CITY OF OAKLAND

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OFFICE OF THE CITY CLERK
OAKLAND

2017 FEB 23 PM 5:

AGENDA REPORT

TO:	Sabrina B. Landreth City Administrator	**FROM:**	Darlene Flynn Director, Dept. of Race & Equity and Greg Minor Asst. to the City Administrator
SUBJECT:	Equity Analysis and Proposed Medical Cannabis Ordinance Amendments	**DATE:**	February 14, 2017

City Administrator Approval Date: 2/23/17

RECOMMENDATION

Staff Recommends That The City Council Receive a Race and Equity Analysis Report Regarding Medical Cannabis Regulations and Adopt The Following Pieces Of Legislation:

1) **Ordinance Amending Oakland Municipal Code Chapter 5.80, Medical Cannabis Dispensary Permits, To Clarify and Strengthen the City's Equity Permit Program and Provide Additional Updates Consistent with State Law;**

2) **Ordinance Amending Oakland Municipal Code Chapter 5.81, Medical Cannabis Cultivation Facility Permits, To Clarify and Strengthen the City's Equity Permit Program and Provide Additional Updates Consistent with State Law;**

3) **Resolution Establishing Budget Priorities For Expenditure of Cannabis Business Taxes Collected by the City Pursuant to Oakland Municipal Code Section 5.04.480 and 5.04.481.**

EXECUTIVE SUMMARY

At the direction of the November 14, 2016 Oakland City Council staff has performed a race and equity analysis of medical cannabis regulations. This analysis identifies disparities within the cannabis industry as well as revisions to the City's medical cannabis ordinances, including a phased permitting process that prioritizes equity applicants and encourages equity incubators, to address the root causes of these disparities (See Summary Chart of Equity Barriers and Strategies, ***Attachment A,*** and Ordinance Revisions, ***Attachments B and C***). In addition, staff recommends investing $3.4 million in forthcoming cannabis business tax revenue in a zero interest business start-up revolving loan and technical assistance program for equity applicants administered by an outside consultant (See Resolution, ***Attachment D***). Staff's

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recommendations lay an equitable foundation for the cannabis industry at a pivotal moment given the rapid pace of the industry and the eve of implementation of state medical cannabis and adult use laws.

BACKGROUND / LEGISLATIVE HISTORY

In light of changing federal policy and the passage of California's Medical Cannabis Regulation and Safety Act (MCRSA), in May 2016 the Oakland City Council amended the City's medical cannabis ordinances, Oakland Municipal Code (OMC) 5.80 and 5.81, to regulate the full spectrum of medical cannabis activities, including cultivation, manufacturing, distributing, testing, dispensing, and consumption of medical cannabis. This permitting framework contrasts with the City's current regulatory system that has been limited to dispensaries due to past federal intervention, absence of clear state law, and different local interests. This lack of regulation of non-dispensary facilities has negatively impacted the City in a number of ways, including burglaries, fires, lost revenue, and disparities in enforcement of drug laws.

Since May 2016, however, members of the public as well as Oakland City Councilmembers submitted proposals to further amend OMC 5.80 and 5.81. These proposals culminated with a November 14, 2016 Special City Council Meeting in which the City Council directed staff to perform a race and equity analysis, and return with revised ordinances using proposals from Councilmembers Kalb, Campbell-Washington, Guillen, Gibson-McElhaney and Kaplan as a guide. The City Council also adopted the following racial equity outcome goal:

> Promoting equitable ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities of color and to address the disproportionate impacts of the war on drugs in those communities.

ANALYSIS AND POLICY ALTERNATIVES

Below staff provides a racial impact analysis of medical cannabis regulations.

1. The areas of inequity related to the proposed actions:

Community economic development, access to living wage employment, ownership of business assets and wealth building, and consideration of unequal enforcement of drug laws are some of the racial inequity areas at issue.

2. Equity outcome goals for the action area:

Promote equitable ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities of color and address the disproportionate impacts of the war on drugs in those communities.

3. Inform evaluation of the proposals with racially specific disparity data to identify marginalized or impacted groups to be evaluated for inclusion in equity program and consulted during vetting of specific strategies:

Preliminary disparity data seen in Table One revealed marginalized communities of color based on poverty, recent cannabis arrests and unemployment rates.

Table 1: PRELIMINARY DISPARITY DATA

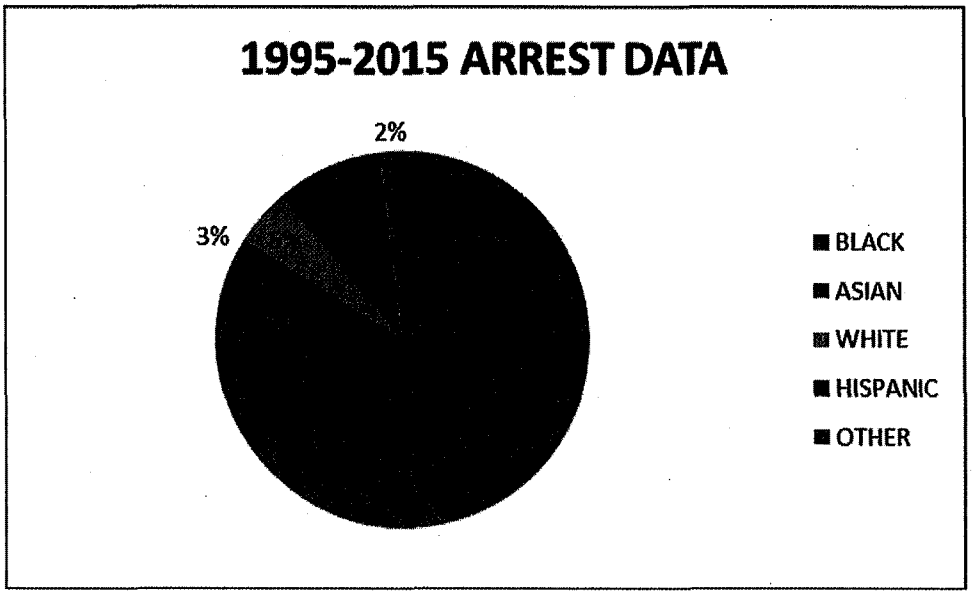
Racial Group	Population	Unemployment Rates	Poverty Rates	2015 Cannabis Arrest Rates
White	31%	4.2%	3.2%	4%
Black/African American	30%	9.2%	22.9%	77%
Hispanic/Latino	30%	6.7%	24.6%	15%
Asian	7%	8.4%	17.6%	2%
Native HI/Pacific Islander	> 1%	10% (County)	23.1%	-
American Indian/AK Native	> 1%	10.4% (County)	8.7% (County)	-

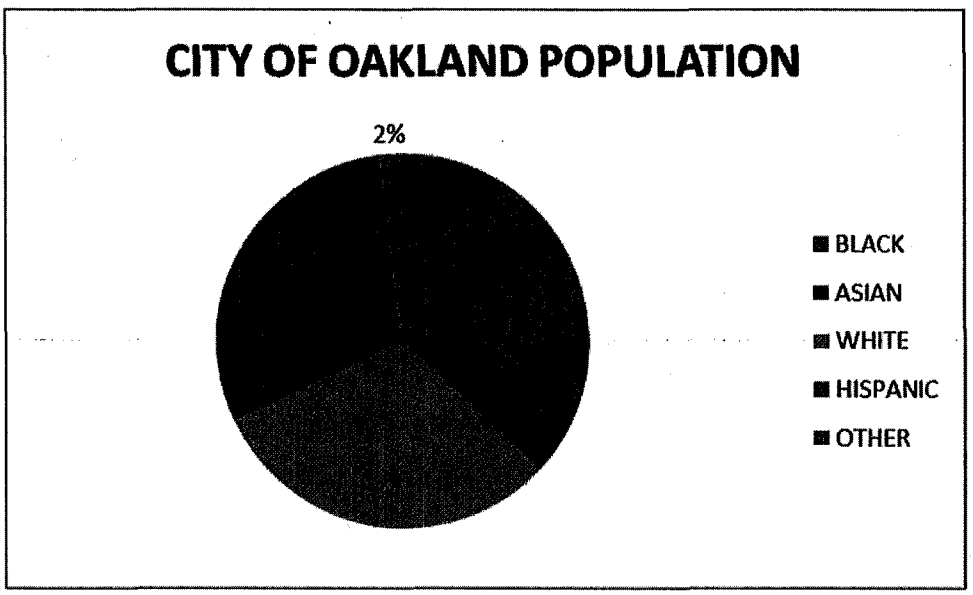
(Data Sources: Oakland and Alameda County 2016 Data Snapshot, 2015 American Community Survey, and 2015 OPD cannabis citation data disaggregated by Race)

Given the degree of over representation of African Americans in all three indicator areas of this sample data, staff conducted more evaluation to verify assumptions about that data. However, review of disaggregated cannabis arrest rates from 1996 – 2015 only revealed greater disparities in African American arrests across the years, which were as high as 90 percent, compared to 3.91 percent White arrests in 1998. (See ***Attachment E***– Cannabis Arrest Rates by Race).

The high percentage of arrests of African Americans remained constant despite state and local decriminalization of medical cannabis. African American arrests peaked with 914 arrests in 2008, after which the economic downturn downsized the Oakland Police Department and limited its ability to enforce. While total arrests have never returned to that historical high, disparities in comparative arrest rates continue through the present. For example, in 2015 African American arrests were "down" to 71 percent of all arrests, but Asian, and Latino arrests were up to 6.95 percent and 16.31 percent respectively, as compared to 3.02 percent White arrests.[1]

[1] These patterns are not particular to the Oakland Police Department but rather consistent with the national "War on Drugs." Nevertheless, these policies are deeply problematic. According to the Drug Policy Alliance, *"Higher arrest and incarceration rates for African Americans and Latinos are not reflective of increased prevalence of drug use or sales in these communities, but rather of a law enforcement focus on urban areas, on lower-income communities and on communities of color as well as inequitable treatment by the criminal justice system. We believe that the mass criminalization of people of color, particularly young African American men, is as profound a system of racial control as the Jim Crow laws were in this country until the mid-1960s."*





What is unique to Oakland is that there was a parallel, illegal but tolerated business environment for other people involved in the cannabis trade. Following the California legalization of medical cannabis in 1996 the Oakland cannabis advocacy community, which is predominantly White, began experimenting semi-openly with various cultivation, manufacturing and distribution business models. These activities proceeded, largely unimpeded by law or regulatory enforcement to this present day as demonstrated in cannabis arrest rates by race. The City's support of this sector was so well known that in 2012 the federal government did not inform the Oakland Police Department in advance of its raid on symbolic Oaksterdam University, one of the few exceptions to the freedom of enforcement enjoyed by this cannabis business community.

4. Identify potential equity opportunities and/or potential detrimental impacts on or barriers to equity for identified groups.

A. Barriers to Equity

The differing enforcement policies described above had concrete and lasting effects on Oakland's community. Possessing a criminal record can keep someone unemployable, as demonstrated in African American unemployment rates that are more than three times as high as White unemployment rates. This condition undermines the building of economic security and contributes to lives lived in poverty in communities of color at three to four times the rate for White residents. It blocks access to federally-funded housing, increases housing instability and the likelihood of homelessness. Against this backdrop, predictable recidivism rates and related opportunistic gang activity occur, draining the vitality of communities of color.

In contrast, drug trade in White communities and lack of enforcement during the same period has resulted in growth in new business ownership and the financial starting line for the next phase of entrepreneurial wealth and community building. This permissive business environment on one hand and the aggressive enforcement of drug laws on the other has widened the opportunity gap between people of color and White residents in the City of Oakland.

B. Potential Equity Opportunities

Making legal cannabis business ownership and employment opportunities accessible to marginalized communities of color would increase economic opportunity and reduce economic disparities. This can be achieved by opening doors to African American leaders/mentors who are also small operators with community connections and recognizing the already developed customer base and distribution practices as community assets.

5. Adjust preliminary assumptions about the disparities with any information gathered from specific marginalized racial group(s) perspectives to deepen understanding of the causes of disparities and/or barriers to equity related to the identified determinants.

Equity barrier themes and conclusions that emerged during information-gathering conversations with community members centered on City licensing requirements, financial disparities, technical barriers and equity criteria.

A. City Licensing Barriers

Costly license fees and complicated processes disadvantage lower income applicants. Because of the impacts of uneven drug enforcement many more members of disadvantaged communities could be blocked from licensing by criminal background checks. The history of historical discretionary regulation and uneven enforcement practices has perpetuated distrust in the City that could be a barrier to people in marginalized communities coming out of the shadows to apply for licenses.

B. Financial Disparities

In general, access to capital for starting a cannabis business is restricted because of federal regulations and further limited in low income communities due to the lack of personal wealth. Those with assets and a head start have the ability surge forward with real estate acquisition and leasing that could lock new operations out of being able to set up shop in Oakland. "Living wage" underground jobs in marginalized communities are in danger of being pushed out of those communities.

C. Technical Barriers

New businesses need to have access to technical resources, such as legal and business accounting as new operations get started. Easy access to City expertise for those who are not familiar with how the City works will be needed to assure that information is available. Culturally appropriate approaches and community-based outreach will be needed to meaningfully engage marginalized communities in the equity program processes.

