

CITY OF OAKLAND
AGENDA REPORT

2011 DEC -1 PM 1:07

TO: Office of the City Administrator
ATTN: Deanna Santana
FROM: Joe DeVries
DATE: December 13, 2011

RE: Supplemental Informational Report to the Annual Report of the Measure Z Cannabis Oversight Committee for Calendar Years 2009-10.

Summary

On October 25, 2011 a supplemental report to the Oakland Public Safety Committee was submitted by the Measure Z Oversight Committee but was rescheduled for the December 13th Public Safety Committee Meeting. In the interim time frame the Measure Z Oversight Committee met twice and asked that staff include an addendum to that report regarding the recent action taken by the federal government to disrupt the regulated distribution of cannabis in California through licensed dispensaries.

The Department of Justice, in concert with the Internal Revenue Service, the Treasury Department, and the four U.S. Attorneys that cover the California region has issued strong warnings to several cannabis dispensaries and their landlords demanding that they cease their operations or face severe criminal charges, possible asset forfeiture, and substantial tax penalties. While the net affect of these threats has yet to fully materialize, the end result could be the dismantling of the City's well-regulated cannabis dispensary system.

Therefore the Measure Z Oversight Committee is asking that the Oakland City Council adopt a resolution condemning the federal action citing several key points listed below:

- That Oakland has maintained a well regulated, taxed, Cannabis distribution system since 2004 and is in the process of expanding the number of licensed dispensaries from four to eight
- That the closure of these dispensaries would increase the level of unregulated, illegal sales of cannabis throughout Oakland's already crime impacted neighborhoods
- That the City of Oakland would lose hundreds of thousands of dollars of revenue during desperate budget times while at the same time increasing profits to dangerous drug cartels
- That 65.20% of Oakland voters overwhelmingly supported the well regulated distribution of cannabis through passage of Measure Z in 2004
- That 65.77% of Oakland voters overwhelmingly supported the taxation of Cannabis Dispensaries through the passage of Measure F in 2008
- That 56.32% of Alameda County voters supported the end of Cannabis Prohibition through their support of State Proposition 19 in 2010
- That the Federal Government's actions are in direct conflict with memos issued by the U.S. Attorney General in 2009

- That the City of Oakland does not have the necessary police resources to address an increase in illegal, unregulated cannabis sales while also addressing the violent crimes that Oakland is plagued with currently

The Measure Z Oversight Committee also recommends that the City direct the Police Department to not assist, participate in, or otherwise provide personnel to maintain a perimeter during any federal action against Oakland's current licensed cannabis dispensaries. Furthermore, the committee is requesting that the Mayor issue a letter of condemnation to the U.S. Attorney General similar to letters that have been submitted by the California Attorney General, the Mayor of Fairfax, and the San Francisco Board of Supervisors.

Respectfully submitted,



Joe DeVries

Neighborhood Services Supervisor

APPROVED AND FORWARDED TO THE
PUBLIC SAFETY COMMITTEE:



Office of the City Administrator