definition would put them in violation of the ordinance.

The Commission welcomes the opportunity to continue to provide input on these very important issues.

Thank you for your consideration,

Matt Hummel, Chairperson