D. Equity Criteria

The Equity Program eligibility should not be so broad that it fails to impact inequities. Any means test should be simple, perhaps based on other program eligibility. Using geography is tricky because of gentrification and shifting demographics, so residence requirements should go back more than five years. (Per the U.S. Census the City of Oakland lost approximately 23 percent of its African American population between 2000 and 2010.)

6. Consider adoption of approaches to maximize benefits and minimize burdens for marginalized racial groups related to achieving identified racial equity outcome.

The historical inequity in treatment of different populations in Oakland with respect to cannabis and its detrimental impacts on City of Oakland residents strongly support a case for adopting a meaningful equity program and related policies as part of legalizing cannabis cultivation and manufacturing. The benefits of this approach will accrue not only to members of the communities who were negatively impacted, but also to the city as a whole.[2] To the degree that a City Equity Program can increase opportunity to address inequity, there is potential to reduce the costly fallout that results from economic marginalization. Investing in equitable economic development contributes to a more thriving and resilient City of Oakland for all residents.

[2] *"Equity is the superior growth model. Equity is both the antidote to inequality and the means to a future where everyone can participate and prosper. Through an equity lens the strategies needed for all to succeed are clear: jobs that pay decent wages, good education that prepares young people for the future and provides skills for adults who need them, and the removal of racial barriers to economic inclusion and civic participation." Angela Glover Blackwell, PolicyLink – Oakland, CA*

I. Equity Assistance Program

To address those inequity barriers that are not directly controlled by the City, financial disparities and the need for technical assistance, staff recommends creating an Equity Assistance Program for medical cannabis applicants who have been most detrimentally impacted by the City's disparate cannabis policies.

A. Definition of Equity Program Applicant

Staff recommends utilizing qualifying criteria that addresses low wage or under employment , the impacts of living in or having been displaced from high cannabis arrest rate police beats (beats with more than 150 arrests between 1998 and 2015 – see ***Attachment F***, OPD Cannabis Arrest Data by Beat) as well as disproportionate conviction records.

Specifically, staff proposes amending OMC 5.80.010 and 5.81.020 to define an "Equity Applicant" as:

- An Applicant whose ownership has an annual income at or less than 80 percent Oakland Average Medium Income (AMI) adjusted for household size;

AND

- Has either 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, 35X for at least five of the last ten years;

OR

- Was arrested in Oakland and convicted for a cannabis crime after November 5, 1996.

These criteria assure that the resources of the program have the intended impact of increasing access and opportunity for marginalized groups.

B. Equity Program Design Elements

The program will include a technical assistance package, waivers from City fees, and access to no interest business start-up loans since these are the dominant barriers for groups without access to their own or intergenerational wealth. This business assistance is especially needed due to cannabis' status as a Controlled Substance, which restricts federally funded small business programs from supporting cannabis clients. Due to the income levels and conditions impacting eligible participants, loan repayment schedules will need to be deferred until the business is operating at an income-generating level. This support will be provided through a consultant that provides the following services:

- Industry specific technical assistance, delivered in the community by trusted advocates.
- Business ownership technical assistance, such as business plan preparation and interface with City regulatory requirements, etc.
- Collaboration with City Administrator's staff on details of loan program design.

- Loan application preparation assistance, processing and approval.
- Exploration of the development of co-location business facilities for equity businesses

This business support program would be funded with an ongoing economic development investment of cannabis revenue focused on those communities most impacted by economic and cannabis related inequities.

II. Recommended Changes to City Licensing Process

Perhaps the easiest barriers to remove are those imposed by the City itself through its medical cannabis regulations and its implementation thereof. Below staff highlights recommended changes to the City's licensing process to address the lessons learned from the racial disparity data and the concerns raised by representatives of historically marginalized groups.

A. Phased Licensing

When and how the City begins receiving applications for medical cannabis permits can play an important role in either reducing or exacerbating disparities between well-resourced cannabis operators and operators of historically marginalized populations. For example, if the City initiates an unrestricted permitting process before an Equity Assistance Program is in place, well-positioned operators will only move further ahead as historically marginalized operators fall further behind due to lack of capital and real estate.

As a result, the City recommends issuing permit applications in two phases: (1) a restricted initial phase in which the number of permits issued to general applicants may not exceed the number of permits issued to equity applicants; (2) an unrestricted second phase that commences after the Equity Assistance Program has been funded and implemented, at which point equity applicants will have access to business assistance needed to compete with more privileged operators.

B. Equity Incubators

To encourage partnerships between well-resourced and less-resourced cannabis operators, the City recommends giving general applicants that provide free rent or real estate to an equity applicant the next available general applicant permit. This will both help equity applicants overcome the equity barriers of a lack of access to capital and real estate and help provide general applicants with the certainty of obtaining their own permit in the near future.

In order to ensure these incubators are meaningful and result in successful equity businesses, under proposed OMC 5.80.045 and 5.81.060 the City has outlined baseline criteria for general applicant incubators to follow. These requirements include a minimum of three years free rent or real estate, access to at least 1,000 square feet for business operations, providing of security measures, and stipulation that the general applicant incubator must re-apply for a permit should the equity applicant cease operating its business. These measures will provide the Equity business with time to become profitable and self-supporting, sufficient space to operate its business and a motivated partner to help them be successful.

C. Eliminate Regulatory Discretion Where Possible

The racial disparity displayed in the City's cannabis arrest data is not surprising given the large degree of discretion afforded to law enforcement in the highly ambiguous context of medical cannabis law. And just as broad law enforcement discretion benefits well-resourced populations to the detriment of historically marginalized groups, excessive regulatory discretion will likely assist those with additional resources and unduly burden those without. For example, well-resourced operators can hire lawyers and lobbyists to pressure City staff to find in their favor despite technical non-compliance; while a similar operator without these resources may be deemed out of compliance under a strict reading of the law.

As a result, staff recommends limiting administrative discretion and clarifying what the exact rules are on the face of the medical cannabis ordinances themselves. This includes clarifying the precise areas where cannabis activity is permitted, what compliance entails with respect to track and tracing of medical cannabis, community benefit requirements, and background check processes.

D. Allow Cottage Cultivation Sites

Cultivating cannabis at home may be the easiest entryway into the medical cannabis industry as it allows entrepreneurs to own a cannabis operation without having to spend capital on real estate. Since historically marginalized populations possess far less access to capital and real estate, restricting cultivation to increasingly expensive commercial and industrial areas effectively locks this population out of the licensed cannabis process. This is especially true in the context of medical cannabis, where the lack of banking forces operators to rely on informal networks of wealth, which historically marginalized populations lack in comparison to more resourced populations.

That said home cultivation must be regulated to avoid nuisance activity, including burglaries and offensive odors, in residential areas. Staff proposes achieving this by maintaining the home cultivation regulations of OMC 5.81.101 while increasing the size of unlicensed cultivation areas to 250 square feet and eliminating earlier amorphous language under OMC 5.81.101(C) that made enforcing prior size restrictions unfeasible.

E. Require At Least Half of Dispensary Permits Be Issued to Equity Applicants

Reserving half of the City's dispensary permits for equity applicants will ensure that historically marginalized operators are successful when competing against better resourced operators for one of the limited dispensary permits. Additionally, this requirement will ensure that the benefits of operating a dispensary go directly to historically marginalized populations, rather than relying on a general program applicant to pass along said benefits.

F. Ensure Meaningful Definition of Equity "Owner"

The definition of the term "owner" under OMC 5.80 and 5.81 is critical in order for the equity program to achieve its intended purpose and reach the population it seeks to serve. Eligibility for the equity permit program depends on an applicant entity with an owner who qualifies under the equity program criteria. Accordingly, staff recommends defining owner as a majority of the

board of directors or a person who possesses a majority ownership interest. Imposing this majority requirement will help avoid the possibility of sham equity applicants comprised of one token equity member.

G. Allow Conditional Approval With No Real Estate Requirements

Since access to capital is one of the identified equity barriers that prevents historically marginalized populations from owning or leasing real estate appropriate for medical cannabis business operations, requiring a cannabis operator to own or lease such a property before applying for a City permit promises to only further disparity. Accordingly, staff recommends allowing operators to apply for a permit and even be conditionally approved before they need to invest any resources on leasing or purchasing a space. This conditional approval may also provide operators with the legitimacy needed to attract capital needed for real estate leasing or purchasing.

H. Restricting Background Checks

City-imposed criminal background requirements must be mindful of the criminal justice system's disproportionate enforcement against historically marginalized populations; look no further than the City's cannabis arrest data to see just how disparately the same law can be applied across racial lines. Accordingly, staff recommends excluding all drug offenses from background offenses and only including recent convictions of specified fraud and violent offenses. Further, City background checks need only apply to cannabis applicants as opposed to employees of cannabis operations, and applicants with recent convictions should still have option to petition for reconsideration if they can demonstrate evidence of rehabilitation, which the City should specifically define.

I. Adjust Fees

Staff will adjust its licensing fees as part of the citywide master fee schedule update to better align the small, medium and large business definitions with economic reality.

III. OPD Equity Training and Reporting on Disparate Cannabis Enforcement

Although the total number of cannabis arrests is down significantly in recent years as a result of changes in drug law enforcement approaches by OPD, disparities in arrest rates for African American and other people of color persist at approximately the same levels. OPD has engaged the services of Stanford Professor Jennifer Eberhardt, nationally recognized researcher on implicit bias, to assist the Department in understanding and addressing racial disparities. As part of that work on racial disparities OPD should review its cannabis enforcement activities and outcomes specifically while they are updating policies, practices and procedures related to implementing Prop 64.

FISCAL IMPACT

A. Revenue

1. Potential Future Tax Revenue

As noted in previous reports, implementing a regulatory process for the full scope of the medical cannabis industry could have considerable positive impacts from new businesses paying taxes at the City's elevated medical cannabis business tax rate of five percent of gross receipts. It is difficult to forecast, though, how many new businesses will emerge from the underground economy with new potential revenue for the City to receive. As a comparison, though, in 2016 the City of Denver, Colorado received $7.78 million from 657 medical cannabis licenses taxed at a 4.75 percent local rate and $22.56 million from 392 recreational businesses taxed at a 8.25 percent local rate.[3]

2. Prior (Back-Taxes) Business Tax Assessment Process:

OMC Section 5.04.580 allows the Director of Finance or authorized employee to audit and examine all books and records of persons engaged in business in the City and to make a deficiency determination (or assessment) based on this information or any other information that that may come into the Director's possession. The Revenue Management Bureau bases the tax assessment on the type of business activity, reflective of the historic averages from similar businesses carrying-on similar type of business activity in cases of a businesses that failed to register, or where the registration occurred but no tax declarations were filed, or the business owner reported no gross receipts. The assessment includes penalties and interest, which continue to accrue until paid in full (OMC Sections 5.04.190 Penalty and 5.04.230 Interest).

If a business believes that the assessment is improper, the business has the ability to request a Redetermination Hearing with the Director of Finance by making a written request for a hearing with the Director within 20 days from the date of service of the tax assessment notice. Otherwise, if a request for hearing is not made in a timely manner, the tax assessed by the Director of Finance becomes final and conclusive. If a business continues to believe that the assessment is improper following the Redetermination Hearing, the business has the option to appeal the Director of Finance's decision to the Business Tax Board of Review.

B. Costs

1. Regulatory Costs

The City will incur costs in regulating the medical cannabis industry. Ongoing regulatory expenses will be supported through the application and permit fees that staff has proposed at full cost recovery. In the case of equity applicants, staff's recommendation of waiving their fees will require these ongoing expenses to be covered by other revenue sources to be determined. That said, some of the fees incurred by equity applicants, such as fire and building inspections,

[3] Adams, Stephanie, Budgeting Marijuana Tax Revenues, and Dent, Bob and Don Korte, City and County of Denver Tax Treasury, Denver Marijuana Symposium, October 28, 2016; The Denver Collaborative Approach 2016, Denver's Marijuana Industry, p.5.

will effectively be paid by general applicant incubators that house equity applicants within general applicant facilities.

2. Equity Assistance Program Costs

Staff has proposed supporting the costs of the Equity Assistance Program through the initial $3.4million in business license tax revenue received from new cannabis businesses, excluding the eight licensed medical cannabis dispensaries already existing. These revenues will be deposited in the General Purpose Fund (1010), Treasury: Operations Org (08721), Local Taxes: Business Tax Account (41511), DP080 Administrative Project (1000007), Financial Management Program (IP59) and will be appropriated in the City Administrator's Organization (02111) after the $3.4 million has been collected.

Much like the Commercial Lending Program, the Equity Assistance Program's revolving loan program will require a one-time investment of approximately $3 million. This entire amount may not be needed in the first year of operation as staff expects the Equity Assistance program to be phased in. This up-front investment is needed for equity applicants to begin to close the financial gap between well-resourced and historically marginalized cannabis operators.

One-time funding of approximately $400,000 is required to fund a third-party consultant to provide equity applicants with business assistance and administer the City's no interest business start-up loan program at the cost of $200,000 annually for the first two years. The City's Commercial Lending Program currently provides similar services via Main Street Launch to between 30-35 small businesses annually at a cost of $192,427.

The City Administrator and City Council will evaluate the Equity Assistance Program after two years and assess the program's performance in reaching the City Council's goal of promoting equitable opportunities and decreasing disparities for marginalized communities of color. This evaluation will include determining funding the on-going $200,000 annual cost of the consultant to administer the program.

PUBLIC OUTREACH / INTEREST

The Department of Race and Equity and the City Administrator's Office's Special Activity Permits Division engaged in targeted outreach to marginalized community members and their advocates to hear their perspectives on proposed medical cannabis regulations.

COORDINATION

The Department of Race and Equity and the City Administrator's Office's Special Activity Permits Division consulted with the Department of Housing and Community Development, Office of Economic and Workforce Development, the Oakland Police Department, the Revenue Management Bureau and the Office of the City Attorney in the drafting of this report.

FOLLOW UP

After experience is gained from the expansion of the medical cannabis regulatory process, staff will analyze workload revenues and fees and return to the City Council with any necessary adjustments.

Similarly, staff will return to council later in 2017 with recommendations for local implementation of adult use regulations in light of the passage of Proposition 64 and related 2018 deadlines...

SUSTAINABLE OPPORTUNITIES

Economic: Establishing a pathway to equitable cannabis industry growth will generate economic opportunities for Oakland residents.

Environmental: Encouraging local employment and business ownership can reduce commutes and related greenhouse gas emissions.

Social Equity: Promoting equitable ownership and employment opportunities in the cannabis industry can decrease disparities in life outcomes for marginalized communities of color and address disproportionate impacts of the war on drugs in those communities.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council receive a Race and Equity analysis regarding medical cannabis regulations, approve staff's recommendations, and adopt the following pieces of legislation:

1) **Ordinance Amending Oakland Municipal Code Chapter 5.80, Medical Cannabis Dispensary Permits, To Clarify and Strengthen the City's Equity Permit Program and Provide Additional Updates Consistent with State Law;**

2) **Ordinance Amending Oakland Municipal Code Chapter 5.81, Medical Cannabis Cultivation Facility Permits, To Clarify and Strengthen the City's Equity Permit Program and Provide Additional Updates Consistent with State Law;**

3) **Resolution Establishing Budget Priorities For Expenditure of Cannabis Business Taxes Collected by the City Pursuant to Oakland Municipal Code Section 5.04.480 and 5.04.481.**

For questions regarding this report, please contact Darlene Flynn, Director, Department of Race and Equity, at (510) 238-2904, or Greg Minor, Assistant to the City Administrator, at (510) 238-6370.

Respectfully submitted,

DARLENE FLYNN
Director, Department

GREG MINOR
Assistant to the City Administrator

Reviewed by:
Christine Daniel, Assistant City Administrator

Attachments:
A. Equity Barriers and Strategies Chart
B. Revised Oakland Municipal Code 5.80
C. Revised Oakland Municipal Code 5.81
D. Resolution
E. Cannabis Arrest Data By Race
F. Cannabis Arrest Data By Police Beat
G. Oakland Police Beat Map

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ATTACHMENT A

EQUITY BARRIERS and STRATEGIES CHART

Medical Cannabis Equity Barriers & Strategies Overview

Equity Barriers	**Equity Strategy**
Access to affordable sites for business operations	Encourage Equity Incubators by giving permitting priority to General Applicants that provide Equity Applicants with free rent or real estate Allow conditional approval with no real estate requirement Allow small cottage operations Explore developing co-location facilities
Head start for established cannabis operations locking out business opportunity for members of marginalized communities	Phased Licensing - ensure at least half of initial licenses go to Equity Program qualified individuals, until Equity Assistance Program is operational Require at least half of dispensary permits be issued to Equity qualified applicants
Access to capital for business startup	Zero interest small business loans for Equity Applicants through contracted provider
Cannabis criminal record	Restrict background checks in licensing requirements
Equity ownership definition too minimal so as to allow for token or paper only facade of participation	Revise ownership definition to *a majority of the board of directors or a person who possesses a majority ownership interest.*
Equity Program eligibility so broad that it does not maximize impact on equity for marginalized groups	Revise eligibility criteria for Program as follows: • Ownership must have an annual income at or less than 80% AMI adjusted for household size; **AND** • Ownership has Lived in any combination of the Oakland police beats: 2X, 2Y,6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, 35X, for at least five of the last ten Years; **OR** • Ownership arrested in Oakland and convicted of a drug crime after November 5, 1996

Equity Barriers	Equity Strategy
Lack of familiarity with government "red tape," processes and relationships	City staff work with contractor to provide accurate and timely information and assistance with City processes
Access to technical "industry resources" for starting and maintaining a legal business; legal, regulatory, grow technology	City pursue RFP for cannabis technical assistance provided in the community by trusted community experts

ATTACHMENT B

REVISED OAKLAND MUNICIPAL CODE 5.80

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OAKLAND

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APPROVED AS TO FORM AND LEGALITY

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CITY ATTORNEY'S OFFICE

INTRODUCED BY COUNCILMEMBER _____

OAKLAND CITY COUNCIL

ORDINANCE NO. _____C.M.S.

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE CHAPTER 5.80, MEDICAL CANNABIS DISPENSARY PERMITS, TO CLARIFY AND STRENGTHEN THE CITY'S EQUITY PERMIT PROGRAM AND PROVIDE ADDITIONAL UPDATES CONSISTENT WITH STATE LAW

WHEREAS, in 2015, Assembly Bills 243 and 266 and Senate Bill 643 were enacted (codified at Business and Professions Code section 19300 *et seq.* and titled the "Medical Cannabis Regulation and Safety Act," previously known as the Medical Marijuana Regulation and Safety Act). These bills also amended provisions of the Medical Cannabis Program Act related to the cultivation of medical marijuana; and

WHEREAS, the Medical Cannabis Regulation and Safety Act establishes a long-overdue comprehensive regulatory framework for medical cannabis in California (including production, transportation and sale of medical cannabis), requires establishment of uniform state minimum health and safety standards, testing standards, mandatory product testing, and security requirements at dispensaries and during transport of the product, and provides criminal immunity for licensees; and

WHEREAS, the Medical Cannabis Regulation and Safety Act preserves local control in a number of ways: (1) by requiring medical cannabis businesses to obtain both a state license and a local license or permit to operate legally in California, (2) by terminating the ability of a medical cannabis business to operate if its local license or permit is terminated, (3) by authorizing local governments to enforce state law in addition to local ordinances, if they request that authority and it is granted by the relevant state agency, (4) by providing for civil penalties for unlicensed activities, and continuing to apply applicable criminal penalties under existing law, and (5) by expressly protecting local licensing practices, zoning ordinances, and local actions taken under the constitutional police power; and

WHEREAS, the Medical Cannabis Regulation and Safety Act authorizes medical cannabis businesses to vertically integrate their business and hold multiple state licenses if they are located in jurisdictions that adopted a local ordinance, prior

to July 1, 2015, allowing or requiring qualified businesses to cultivate, manufacture, and dispense medical cannabis or medical cannabis products; and

WHEREAS, the City of Oakland's medical cannabis regulations have allowed and will continue to allow an individual qualified business to cultivate, manufacture, and dispense medical cannabis or medical cannabis products; and

WHEREAS, the City of Oakland wishes to amend Oakland Municipal Code (OMC) Chapter 5.80 to continue and expand citywide regulation of medical cannabis activities in a manner that protects the public health, safety and general welfare of the community, and in the interest of patients who qualify to obtain, possess and use marijuana for medical purposes, consistent with the Compassionate Use Act of 1996, the Medical Marijuana Program Act, and the Medical Cannabis Regulation and Safety Act; and

WHEREAS, the City of Oakland has a compelling interest in protecting the public health, safety, and welfare of its citizens, residents, visitors and businesses by developing and implementing strict performance and operating standards for dispensaries; and

WHEREAS, it is the City of Oakland's policy in the permitting of medical cannabis facilities to encourage the hiring of high unemployment groups, including Oakland residents who were formerly incarcerated and residents of disadvantaged neighborhoods within Oakland; and

WHEREAS, certain low-income communities and communities of color have been negatively and disproportionately impacted by disparate enforcement of cannabis laws; and

WHEREAS, police arrest data reflect disproportionately higher arrests for cannabis offenses in certain police beats; and

WHEREAS, individuals arrested and previously incarcerated for cannabis related offenses face significant barriers to obtaining employment, financial aid, housing, and other economic opportunities; and

WHEREAS, individuals who have been operating unfettered by regulation and law enforcement have a significant advantage related to real estate acquisition and leasing that could lock members of negatively impacted groups out of being able to start up a cannabis business; and

WHEREAS, the City of Oakland seeks to address inequity in business ownership in the cannabis industry through the incorporation of a Equity Permit Program; and

WHEREAS, in May 2016, the City Council adopted amendments to O.M.C. Chapter 5.80 to further the above-described objectives; and

WHEREAS, subsequent to May 2016 members of the public and City Councilmembers proposed further amendments to O.M.C. Chapter 5.80; and

WHEREAS, at the November 14, 2016 Special City Council Meeting, the City Council directed the City Administrator to perform a race and equity analysis as described in the November 8, 2016 staff report and return to Council with revised ordinances; and

WHEREAS, on March 7, 2017, the Oakland City Council held a duly noticed public meeting to consider these revised amendments; and

WHEREAS, nothing in this Ordinance shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. § 841 or to license any activity that is prohibited under said Act except as mandated by State law; and

WHEREAS, nothing in this Ordinance shall be construed to (1) allow persons to engage in conduct that endangers others or causes a public nuisance; or (2) allow the use of cannabis for non-medical purposes; or (3) allow any activity relating to the sale, distribution, possession or use of cannabis that is illegal under state or federal law; and compliance with the requirements of this Ordinance shall not provide a defense to criminal prosecution under any applicable law; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. Recitals. The City Council finds and determines the foregoing recitals to be true and correct and hereby adopts and incorporates them into this Ordinance.

SECTION 2. Purpose and Intent. It is the purpose and intent of this Ordinance to clarify and expressly authorize medical cannabis dispensaries and delivery-only dispensaries, in order to preserve the public peace, health, safety, and general welfare of the citizens and residents of, and travelers through, the City of Oakland, as authorized by the Medical Cannabis Regulation and Safety Act; and to establish an equity program to promote equitable business ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities and address the disproportionate impacts of the war on drugs in those communities.

SECTION 3. Amendment of Chapter 5.80 of the Oakland Municipal Code. Oakland Municipal Code Chapter 5.80 is hereby amended to read as follows (additions are shown in <u>double underline</u> and deletions are shown as ~~strikethrough~~):

Chapter 5.80 - MEDICAL CANNABIS DISPENSARY PERMITS

5.80.010 - Definitions.

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

A. "Applicant" shall mean any individual or business entity that applies for a permit required by this chapter.

B. "Cannabis" or "Marijuana" shall have the same definition as Business and Professions Code Section 19300.5(f), as may be amended, which, as of March 2016, defines "cannabis" as all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound. Manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from marijuana. "Cannabis" also means marijuana as defined by Health and Safety Code Section 11018, "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seeds of the plant which is incapable of germination. "Cannabis" does not mean "industrial hemp" as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

C. "Cannabis dispensary" or "Dispensary" shall mean a facility where medical cannabis, medical cannabis products, or devices for the use of medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers medical cannabis and medical cannabis products as part of a retail sale.

D. "City Administrator" means the City Administrator of the City of Oakland or his/her designee.

E. "Collective" means any association, affiliation, or establishment jointly owned and operated by its members that facilitates the collaborative efforts of qualified patients and primary caregivers, as described in State law.

F. "Delivery" means the commercial transfer of medical cannabis or medical cannabis products from a dispensary to a primary caregiver or qualified patient as defined in Section 11362.7 of the Health and Safety Code, or a testing laboratory. "Delivery" also includes the use by a dispensary of any technology platform that enables qualified patients or primary caregivers to arrange for or facilitate the commercial transfer by a licensed dispensary of medical cannabis or medical cannabis products.

G. "Delivery only dispensary" means a cannabis dispensary that provides medical cannabis or medical cannabis products to primary caregivers or qualified patients

as defined in Section 11362.7 of the Health and Safety Code exclusively through delivery.

H. "Equity Applicant" shall mean an Applicant whose ownership has an annual income at or less than 80 percent of Oakland Average Medium Income (AMI) adjusted for household size and 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, and 35X for at least five of the last ten years or (ii) was arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland, California.

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

J. "Medical marijuana" or "Medical cannabis" means marijuana authorized in strict compliance with Health and Safety Code Sections 11362.5, 11362.7 et seq., as such sections may be amended from time to time.

K. "Ownership" 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.

L. "Parcel of land" means a single contiguous parcel of real property as identified by the county assessor's parcel number (APN), which is used to identify real property and its boundaries for legal purposes.

M. "Primary caregiver" shall have the same definition as California Health and Safety Code Section 11362.7, as may be amended, which, as of March 2016, defines "Primary Caregiver" as an individual designated by a qualified patient or by a person with an identification card, who has consistently assumed responsibility for the housing, health, or safety of that patient or person, and may include a licensed health care facility, a residential care facility, a hospice, or a home health agency as allowed by California Health and Safety Code Section 11362.7(d)(1)—(3).

N. "Qualified patient" shall have the same definition as California Health and Safety Code Section 11362.7 et seq., as may be amended, which, as of March 2016, means a person who is entitled to the protections of California Health and Safety Code Section 11362.5. For purposes of this ordinance, qualified patient shall include a person with an identification card, as that term is defined by California Health and Safety Code Section 11362.7 et seq.

O. "Smoking" shall have the same definition as Oakland Municipal Code Chapter 8.30, which as of March 2017 means "inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, weed, or other combustible substance."

P. "Youth Center" means a community or recreation facility that primarily serves persons eighteen (18) years or younger.

~~Q. "General Application permit" shall mean all applications issued under OMC Chapter 5.80 with the exception of dispensary equity permits issued under Section 5.80.040.~~

5.80.020 - Business permit ~~required~~ and application ~~for permit~~ required.

A. Except for hospitals, research facilities, or an entity authorized pursuant to Section 8.46.030, it is unlawful for any owner, operator, or association to own, conduct, operate ~~or~~ maintain, ~~or~~ to participate therein, ~~or~~ to cause or to allow to be conducted, operated, or maintained, any dispensary, delivery or delivery only dispensary in or into the City unless there exists a valid business permit in compliance with the provisions of Chapter 5.02 and a permit issued under this chapter. However, entities authorized under OMC Chapter 8.46 must abide by the same requirements imposed herein on dispensaries.

B. This chapter, and the requirement to obtain a business permit, does not apply to the individual possession or cultivation of medical marijuana for personal use, nor does this chapter and such requirement apply to the usage, distribution, cultivation or processing of medical marijuana by qualified patients or primary caregivers when such group is of three (3) or ~~less~~ fewer individuals, and distributing, cultivating or processing the marijuana from a residential unit or a ~~single non-residential~~ parcel of land. Such associations ~~of three (3) or less qualified patients or primary caregivers~~ shall not be required to obtain a permit under Chapter 5.80, but must comply with applicable State law.

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 ~~this~~ limits. Dispensary permits shall be issued through a Request for Proposal (RFP) process that is done in collaboration with the Department of Race and Equity.

D. In addition to the requirements specified in Section 5.02.020 for business permits, the ~~permit~~ application for a dispensary permit shall set forth the following information:

1. Unless the City Administrator in his/her discretion determines that the location will not impact the peace, order and welfare of the public evidence that the proposed location of such dispensary is not within six hundred (600) feet of a 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), another dispensary or youth center, unless the school or youth center moved into the area after the dispensary 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. The proposed dispensary or delivery only dispensary must be located in a commercial or industrial zone, or its equivalent as may be amended, of the City.

2. A plan of operations that will describe how the dispensary or delivery only dispensary will operate consistent with State law and the provisions of this chapter, including but not limited to:

   a. Controls to ensure medical marijuana will be dispensed only to qualified patients and primary caregivers, and

   b. Controls to acquire, possess, transport and distribute marijuana to and from State-licensed medical cannabis entities.

3. A security plan, as a separate document, outlining the proposed security arrangements to deter and prevent unauthorized entrance into areas containing medical cannabis or medical cannabis products and theft of medical cannabis or medical cannabis products at the dispensary, in accordance with minimum security measures required by State law. The security plan shall be reviewed by the Police Department and the Office of the City Administrator and shall be exempt from disclosure as a public record pursuant to Government Code Section 6255(a).

4. A community beautification plan to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community.

   ~~Confirmation of the following criteria:~~

   ~~a. That the dispensary or delivery only dispensary will not contribute to undue proliferation of such uses in an area where additional ones would be undesirable, with consideration to be given to the area's function and character, problems of crime and loitering, and traffic problems and capacity;~~

   ~~b. That the dispensary or delivery only dispensary will not adversely affect adjacent or nearby churches, temples, or synagogues; public, parochial, or private elementary, junior high, or high schools; public parks or recreation centers; or public or parochial playgrounds;~~

   ~~c. That the dispensary or delivery only dispensary will not interfere with the movement of people along an important pedestrian street;~~

   ~~d. That the dispensary or delivery only dispensary will be of an architectural and visual quality and character which harmonizes with, or where appropriate enhances, the surrounding area;~~

   ~~e. That the design will avoid unduly large or obtrusive signs, bleak unlandscaped parking areas, and an overall garish impression;~~

   ~~f. That adequate litter receptacles will be provided where appropriate;~~

~~g. That where the dispensary or delivery only dispensary is in close proximity to residential uses, and especially to bedroom windows, it will be limited in hours of operation, or designed or operated, so as to avoid disruption of residents' sleep;~~

~~h. That no cannabis or cannabis odors shall be detectable by sight or smell outside of a permitted facility.~~

5. If the applicant is an Equity Applicant, information documenting such status, as described in Section 5.80.045 and any applicable administrative guidelines.

6. Such other information deemed necessary to conduct any investigation or background check of the applicant, and for the City Administrator to determine compliance with this chapter, the City's Municipal Code and Zoning Code.

   a. Background checks shall only apply to Dispensary and Delivery-Only Dispensary ~~Applicants~~ and they shall be limited to determining whether an Applicant has been convicted or plead nolo contender or guilty to a violent offense or crime of fraud or deceit as defined by the City Administrator's administrative guidelines.

   b. Applicants with recent relevant convictions may still petition the City Administrator for reconsideration if they can demonstrate evidence of rehabilitation, such as participation in rehabilitative services and payment of restitution.

7. An applicant for a dispensary permit shall not be disqualified from receiving a permit under this Chapter on the ground that the applicant also operates or intends to operate in a cannabis-related field by providing additional, non-dispensary activities (such as cultivation).

E. Applications for dispensaries shall be subject to a public hearing ~~and must provide~~ with public notice of the hearing in accordance with Section 5.02.050. Applications for delivery only dispensaries shall not be subject to a hearing requirement. The City Administrator shall be the investigating official referred to in Section 5.02.030 to whom the application shall be referred. ~~In recommending the granting or denying of such permit and in granting or denying the same, the City Administrator shall give particular consideration to the capacity, capitalization, and complaint history of the applicant and any other factors that in the City Administrator's discretion he/she deems necessary to the peace, order and welfare of the public. Fifty percent (50%) of all permits issued under OMC Chapter 5.80 shall be issued to an Oakland resident who meets the Dispensary Equity Permit Program requirements set forth in Section 5.80.045. At no time shall the number of new general application permits exceed the number of dispensary equity permits issued by the City Administrator. The eight (8) existing dispensary operators are exempt from the fifty percent (50%) requirement.~~ All General applicants shall pay an application fee, a permit fee, and all inspection fees that may be required as part of the application process, as specified in the

City's Master Fee Schedule. There shall be no application fee for Equity Applicants.

~~F. At the time of submission of dispensary permit application, the General applicant shall pay a dispensary permit application fee. The fee amount shall be set in the City's Master Fee Schedule.~~

F. All dispensary 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 business shall ever inure to the benefit of such permit holder ~~as such permits are revocable at any time with our without cause by the City Administrator subject to Section 5.80.070~~.

5.80.025 - Onsite consumption permit.

A. A~~n applicant~~ dispensary must obtain a secondary onsite consumption permit in order for cannabis to be consumed on the premises of the dispensary.

B. An onsite consumption permit may be issued at the discretion of the City Administrator to existing dispensaries in good standing following a public hearing conducted according to the requirements of Chapter 5.02. and based on an evaluative point system that takes into consideration the operating history and business practices of the applicant, and any other factors that are deemed necessary to promote the peace, order and welfare of the public. An application for an onsite consumption permit may be denied for failure to meet requirements of the City Building Code, City Fire Code, City Planning Code, this chapter, and/or any violation of State or local law relevant to the operation of dispensaries.

C. The City Administrator shall establish conditions of approval for each onsite consumption permit, including but not limited to a parking plan, ventilation plan, anti-drugged driving plan, and set hours of operation. Set hours of operation may only be adjusted by submitting a written request to and obtaining approval from the City Administrator's Office.

D. The permit shall be subject to suspension or revocation in accordance with Section 5.80.070, and the owner/operator shall be liable for excessive police costs related to enforcement.

E. The application fee and annual fee for the onsite consumption permit shall be specified in the City's Master Fee Schedule.

F. All onsite consumption 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 business shall ever inure to the benefit of such permit holder as such permits are revocable at any time with our without cause by the City Administrator subject to Section 5.80.070.

5.80.030 - Regulations.

The City Administrator shall establish administrative regulations for the permitting of dispensaries, ~~and~~ delivery only dispensaries, and onsite consumption, and may set further standards for such operations and activities through administrative guidance and formal regulations. ~~of dispensaries and delivery only dispensaries. The~~ In order to maintain a dispensary or delivery only dispensary permit in good standing, ~~shall~~ each dispensary and delivery only dispensary must meet all the operating criteria for the dispensing of medical marijuana required pursuant to State law, the City Administrator's administrative regulations, and this Chapter.

5.80.040 - Performance and operating standards.

The City Administrator shall develop and implement performance and operating standards consistent with those set forth in Ordinance No. 12585 in the Office of the City Administrator Guidelines and shall modify such Guidelines from time to time as required by applicable law and consistent with public health, welfare and safety. Noncompliance of such operating standards shall constitute a breach of the permit issued hereunder and may render such permit suspended or revoked based upon the City Administrator's determination.

The following performance standards shall be included in the City Administrative regulations:

A. No cannabis shall be smoked~~,~~ inside the premises of the dispensary.

B. The dispensary shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages.

C. Dispensaries must maintain a staff comprised of at least fifty percent (50%) Oakland residents and twenty-five percent (25%) Oakland residents in census tracts identified by the City Administrator as having high unemployment rates or low household incomes. The City Administrator's guidelines and regulations may ~~promulgate~~ provide details of these requirements, including ~~standards~~ for phasing in this requirement for existing facilities.

D. Dispensaries and delivery only dispensaries that hire and retain formerly incarcerated current Oakland residents may apply for a tax credit or license fee reduction based on criteria established by the City Administrator.

E. All dispensary employees and delivery only dispensary employees shall be paid a living wage as defined by OMC Chapter 2.28.

F. Dispensaries and delivery only dispensaries must implement a track and trace program as prescribed by state law that records the movement of medical cannabis and medical cannabis products in their custody and make these records available to the City Administrator upon request.

G. No cannabis odors shall be detectable outside of the permitted facility.

~~H. At no time shall the number of new general application permits exceed the number of dispensary equity permits issued by the City Administrator.~~

5.80.045 – ~~Dispensary~~ Equity Permit Program.

A. Equity Criteria. Applicant ownership must satisfy ~~have at least one member who meets all of~~ the following criteria:

1. ~~Be an Oakland resident who~~ Have an annual income at or less than 80% Oakland Average Median Income (AMI) Adjusted for household size and either has:

   a. Have lived ~~Resides for at least two (2) years prior to the date of application~~ in any combination of Oakland Police Department Beats 2X, 2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, ~~31Z, 32Y,~~ 32X, 33X, ~~and~~ 34X, and 35X for at least five of the last ten years; or

   b. Were arrested after November 5, 1996 and convicted ~~those individuals who, within the last ten (10) years, have been previously incarcerated for~~ of a cannabis crime ~~marijuana-related offense as a result of a conviction arising out of~~ committed in Oakland, California.

   b. ~~Maintains not less than a fifty percent (50%) ownership in the Dispensary applicant entity, partnership, limited liability corporation, collective, corporation, worker cooperative or other recognized ownership entity; and~~

B. Review of Criteria.

1. Proof of Income shall be supported with federal tax returns and at least one of the following documents: two months of pay stubs, current Profit and Loss Statement, or Balance Sheet.

2. A minimum of the two of the following documents shall be required in order to demonstrate proof of Oakland Residency: California Driver's Record or Identification Card, property tax bills, copies of tax returns, utility bills, vehicle registration.

3. Proof of Incarceration should be demonstrated through Department of Corrections or Federal Bureau of Prisons documentation.

C. Assistance. Equity Applicants will be eligible for participation in the Equity Assistance program, which will include industry specific technical assistance, business ownership technical assistance, no interest business start-up loans, and waivers from City permitting fees.

D. Initial Permitting Phase.

1. The period of time before the Equity Assistance Program referred to in OMC 5.80.045(C), is established, funded and implement shall be referred to as the Initial Permitting Phase

2. At any point during the Initial Permitting Phase, a minimum of fifty (50) percent of all permits collectively issued under OMC Chapters 5.80 and 5.81 shall be issued to Equity Applicants.

3. In the Initial Permitting Phase, a General Applicant will receive the next available General Applicant permit if it serves as an Equity Incubator by providing free real estate or rent to an Equity Applicant who obtains a medical cannabis permit. In order to receive this permitting priority, the General Applicant must also comply with the following conditions:

   a. The free real estate or rent shall be for a minimum of three years.

   b. The Equity Applicant shall have access to a minimum of 1,000 square feet to conduct its business operations.

   c. The General Applicant must provide any City required security measures, including camera systems, safes, and alarm systems for the space utilized by the Equity Applicant.

   d. The General Applicant is otherwise compliant with all other requirements of OMC Chapter 5.80 or 5.81.

4. If a General Applicant obtains a medical cannabis permit utilizing the Equity Incubator priority provisions of OMC 5.80.045 (D)(3) and the Equity Applicant ceases its business operations, the General Applicant must:

   a. Notify the City Administrator within thirty (30) days of the Equity Applicant ceasing its business operations; and

   b. Re-apply for a medical cannabis permit subject to the permitting restrictions of this Chapter, including OMC 5.80.045 (D)(2).

5. Failure to notify the City Administrator, submit a new application and obtain a new medical cannabis permit as required under OMC 5.80.045 (D) is grounds for revocation and a violation of this chapter.

E. Renewal.

1. In order to continue to receive new Equity Assistance Program services, an Equity Applicant must provide proof that it continues to satisfy the Equity Criteria at the time of its annual permit renewal.

2. An Equity Applicant who no longer satisfies the Equity Criteria but is compliant with all other requirements of OMC Chapter 5.80 or 5.81, will be entitled to renew the permit but will no longer be entitled to receive new Equity Assistance Program services. Such an Applicant may utilize any services previously granted under the Equity Assistance Program, though, such as previously issued loans.

~~2. Prior marijuana or cannabis conviction shall not be a bar to equity ownership.~~

5.80.050 - Regulatory fees; seller's permit.

A. Unless exempted under OMC 5.80.045, ~~I~~in addition to the dispensary application fee, the dispensary shall pay an annual regulatory fee ~~at the same time as applying for the business tax certificate or renewal thereof~~. The dispensary shall post ~~a copy of the business tax certificate issued pursuant to Chapter 5.04, together with~~ a copy of the dispensary permit and onsite consumption permit (if applicable) issued pursuant to this chapter ~~and Section 5.02.020,~~ in a conspicuous place in the premises approved as a dispensary at all times.

~~B. The State Board of Equalization has determined that medical marijuana transactions are subject to sales tax, regardless of whether the individual or group makes a profit, and those engaging in transactions involving medical marijuana must obtain a seller's permit from the State Board of Equalization.~~

B. The fees referenced herein shall be set by the Master Fee Schedule, as modified from time to time.

5.80.060 - Sales.

Retail sales of medical marijuana that violate California law or this chapter are expressly prohibited.

5.80.070 - Revocation, suspension and appeals.

~~Notwithstanding Chapter 5.02, any decision by~~ The City Administrator's decision to issue or deny a permit, shall be subject to an appeal by the Applicant pursuant to Section 5.02.100, except that the appeal authorized in Section 5.02.100 shall be to an independent hearing officer and not the City Council. The request for an appeal must be made in writing within fourteen (14) days of the City Administrator's decision. The decision of the independent hearing officer ~~the, suspensions or revocations of permits,~~ shall be final and conclusive.~~, and there shall be no right of appeal to the City Council or any other appellate body.~~

For suspensions or revocations of permits the City shall follow the procedures set forth in Section 5.02.080, except that the City Administrator shall provide fourteen (14) days' notice of the hearing on the proposed action to suspend or revoke the permit. The appeal authorized in Section 5.02.100 shall be to an independent hearing officer, and such request for appeal must be made in writing within fourteen (14) days of the City Administrator's decision. The decision of the independent hearing officer shall be final and conclusive.

5.80.080 - Prohibited operations; nonconforming uses.

A. ~~All dispensaries~~ Operation of a dispensary or delivery only dispensary in violation of California Health and Safety Code Section 11326.7, et seq., 11362.5, and this chapter are expressly prohibited. It is unlawful for any dispensary or delivery only dispensary in the City, or any agent, employee or representative of such

dispensary or delivery only dispensary, to permit any breach of peace therein or any disturbance of public order or decorum by any tumultuous, riotous or disorderly conduct on the premises of the dispensary or during the delivery of medical cannabis.

B. Except for uses established pursuant to Chapter 8.46, no use which purports to have distributed marijuana prior to the enactment of this chapter shall be deemed to have been a legally established use under the provisions of the Oakland Planning Code, this Code, or any other local ordinance, rule or regulation, and such use shall not be entitled to claim legal nonconforming status.

C. Any violations of this chapter, including administrative regulations authorized by this chapter, may be subject to administrative citation, pursuant to Chapters 1.08 and 1.12, and other applicable legal, injunctive or equitable remedies.

5.80.090 - Liability and indemnification.

A. To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this chapter shall not become a personal liability of any public officer or employee of the City.

B. To the maximum extent permitted by law, the permittees under this chapter shall defend (with counsel acceptable to the City), indemnify and hold harmless the City of Oakland, the Oakland City Council, and its respective officials, officers, employees, representatives, agents and volunteers (hereafter collectively called City) from any liability, damages, actions, claims, demands, litigation, loss (direct or indirect), causes of action, proceedings or judgment (including legal costs, attorneys' fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs) (collectively called "action") against the City to attack, set aside, void or annul ~~annual~~, any medical cannabis-related approvals and actions and comply with the conditions under which such permit is granted, if any. The City may elect, in its sole discretion, to participate in the defense of said action and the permittee shall reimburse the City for its reasonable legal costs and attorneys' fees.

C. Within ten (10) calendar days of the service of the pleadings upon the City of any action as specified in Subsection B. above, the permittee shall execute a letter of agreement with the City, acceptable to the Office of the City Attorney, which memorializes the above obligations. These obligations and the letter of agreement shall survive termination, extinguishment or invalidation of the medical cannabis-related approval. Failure to timely execute the letter of agreement does not relieve the applicant of any of the obligations contained in this section or any other requirements or performance or operating standards that may be imposed by the City.

5.80.100 - Examination of books, records, witnesses—Penalty.

A. Permittees must provide the City Administrator with access to any licensed dispensary during normal business hours to verify compliance with this chapter.

B. Permittees must provide the City Administrator with access to any and all financial information regarding the dispensary at any time, as needed to conduct an audit of the permittees under this chapter to verify tax compliance under Chapter 5.80 and/or gross receipts tax requirements.

C. The City Administrator is authorized to examine the books, papers, tax returns and records of any permittee for the purpose of verifying the accuracy of any declaration made, or if no declaration was made, to ascertain the business tax due.

D. The City Administrator is authorized to examine a person under oath, for the purpose of verifying the accuracy of any declaration made, or if no declaration was made, to ascertain the business tax, registration or permit fees due under this chapter. In order to ascertain the business tax, registration or permit fees due under this chapter, the City Administrator may compel, by administrative subpoena, the production of relevant books, papers and records and the attendance of all persons as parties or witnesses.

E. Every permittee is directed and required to furnish to the City Administrator, the means, facilities and opportunity for making such financial examinations and investigations.

F. Any permittee refusal to comply with this section shall be deemed a violation of this chapter, and administrative subpoenas shall be enforced pursuant to applicable law.

SECTION 5. Reporting. City staff shall report back to City Council no later than one year from the date of adoption of this legislation, providing information about the implementation, review of effectiveness of the included standards, including equity standards, issues that have arisen, if any, and whether any changes are recommended.

SECTION 6. California Environmental Quality Act. The City Council independently finds and determines that this action is exempt from CEQA pursuant to CEQA Guidelines sections 15061(b)(3) (general rule), 15183 (projects consistent with a community plan, general plan, or zoning), 15301 (existing facilities), 15308 (actions by regulatory agencies for protection of the environment) and 15309 (inspections), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance. The Environmental Review Officer or designee shall file a Notice of Exemption with the appropriate agencies.

SECTION 7. Severability. The provisions of this Ordinance are severable, and if any section, subsection, sentence, clause, phrase, paragraph, provision, or part of this Ordinance, or the application of this Ordinance to any person, is for any reason held to be invalid, preempted by state or federal law, or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. It is hereby declared to be the legislative intent of the City Council that this Ordinance would have been adopted

had such provisions not been included or such persons or circumstances been expressly excluded from its coverage.

SECTION 8. Ordinance Effective Date. Pursuant to Section 216 of the Charter of the City of Oakland, this Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption by the Council of the City of Oakland.

SECTION 9. General Police Powers. This Ordinance is enacted pursuant to the City of Oakland's general police powers, including but not limited to Sections 106 of the Oakland City Charter and Section 7 of Article XI of the California Constitution.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, KALB, KAPLAN AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

Date of Attestation: _____

NOTICE AND DIGEST

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE CHAPTER 5.80, MEDICAL CANNABIS DISPENSARY PERMITS, TO CLARIFY AND STRENGTHEN THE CITY'S EQUITY PERMIT PROGRAM AND PROVIDE ADDITIONAL UPDATES CONSISTENT WITH STATE LAW

ATTACHMENT C

REVISED OAKLAND MUNICIPAL CODE 5.81

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APPROVED AS TO FORM AND LEGALITY

DRAFT

CITY ATTORNEY'S OFFICE

INTRODUCED BY COUNCILMEMBER _____

OAKLAND CITY COUNCIL

ORDINANCE NO. _____C.M.S.

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE CHAPTER 5.81, MEDICAL CANNABIS CULTIVATION FACILITY PERMITS, TO CLARIFY AND STRENGTHEN THE CITY'S EQUITY PERMIT PROGRAM AND PROVIDE ADDITIONAL UPDATES CONSISTENT WITH STATE LAW

WHEREAS, in 2015, Assembly Bills 243 and 266 and Senate Bill 643 were enacted (codified at Business and Professions Code section 19300 et seq. and titled the "Medical Cannabis Regulation and Safety Act," previously known as the "Medical Marijuana Regulation and Safety Act); and

WHEREAS, the Medical Marijuana Regulation and Safety Act establishes a long-overdue comprehensive regulatory framework for medical cannabis in California (including production, transportation and sale of medical cannabis), requires establishment of uniform state minimum health and safety standards, testing standards, mandatory product testing, and security requirements at dispensaries and during transport of the product, and provides criminal immunity for licensees; and

WHEREAS, the Medical Marijuana Regulation and Safety Act preserves local control in a number of ways: (1) by requiring medical cannabis businesses to obtain both a state license and a local license or permit to operate legally in California, (2) by terminating the ability of a medical cannabis business to operate if its local license or permit is terminated, (3) by authorizing local governments to enforce state law in addition to local ordinances, if they request that authority and it is granted by the relevant state agency, (4) by providing for civil penalties for unlicensed activities, and continuing to apply applicable criminal penalties under existing law, and (5) by expressly protecting local licensing practices, zoning ordinances, and local actions taken under the constitutional police power; and

WHEREAS, the Medical Marijuana Regulation and Safety Act authorizes medical cannabis businesses to vertically integrate their business and hold multiple state licenses if they are located in jurisdictions that adopted a local ordinance, prior to July 1, 2015, allowing or requiring qualified businesses to cultivate, manufacture, and dispense medical cannabis or medical cannabis products; and

WHEREAS, the City of Oakland's medical cannabis regulations have allowed and will continue to allow an individual qualified business to cultivate, manufacture, and dispense medical cannabis or medical cannabis products; and

WHEREAS, extensive medical cannabis activities, including cultivation and manufacturing, currently occur in the City and have not been expressly regulated; and

WHEREAS, these activities have caused and continue to cause ongoing adverse impacts that can be harmful to the health, safety and welfare of Oakland residents and constitute a public nuisance, including without limitation damage to buildings containing indoor medical cannabis cultivation facilities, including improper and dangerous electrical alterations and use, inadequate ventilation leading to mold and mildew, increased frequency of home-invasion robberies, and similar crimes; and

WHEREAS, many of these community impacts have fallen disproportionately on residential neighborhoods. These impacts have also created an increase in City response costs, including code enforcement, building, fire, and police staff time and expenses; and

WHEREAS, absent appropriate regulation, these unregulated medical cannabis activities pose a potential threat to the public health, safety and welfare;

WHEREAS, the City of Oakland wishes to amend OMC Chapter 5.81 to continue and expand citywide regulation of medical cannabis activities in a manner that protects the public health, safety and general welfare of the community, and in the interest of patients who qualify to obtain, possess and use marijuana for medical purposes, consistent with the Compassionate Use Act of 1996, the Medical Marijuana Program Act, and the Medical Marijuana Regulation and Safety Act; and

WHEREAS, the City of Oakland has a compelling interest in protecting the public health, safety, and welfare of its citizens, residents, visitors and businesses by developing and implementing strict performance and operating standards for medical cannabis cultivation, manufacturing and other facilities; and

WHEREAS, it is the City of Oakland's policy in the permitting of medical cannabis facilities to encourage the hiring of high unemployment groups, including Oakland residents who were formerly incarcerated and residents of disadvantaged neighborhoods; and

WHEREAS, certain low-income communities and communities of color have been negatively and disproportionately impacted by disparate enforcement of cannabis laws; and

WHEREAS, police arrest data reported to the Cannabis Regulatory Commission reflect disproportionately higher arrests for cannabis offenses in certain police beats; and

WHEREAS, individuals arrested or previously incarcerated for cannabis related offenses face significant barriers to obtaining employment, financial aid, housing, and other economic opportunities; and

WHEREAS, individuals who have been operating unfettered by regulation and law enforcement have a significant advantage related to real estate acquisition and leasing that

could lock members of negatively impacted groups out of being able to start up a cannabis business; and

WHEREAS, the City of Oakland seeks to address inequity in business ownership in the cannabis industry through the incorporation of a Cultivation, Manufacturing, Distribution, Testing, and Transporting Equity Permit Program; and

WHEREAS, in May 2016, the City Council adopted amendments to O.M.C. 5.81 to further the above-described objectives; and

WHEREAS, subsequent to May 2016 members of the public and City Councilmembers proposed further amendments to O.M.C. Chapter 5.81; and

WHEREAS, at the November 14, 2016 Special City Council Meeting, the City Council directed the City Administrator to perform a race and equity analysis as described in the November 8, 2016 staff report and return to Council with revised ordinances; and

WHEREAS, on March 7, 2017, the Oakland City Council held a duly noticed public meeting to consider these revised amendments; and

WHEREAS, nothing in this Ordinance shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. § 841 or to license any activity that is prohibited under said Act except as mandated by State law; and

WHEREAS, nothing in this Ordinance shall be construed to (1) allow persons to engage in conduct that endangers others or causes a public nuisance; or (2) allow the use of cannabis for non-medical purposes; or (3) allow any activity relating to the sale, distribution, possession or use of cannabis that is illegal under state or federal law; and compliance with the requirements of this Ordinance shall not provide a defense to criminal prosecution under any applicable law; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. Recitals. The City Council finds and determines the foregoing recitals to be true and correct and hereby adopts and incorporates them into this Ordinance.

SECTION 2. Purpose and Intent. It is the purpose and intent of this Ordinance to clarify and expressly authorize non-dispensary medical cannabis activities, including the cultivation of medical cannabis, in order to preserve the public peace, health, safety, and general welfare of the citizens and residents of, and travelers through, the City of Oakland, as authorized by the Medical Cannabis Regulation and Safety Act ; and to establish an equity program to promote equitable business ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities and address the disproportionate impacts of the war on drugs in those communities.

SECTION 3. Amendment of Chapter 5.81 of the Oakland Municipal Code. Oakland Municipal Code Chapter 5.81 is hereby amended as follows (additions are shown in double underline and deletions are shown as ~~strikethrough~~):

Chapter 5.81 - MEDICAL CANNABIS CULTIVATION, MANUFACTURING AND OTHER FACILITY PERMITS

5.81.010 - Findings and purpose.

A. The City Council, based on evidence presented to it in the proceedings leading to the adoption of this chapter hereby finds that the lack of regulation of medical cannabis facilities other than medical cannabis dispensaries, including unregulated cultivation, manufacturing and processing of medical cannabis in the City has caused and is causing ongoing impacts to the community. These impacts include disparities in enforcement of drug laws, damage to buildings containing indoor medical cannabis cultivation facilities, including improper and dangerous electrical alterations and use, inadequate ventilation leading to mold and mildew, increased frequency of home-invasion robberies and similar crimes, and that many of these impacts have fallen disproportionately on residential neighborhoods. These impacts have also created an increase in response costs, including code enforcement, building, fire, and police staff time and expenses.

B. ~~The City Council further finds that the creation of a permitting process implementing public health and safety standards for medical cannabis facilities other than dispensaries will not only improve public health and safety but provide a measure of certainty for legitimate businesses and thus encourage them to situate in Oakland.~~

B. The City acknowledges that the voters of the State have provided an exemption to prosecution for the cultivation, possession of cannabis for medical purposes under the Compassionate Use Act (CUA), but that the CUA does not address land use or building code impacts or issues arising from the resulting increase in cannabis cultivation within the City.

C. The City acknowledges that sales of medical marijuana are subject to taxation by both the City and the State and that the California State Board of Equalization (BOE) is also requiring that businesses engaging in such retail transactions hold a seller's permit.

D. The primary purpose and intent of this chapter is to regulate non-dispensary medical cannabis facilities, including the cultivation of medical cannabis, in a manner that protects the public health, safety and welfare of the community, as authorized by the Medical ~~Marijuana~~ Cannabis Regulation and Safety Act.

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 ~~industrial cannabis cultivation, processing, manufacturing facility~~ 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. "Cultivate" as used only in this chapter shall mean ~~to plant, grow, harvest, dry, cure, grade or trim more than forty-eight (48) ounces of dried cannabis and/or~~ to plant, grow, harvest, dry, cure, grade or trim cannabis in an area greater than ~~ninety-six (96)~~ two-hundred and fifty square feet of total area within one parcel of land.

H. "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.

I. "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.

J. "Equity Applicant" shall mean an Applicant whose ownership has an annual income at or less than 80 percent of Oakland Average Medium Income (AMI) adjusted for household size and 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, and 35X for at least five of the last ten years or (ii) was arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland.

K. "General Applicant" shall mean an Applicant other than an Equity Applicant under this chapter.

L. "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.

M. "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.

N. "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.

O. "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.

P. "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.

Q. "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.

R. "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 transport.

S. "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.

T. "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.

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

V. "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.

W. "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.

X. "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.

Y. "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.

~~W. "General Application permit" shall mean all applications issued under OMC Chapter 5.81 with the exception of cultivation, manufacturing, distribution, testing, and transporting equity permits issued under Section 5.81.030.~~

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.

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 business shall ever inure to the benefit of such permit holder ~~as such permits are revocable at any time with our without cause by the City Administrator subject to Section 5.81.120~~.

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) ~~nor situate in an area other than as prescribed below unless the City Administrator in his/her discretion determines that the location will not impact the peace, order and welfare of the public~~. 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.

H. ~~Cultivation, Manufacturing, Distribution, Testing, and Transporting Equity Permit Program Criteria. Applicant must have at least one member who meets all of the following criteria:~~

~~1. Be an Oakland resident who:~~

~~a. Resides for at least two (2) years prior to the date of application in Oakland Police Department Beats 26Y, 30X, 30Y, 31Z, 32Y, and 34X (Oakland Police Department Beat Map is attached and incorporated herein by reference); or those individuals who, within the last ten (10) years, have been previously incarcerated for marijuana-related offense as a result of a conviction arising out of Oakland, California;~~

~~b. Maintains not less than a fifty percent (50%) ownership in the dispensary applicant entity, partnership, limited liability corporation, collective, corporation, worker cooperative or other recognized ownership entity; and~~

~~2. Prior marijuana or cannabis conviction shall not be a bar to equity ownership.~~

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

A. Proposed cultivation, distribution, testing or transporting locations shall be in areas where "light manufacturing industrial," "research and development," 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. ~~if the City Administrator in his/her discretion determines that the location will not impact the peace, order and welfare of the public~~.

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

5.81.045 - Manufacturing of medical marijuana.

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

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.

5.81.050 - Application for permit.

A. All General applicants shall pay an application fee as specified in the Master Fee Schedule. There shall be no application fee for Equity Applicants.

B. All applicants shall submit written information to the City Administrator that shall include, as applicable, plans for security, odor mitigation, waste disposal, pest management, product testing, worker safety and compensation, local hiring, non-diversion of product, facility location, ~~capitalization~~, -, applicant complaint history, criminal background checks, plan for minimizing environmental impacts, compliance with City building and fire codes, and any additional information deemed necessary by the City Administrator. The City Administrator may design application forms specific to each permitted category and require inspections of proposed facilities before issuing a permit under this chapter.

1. Background checks shall only apply to Applicants and they shall be limited to determining whether an Applicant has been convicted or plead nolo contender or guilty to a violent offense or crime of fraud or deceit as defined by the City Administrator's administrative guidelines.

2. Applicants with recent relevant convictions may still petition the City Administrator for reconsideration if they can demonstrate evidence of rehabilitation, such as participation in rehabilitative services and payment of restitution.

C. The City Administrator shall establish criteria for minimizing the carbon footprint, environmental impact and resource needs of permitted facilities. Applicants that demonstrate they can satisfy these environmental criteria, such as cultivators seeking to operate greenhouse facilities, will be given preference in the processing of their application.

D. All applicants shall demonstrate compliance with State law, during the course of the permit application procedure described under this section, prior to issuing any permit, and upon the issuance of a permit, thereafter.

5.81.060 - Equity Permit Program.

A. Equity Criteria. Applicant ownership must satisfy the following criteria:

1. Have an annual income at or less than 80% Oakland Average Median Income (AMI) Adjusted for household size and:

a. Have lived in any combination of Oakland Police Department Beats 2X, 2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, and 35X for at least five of the last ten years; or

b. Were arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland, California;

B. Review of Criteria.

1. Proof of Income shall be supported with federal tax returns and at least one of the following documents: two months of pay stubs, current Profit and Loss Statement, or Balance Sheet.

2. A minimum of the two of the following documents shall be required in order to demonstrate proof of Oakland Residency: California Driver's

Record or Identification Card, property tax bills, copies of tax returns, utility bills, vehicle registration.

3. Proof of Incarceration should be demonstrated through Department of Corrections or Federal Bureau of Prisons documentation.

C. Assistance. Equity Applicants will be eligible for participation in the Equity Assistance Program, which will include industry specific technical assistance, business ownership technical assistance, no interest business start-up loans, and waivers from City permitting fees.

D. Initial Permitting Phase.

1. The period of time before the Equity Assistance Program referred to in OMC 5.81.060(C) is established, funded and implemented shall be referred to as the Initial Permitting Phase

2. At any point during the Initial Permitting Phase, a minimum of fifty (50) percent of all permits collectively issued under OMC Chapters 5.80 and 5.81 shall be issued to Equity Applicants.

3. In the Initial Permitting Phase, a General Applicant will receive the next available General Applicant permit if it serves as an Equity Incubator by providing free real estate or rent to an Equity Applicant who obtains a medical cannabis permit. In order to receive this permitting priority, the General Applicant must also comply with the following conditions:

a. The free real estate or rent shall be for a minimum of three years.

b. The Equity Applicant shall have access to a minimum of 1,000 square feet to conduct its business operations.

c. The General Applicant must provide any City required security measures, including camera systems, safes, and alarm systems for the space utilized by the Equity Applicant.

d. The General Applicant is otherwise compliant with all other requirements of OMC Chapter 5.80 or 5.81.

4. If a General Applicant obtains a medical cannabis permit utilizing the Equity Incubator priority provisions of OMC 5.81.060 (D)(3) and the Equity Applicant ceases its business operations, the General Applicant must:

a. Notify the City Administrator within thirty (30) days of the Equity Applicant ceasing its business operations.

b. Re-apply for a medical cannabis permit subject to the permitting restrictions of this Chapter, including OMC 5.80.045 (D)(2).

5. Failure to notify the City Administrator, submit a new application and obtain a new medical cannabis permit as required under OMC 5.80.045 (D) is grounds for revocation and a violation of this chapter.

E. Renewal.

1. In order to continue to receive new Equity Assistance Program services, an Equity Applicant must provide proof that it continues to satisfy the Equity Criteria at the time of its annual permit renewal.
2. An Equity Applicant who no longer satisfies the Equity Criteria but is compliant with all other requirements of OMC Chapter 5.80 or 5.81, will be entitled to renew the permit but will no longer be entitled to receive new services under the Equity Assistance Program. Such an Applicant may utilize any services previously provided granted under the Equity Assistance Program, though, such as previously issued loans.

5.81.070 - Operating and performance standards.

A. Facilities permitted under this chapter shall not be open to the public. The City Administrator shall establish operating and performance standards for permittees. The intent of these operating and performance standards is to minimize any negative effects and enhance the benefits of permitted facilities on the surrounding community.

B. The following standards shall be included in the City Administrator's regulations:

1. No cannabis or cannabis odors shall be detectable by sight or smell outside of a permitted facility.
2. Permitted facilities must install security cameras capable of documenting activity inside and outside the facility, as determined by the Oakland Police Department.
3. Permitted facilities must implement a community beautification plan to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community.

   ~~Permitted facilities shall~~ maintain ~~a staff that is at least fifty percent (50%) Oakland residents and at least twenty-five percent (25%) Oakland residents in census tracts identified by the City Administrator as having high unemployment rates. The City Administrator may promulgate standards for phasing in this requirement for existing facilities.~~
4. Permitted facilities that hire and retain formerly incarcerated Oakland residents may apply for a tax credit or license fee reduction based on criteria established by the City Administrator.
5. All employees shall be paid a living wage as defined by OMC Chapter 2.28.
6. Permitted facilities must implement a track and trace program as prescribed by state law that records the movement of medical cannabis and medical cannabis products in their custody and make these records available to the City Administrator upon request.

C. Noncompliance of such operating standards shall constitute a breach of the permit issued hereunder and may render such permit suspended or revoked based upon the City Administrator's determination.

5.81.080 - Examination of books, records, witnesses—Information confidential—Penalty.

A. The City Administrator shall be provided access to any licensed medical cannabis cultivation, manufacturing, and other facility during normal business hours to verify compliance with this chapter.

B. The City Administrator shall be provided access to any and all financial information at any time, as needed to conduct an audit of the permittees under this chapter to verify tax compliance under Chapter 5.81 and/or gross receipts tax requirements.

C. The City Administrator is authorized to examine the books, papers, tax returns and records of any permittee for the purpose of verifying the accuracy of any declaration made, or if no declaration was made, to ascertain the business tax due.

The City Administrator is authorized to examine a person under oath, for the purpose of verifying the accuracy of any declaration made, or if no declaration was made, to ascertain the business tax, registration or permit fees due under this chapter. In order to ascertain the business tax, registration or permit fees due under this chapter, the City Administrator may compel, by administrative subpoena, the production of relevant books, papers and records and the attendance of all persons as parties or witnesses.

D. Every permittee is directed and required to furnish to the City Administrator, the means, facilities and opportunity for making such financial examinations and investigations.

E. Any permittee refusal to comply with this Section shall be deemed a violation of this chapter, and administrative subpoenas shall be enforced pursuant to applicable law.

5.81.100 - Liability and indemnification.

A. To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this chapter shall not become a personal liability of any public officer or employee of the City.

B. To the maximum extent permitted by law, the permittees under this chapter shall defend (with counsel acceptable to the City), indemnify and hold harmless the City of Oakland, the Oakland City Council, and its respective officials, officers, employees, representatives, agents and volunteers (hereafter collectively called "City") from any liability, damages, actions, claims, demands, litigation, loss (direct or indirect), causes of action, proceedings, or judgment (including legal costs, attorneys' fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs) (collectively called "action") against the City to attack, set aside, void or annual, any medical cannabis-related approvals and actions and strictly comply with the conditions under which such permit is granted, if any. The City may elect, in its sole discretion, to participate in the defense of said

action and the permittee shall reimburse the City for its reasonable legal costs and attorneys' fees.

C. Within ten (10) calendar days of the service of the pleadings upon the City of any action as specified in Subsection B. above, the permittee shall execute a letter of agreement with the City, acceptable to the Office of the City Attorney, which memorializes the above obligations. These obligations and the letter of agreement shall survive termination, extinguishment or invalidation of the medical cannabis-related approval. Failure to timely execute the letter of agreement does not relieve the applicant of any of the obligations contained in this section or any other requirements or performance or operating standards that may be imposed by the City.

5.81.101 - Personal use and individual limits for non-licensed medical cannabis cultivation.

~~Notwithstanding State law regarding medical cannabis cultivation, no qualified patient or primary caregiver may cultivate medical cannabis in an area of more than thirty-two (32)~~ 250 ~~square feet on one parcel of land, unless they form a cooperative or collective.~~

A collective or cooperative of qualified patients or primary caregivers, may cultivate medical cannabis covering an area of no more than ~~thirty-two (32)~~ 250 square feet inside a residential unit or if in a nonresidential building on one parcel of land ~~per each member of the cooperative or collective, up to a maximum of two hundred sixteen (216) cannabis/marijuana plants within a maximum growing area of ninety-six (96) square feet indoor or sixty (60) outdoor cannabis/marijuana plants on one parcel of land.~~

In the absence of a permit under this chapter, such cultivation shall be subject to the following operating standards:

A. Cultivation, processing, possession, and/or manufacturing of medical marijuana in any residential areas shall be limited to qualified patients, primary caregivers, and medical cannabis collectives or cooperatives comprised of no more than three (3) qualified patients and/or their primary caregivers. Every member of the medical cannabis collective or cooperative shall possess an identification card issued by the County of Alameda, or the State of California, or another agency recognized by the City pursuant to California Health and Safety Code Section 11362.7 et seq.

B. Cultivation, processing, possessing, and/or manufacturing of medical cannabis in residential areas shall conform to the following standards:

1. The residential facility shall remain at all times a residence with legal and functioning cooking, sleeping and sanitation facilities. Medical cannabis cultivation, processing, possession, and/or manufacturing shall remain at all times secondary to the residential use of the property;

2. Cultivation possession, processing and/or manufacturing of medical cannabis in residential areas shall occur only in a secured residence occupied by the qualified patient or primary caregiver;

3. No individual residential facility or other facility housing the cultivation, processing and/or manufacturing of medical cannabis shall contain more than ~~forty-eight (48) ounces of dried cannabis, and/or more than ninety-six (96)~~ two-hundred and fifty (250) square feet of cultivation area;
4. If required by the building or fire code, the wall(s) adjacent to the indoor cultivation area shall be constructed with 5/8 " Type X fire resistant drywall;
5. The cultivation area shall be in compliance with the current adopted edition of the California Building Code;
6. The cultivation area shall not adversely affect the health or safety of the residence or nearby properties through creation of mold, mildew, dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts, or be hazardous because of the use or storage of materials, processes, products or wastes;
7. All high amperage electrical equipment (exceeding six (6) amps) used in the cultivation of medical cannabis, (e.g., lighting and ventilation) shall be plugged directly into a wall outlet or otherwise hardwired; the use of extension cords to supply power to high amperage electrical equipment (exceeding six (6) amps) used in the cultivation of medical cannabis is prohibited;
8. Any electrical rewiring or remodeling shall first require an electrical permit from the City;
9. The use of butane gas products for personal use medical cannabis cultivation is prohibited; and
10. From a public right-of-way, there shall be no exterior evidence of medical cannabis cultivation occurring at the property.

C. ~~If a qualified~~ patient ~~or primary caregiver who is cultivating, possessing, processing and/or manufacturing medical cannabis for personal use at the residence has a doctor's recommendation that the above allowable quantity does not meet the qualified patient's medical needs, the qualified patient or primary caregiver may possess an amount of marijuana consistent with the patient's needs, as specified by such doctor.~~

5.81.110 - Prohibited operations.

A. Any cultivating, ~~distributing~~, manufacturing, testing, or transporting without a permit under this chapter is expressly prohibited. No use that purports to have cultivated, distributed, manufactured, tested or transported marijuana shall be deemed to have been a legally established use under the provisions of the Oakland Planning Code, the Oakland Municipal Code, or any other local ordinance, rule or regulation, and such use shall not be entitled to claim a vested right, legal nonconforming or other similar status. ~~However, for the limited purpose of State licensing priority, operators may submit a petition to the City Administrator's Office for a determination of good standing prior to January 1, 2016.~~

B. Any violations of this chapter may be subject to administrative citation, pursuant to Chapters 1.08 and 1.12, and other applicable legal, injunctive or equitable remedies, No enforcement of this provision shall take place, though, until after the City Administrator has published information on how to apply for cultivation, distribution, laboratory, manufacturing and transporting permits and no enforcement shall take place against a permit applicant while their application is pending.

5.81.120 - Revocation, suspension and appeals.

~~Notwithstanding Chapter 5.02, ny decision by~~ The City Administrator's decision to issue or deny a permit, shall be subject to an appeal by the Applicant pursuant to Section 5.02.100,, except that the appeal authorized in Section 5.02.100 shall be to an independent hearing officer and not the City Council. The request for an appeal must be made in writing within fourteen (14) days of the City Administrator's decision. The decision of the independent hearing officer ~~the, suspensions or revocations of permits,~~ shall be final and conclusive.~~, and there shall be no right of appeal to the City Council or any other appellate body.~~

For suspensions or revocations of permits the City shall follow the procedures set forth in Section 5.02.080, except that the City Administrator shall provide fourteen (14) days' notice of the hearing on the proposed action to suspend or revoke the permit. The appeal authorized in Section 5.02.100 shall be to an independent hearing officer, and such request for appeal must be made in writing within fourteen (14) days of the City Administrator's decision. The decision of the independent hearing officer shall be final and conclusive.

SECTION 4. Reporting. City staff shall report back to City Council no later than one year from the date of adoption of this legislation, providing information about the implementation, review of effectiveness of the included standards, including equity standards, issues that have arisen, if any, and whether any changes are recommended.

SECTION 5. California Environmental Quality Act. The City Council independently finds and determines that this action is exempt from CEQA pursuant to CEQA Guidelines sections 15061(b)(3) (general rule), 15183 (projects consistent with a community plan, general plan, or zoning), 15301 (existing facilities), 15308 (actions by regulatory agencies for protection of the environment) and 15309 (inspections), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance. The Environmental Review Officer or designee shall file a Notice of Exemption with the appropriate agencies.

SECTION 6. Severability. The provisions of this Ordinance are severable, and if any section, subsection, sentence, clause, phrase, paragraph, provision, or part of this Ordinance, or the application of this Ordinance to any person, is for any reason held to be invalid, preempted by state or federal law, or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the

validity of the remaining portions of the ordinance. It is hereby declared to be the legislative intent of the City Council that this Ordinance would have been adopted had such provisions not been included or such persons or circumstances been expressly excluded from its coverage.

SECTION 7. Ordinance Effective Date. Pursuant to Section 216 of the Charter of the City of Oakland, this Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption by the Council of the City of Oakland.

SECTION 8. General Police Powers. This Ordinance is enacted pursuant to the City of Oakland's general police powers, including but not limited to Sections 106 of the Oakland City Charter and Section 7 of Article XI of the California Constitution.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, KALB, KAPLAN AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

Date of Attestation: _____

NOTICE AND DIGEST

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE CHAPTER 5.81, MEDICAL CANNABIS CULTIVATION FACILITY PERMITS, TO CLARIFY AND STRENGTHEN THE CITY'S EQUITY PERMIT PROGRAM AND PROVIDE ADDITIONAL UPDATES CONSISTENT WITH STATE LAW

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2017 FEB 23 PM 5:21

ATTACHMENT D

RESOLUTION

APPROVED AS TO FORM AND LEGALITY
DRAFT
City Attorney's Office

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2017 FEB 23 PM 5:21

OAKLAND CITY COUNCIL

RESOLUTION No._____C.M.S.

RESOLUTION ESTABLISHING BUDGET PRIORITIES FOR EXPENDITURE OF CANNABIS BUSINESS TAXES COLLECTED BY THE CITY PURSUANT TO OAKLAND MUNICIPAL CODE SECTION 5.04.480 AND 5.04.481

WHEREAS, through the passage of Proposition 215, the voters of California authorized the use of cannabis for medical purposes in 1996; and

WHEREAS, by a 79% vote in favor of the proposition, the voters of Oakland overwhelmingly approved Proposition 215; and

WHEREAS, the City Council of the City of Oakland has adopted medical cannabis permitting ordinances to prevent nuisance, provide for effective controls, enable medical cannabis patients to obtain cannabis from safe sources, and provide appropriate licensing in a manner consistent with state law, as codified at Chapters 5.80 and 5.81 of the Oakland Municipal Code; and

WHEREAS, in November 2010, the City's electorate approved business license taxes for imposition on medical cannabis businesses at 5% (five percent), which taxes are codified at Section 5.04.480 of the Oakland Municipal Code, and 10% (ten percent) for adult use cannabis businesses, which taxes are codified at Section 5.04.481 of the Oakland Municipal Code; and

WHEREAS, a business' obligation to pay taxes pursuant to Chapter 5.04 of the Oakland Municipal Code is wholly independent of the business' right to operate the business under federal, state or City law, and the imposition and collection of such taxes does not confer any regulatory right to operate. (*See OMC § 5.04.050- "the taxes prescribed by the provisions of this chapter constitute a tax for revenue purposes, and are not regulatory permit fees.)*; and

WHEREAS, the payment of a business tax required by this chapter, and its acceptance by the City, and the issuance of a business certificate to any person shall not entitle the holder thereof (1) to carry on any business unless he or she has complied with all of the requirements of this chapter and all other applicable laws, nor (2) to carry on any business activity in any building or on any premises designated in such business tax certificate in the event that such business activity in the building or premises violates of any law; and

WHEREAS, certain low-income communities and communities of color have been negatively and disproportionately impacted by disparate enforcement of cannabis laws; and

WHEREAS, police arrest data reflect disproportionately higher arrests for cannabis offenses in certain police beats; and

WHEREAS, individuals arrested and previously convicted for cannabis related offenses face significant barriers to obtaining employment, financial aid, housing, and other economic opportunities; and

WHEREAS, at the November 14, 2016 Special City Council Meeting the City Council adopted the racial equity outcome goal of promoting equitable ownership and employment opportunities in the cannabis industry in order to decrease disparities in life outcomes for marginalized communities of color and to address the disproportionate impacts of the war on drugs in those communities; and

WHEREAS, at the November 14, 2016 Special City Council Meeting the City Council also directed the City Administrator to perform a race and equity analysis of medical cannabis regulations and return to the council with revised versions of the Oakland Municipal Code Sections 5.80 and 5.81; and

WHEREAS, the City Administrator's March 7, 2017 race and equity analysis identified access to capital and real estate as well as the need for technical assistance as key barriers to achieving equity within the medical cannabis industry; and

WHEREAS, the City of Oakland seeks to address these barriers to equity and inequity in business ownership in the cannabis industry through the incorporation of an Equity Assistance Program; and

WHEREAS, the Equity Assistance Program will provide financial and technical assistance to Equity Applicants under Oakland Municipal Code Sections 5.80 and 5.81; and

WHEREAS, said financial assistance shall include zero interest loans for business start-up, operations costs, equipment, technology and system upgrades; and

WHEREAS, the technical assistance shall include preparation of business plans and compliance with all applicable laws; and

WHEREAS, to serve around thirty to thirty-five cannabis business annually, the City Administrator anticipates the Equity Assistance Program requiring an initial one-time seed fund of approximately three million dollars for the revolving no interest loan program and one-time funding in the amount of approximately four-hundred thousand to fund an outside entity to operate the program at the cost of up to two-hundred thousand annually; and

WHEREAS, the City Administrator and City Council desire to evaluate the Equity Assistance Program after two years to ensure it is achieving its intended goals of reducing equity barriers and promoting a more equitable cannabis industry; now, therefore,

THE COUNCIL OF THE CITY OF OAKLAND DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Budget Priorities. The City Administrator shall allocate the initial three-million and four hundred thousand ($3,400, 000) dollars of incoming business taxes collected pursuant to both Section 5.04.480 and 5.04.481 of the Oakland Municipal Code from cannabis operations other than the City's initial eight (8) licensed medical cannabis dispensaries for a Cannabis Equity Assistance Program consisting of the following services:

1. $3,000,000 of one-time funds towards financial assistance for cannabis equity applicants in the form of zero interest loans for business start-up, operations costs,

equipment, technology and system upgrades; and;

2. $400,000 of one-time funds towards a consultant to administer the financial assistance described above for the first two years ($200,000 per year) and provide technical assistance, in the community through trusted advocates, to cannabis equity applicants; including preparation of business plans and compliance with all applicable laws. Ongoing funding will be determined by the City Administrator and City Council in conjunction with the evaluation of the Equity Assistance Program's performance after two years.

The initial $3,400,000 of business taxes collected from cannabis operations other than the City's initial eight (8) licensed medical cannabis dispensaries will be deposited in the General Purpose Fund (1010), Treasury: Operations Org (08721), Local Taxes: Business Tax Account (41511), DP080 Administrative Project (1000007), Financial Management Program (IP59) and upon receipt of these revenues the City Administrator is authorized to appropriate this one-time funding in the City Administrator's Organization (02111) for the Cannabis Equity Assistance Program described above.

Section 2. Severability. The provisions of this Resolution are severable. If a court of competent jurisdiction determines that any word, phrase, clause, sentence, paragraph, subsection, section, chapter or other provision (collectively called "Part") is invalid, or that the application of any Part of this Resolution to any person or circumstance is invalid, such decision shall not affect the validity of the remaining Parts of this Resolution. The City Council declares that it would have adopted this Resolution irrespective of the invalidity of any Part of this Resolution or its application to such persons or circumstances have expressly excluded from its coverage.

Section 3. California Environmental Quality Act Requirements. This Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 et seq., including without limitation" Public Resources Code section 21065, CEQA Guidelines 15378(b)(4) and 15061(b)(3), as it can be seen with certainty that there is no possibility that the activity authorized herein may have a significant effect on the environment.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, AND PRESIDENT GIBSON MCELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST:_____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

2072334

ATTACHMENT E

CANNABIS ARREST DATA

BY RACE

CANNABIS ARREST DATA BY RACE 1995-2015

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
1995															
HS11358	10	0	2	2	1								0	0	15
HS11359	393	1	17	20	0								4	4	439
VC23222(B)	6	0	0	1	0								0	0	7
TOTAL	**409**	**1**	**19**	**23**	**1**								**4**	**4**	**461**
PERCENTAGE	*88.72%*	*0.22%*	*4.12%*	*5.00%*	*0.50%*								*0.87%*	*0.57%*	
1996															
HS11358	18	2	3	2		0							1	0	26
HS11359	338	0	5	34		1							4	1	383
VC23222(B)	7	0	1	1		0							0	0	9
TOTAL	**363**	**2**	**9**	**37**		**1**							**5**	**1**	**418**
PERCENTAGE	*86.84%*	*0.48%*	*2.15%*	*8.85%*		*0.24%*							*1.20%*	*0.24%*	
1997															
HS11358	8	1	11	31		0	0	0	0				1		
HS11359	464	1	7	2		1	1	1	1				2		
VC23222(B)	19	0	0	0		0	0	0	0				0		
TOTAL	**491**	**2**	**18**	**33**		**1**	**1**	**1**	**1**				**3**	**0**	**551**
PERCENTAGE	*89.11%*	*0.36%*	*3%*	*6.00%*		*0.18%*	*0.18%*	*0.18%*	*0.18%*				*0.54%*		
1998															
HS11358	2	0	3	0						0			0	0	
HS11359	404	3	13	19						1			4	1	
VC23222(B)	8	0	2	0						0			0	0	
TOTAL	**414**	**3**	**18**	**19**						**1**			**4**	**1**	**460**
PERCENTAGE	*90%*	*0.65%*	*3.91%*	*4.13%*						*0.22%*			*0.87%*	*0.22%*	
1999															
HS11358	6	0	7	0	0	0	0	0			0		0		

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
HS11359	526	1	28	43	1	1	2	2			1		8		
VC23222(B)	27	1	0	2	0	0	1	0			0		1		
TOTAL	**559**	**2**	**35**	**45**	**1**	**1**	**3**	**2**			**1**		**9**		**658**
PERCENTAGE	*84.96%*	*0.30%*	*5.32%*	*6.84%*	*0.15%*	*0.15%*	*0.46%*	*0.30%*			*0.15%*		*1.37%*		
2000															
HS11358	2	0	8	1		0	0	0					0		
HS11359	505	1	23	32		1	3	3					12		
VC23222(B)	0	0	0	0		0	0	0					0		
TOTAL	**507**	**1**	**31**	**33**		**1**	**3**	**3**					**12**		**591**
PERCENTAGE	*85.79%*	*0.17%*	*5.25%*	*5.58%*		*0.17%*	*0.50%*	*0.51%*					*2.03%*		
2001															
HS11358	3	0	5	1	0		0	0					1		
HS11359	384	1	11	21	3		4	1					12		
VC23222(B)	11	0	1	2	0		0	0					0		
TOTAL	**398**	**1**	**17**	**24**	**3**		**4**	**1**					**13**		**461**
PERCENTAGE	*86.33%*	*0.22%*	*3.68%*	*5.21%*	*0.65%*		*0.87%*	*0.22%*					*2.82%*		
2002															
HS11358	8	2	6	0			0					0	1		
HS11359	431	5	14	28			3					1	8		
VC23222(B)	16	0	5	3			0					0	1		
TOTAL	**455**	**7**	**25**	**31**			**3**					**1**	**10**		**532**
PERCENTAGE	*85.53%*	*1.32%*	*4.70%*	*5.83%*			*0.56%*					*0.19%*	*1.87%*		
2003															
HS11358	1	0	4	3							0		0		
HS11359	262	4	8	20							1		2		
VC23222(B)	7	0	0	0							0		0		
TOTAL	**270**	**4**	**12**	**23**							**1**		**2**		**312**
PERCENTAGE	*87%*	*1.28%*	*3.85%*	*7.37%*							*0.32%*		*0.64%*		

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
2004															
HS11358	3	0	9	2		0	1						1		
HS11359	280	6	13	24		1	0						5		
VC23222(B)	13	0	0	1		0	0						1		
TOTAL	**296**	**6**	**22**	**27**		**1**	**1**						**7**	**0**	**360**
PERCENTAGE	82.22%	1.67%	6.11%	7.50%		0.280%	0.280%						1.94%		
2005															
HS11357 (A)	37		11	2											
HS11357 (B)	205	4	22	45	1			2					2		
HS11357 (C)	1		1	1											
HS11358	0		3	10											
HS11359	372	3	6	11	1	2	2	1		1			6	1	
HS11360(A)	202		4	7			1	2					2		
HS11360(B)	3		1												
VC23222(B)	5		2										1		
TOTAL	**825**	**7**	**50**	**76**	**2**	**2**	**3**	**5**		**1**			**11**	**1**	**983**
PERCENTAGE	*83.93%*	*0.71%*	*5.09%*	*7.73%*	*0.20%*	*0.20%*	*0.31%*	*0.51%*		*0.10%*			*1.12%*	*0.10%*	
2006															
HS11357 (A)	21		2	1				1			1		1		
HS11357 (B)	152	1	15	31	2	2		1					8		
HS11357 (C)	1		1	1											
HS11357 (E)	2	1									1	1	1		
HS11358	1	1	2	1	2								2		
HS11359	286	3	8	24	5		1						7		
HS11360(A)	103		2	7	2								1		
HS11360(B)	2														
HS11361(A)	1														
VC3222(B)	16			6											
TOTAL	**585**	**6**	**30**	**71**	**11**	**2**	**1**	**2**			**2**	**1**	**20**		**731**
PERCENTAGE	*80.03%*	*0.82%*	*4.10%*	*9.71%*	*1.50%*	*0.27%*	*0.14%*	*0.27%*			*0.27%*	*0.14%*	*2.75%*		

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
2007															
HS11357 (A)	17		2	7									1		
HS11357 (B)	161	3	8	19			1						1		
HS11357 (C)	1		2	2											
HS11357 (E)	5												1		
HS11358	1		5	4	2								1		
HS11359	496	4	11	57	3		6	1		2			8		
HS11360(A)	113	1	2	9			1								
HS11360(B)	5	1													
HS11361(A)	1														
VC3222(B)	9	1	1	3											
TOTAL	**809**	**10**	**31**	**101**	**5**		**8**	**1**		**2**			**12**		**979**
PERCENTAGE	*82.67%*	*1.00%*	*3.20%*	*10.30%*	*0.50%*		*0.80%*	*0.10%*		*0.20%*			*1.23%*		
2008															
HS11357 (A)	34	2	4	6								1	1	1	
HS11357 (B)	150	1	13	30						2	1	2	2		
HS11357 (C)	2		1		1				1						
HS11357 (D)	1														
HS11357 (E)	1			1											
HS11358	7	7	7	6			3	1							
HS11359	564	19	20	64	5	1		3	1	1	1		10	1	
HS11360(A)	136	5	8	14	3		2						2		
HS11360(B)	4		1	2									1		
HS11361(A)	1	1													
HS11361(B)	2														
VC3222(B)	12			2											
TOTAL	**914**	**35**	**54**	**125**	**9**	**1**	**5**	**4**	**2**	**3**	**2**	**3**	**16**	**2**	**1175**
PERCENTAGE	*77.8%*	*3%*	*4.60%*	*10.60%*	*0.77%*	*0.09%*	*0.43%*	*0.34%*	*0.17%*	*0.26%*	*0.17%*	*0.26%*	*1.36%*	*0.17%*	
2009															

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
HS11357 (A)	30	2	11	10		1	1						1		
HS11357 (B)	192	4	15	38	3		1	2					3	1	
HS11357 (C)	2	1		1											
HS11357 (D)	1			1											
HS11357 (E)				2											
HS11358	14	5	11	2	2		3						3		
HS11359	469	7	18	57	2		6				2		9	3	
HS11360(A)	110	1	1	12	1			1						1	
HS11360(B)	2			1											
HS11361(A)															
HS11361(B)															
VC3222(B)	13	1		1			1								
TOTAL	**833**	**21**	**56**	**125**	**8**	**1**	**12**	**3**			**2**		**16**	**5**	**1082**
PERCENTAGE	*76.99%*	*1.94%*	*5.18%*	*11.55%*	*0.74%*	*0.09%*	*1.11%*	*0.28%*			*0.18%*		*1.48%*	*0.46%*	
2010															
HS11357 (A)	16		4	3											
HS11357 (B)	129	1	9	25		1									
HS11357 (C)	3												2		
HS11357 (E)	6			4											
HS11358	20	6	10	2	4		3	1				2	1		
HS11359	389	15	30	56	4		2	5		1	2		8	1	
HS11360(A)	173	4	11	15	1		2	3	1		1		3		
HS11360(B)	2														
VC3222(B)	9		2	1											
TOTAL	**747**	**26**	**66**	**106**	**9**	**1**	**7**	**9**	**1**	**1**	**3**	**2**	**14**	**1**	**993**
PERCENTAGE	*75.23%*	*2.62%*	*6.65%*	*10.67%*	*0.91%*	*0.10%*	*0.70%*	*0.91%*	*0.10%*	*0.10%*	*0.30%*	*0.20%*	*1.41%*	*0.10%*	
2011															0
HS11357 (A)	8		1	3											
HS11357 (B)	81	3	5	14			1		1	1			4	1	
HS11357 (C)	2			3											

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
HS11357 (D)	3														
HS11357 (E)				2											
HS11358	1		5	1	2		1								
HS11359	223	2	16	36	8		1	2		1			5	1	
HS11360(A)	23			4											
HS11360(B)	1			1											
VC3222(B)	8		1												
TOTAL	**350**	**5**	**28**	**64**	**10**		**3**	**2**	**1**	**2**			**9**	**2**	**476**
PERCENTAGE	*73.5%*	*1.1%*	*5.88%*	*13.45%*	*2.10%*		*0.63%*	*0.42%*	*0.21%*	*0.42%*			*1.89%*	*0.42%*	
2012															
HS11358	6	4	8	6											24
HS11359	127	8	12	34											181
HS113560	23	0	3	3											29
TOTAL	156	12	23	43											234
PERCENTAGE	*66.67%*	*5.12%*	*9.83%*	*18.38%*											
2013															
HS11357 (B)	221	1	15	48									6		291
HS11358	1														1
HS11359	140	5	5	25									5		180
HS11360(A)	41	4	8	1									**1**		**55**
TOTAL	**403**	**10**	**28**	**74**									**12**		**527**
PERCENTAGE	*76.47%*	*1.90%*	*5.31%*	*14.04%*									*2.28%*		
2014															
HS11358	2	1	1	5									0		9
HS11359	167	7	13	43									8		238
HS11360(A)	70	2	7	14									1		94
TOTAL	**239**	**10**	**21**	**62**									**9**		**341**
PERCENTAGE	*70.09%*	*2.93%*	*6.16%*	*18.18%*									*2.64%*		
2015															

YEAR	BLACK	ASIAN	WHITE	HISPANIC	VIETNAM.	FILIPINO	CHINESE	CAMBOD.	SAMOAN	AMERICAN INDIAN	PACIFIC ISLANDER	LOATIAN	OTHER	UNKN	TOTALS
HS11358	2	5	4	8									2		21
HS11359	197	17	4	43									6		267
HS11360(A)	36	1	2	3									1		43
TOTAL	**235**	**23**	**10**	**54**									**9**		**331**
PERCENTAGE	*71.00%*	*6.95%*	*3.02%*	*16.31%*									*2.72%*		

ATTACHMENT F

CANNABIS ARREST DATA

BY POLICE BEAT

ARREST DATA BY BEATS 1998-2015*

BEAT	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2013	2014	2015	TOTAL PER BEAT
1X	0	2	1	1	3	6	4	5	5	0	0	0	3	3	1	0	0	**34**
2X	2	4	11	8	17	2	12	18	12	9	22	10	21	10	4	9	3	**174**
2Y	2	15	9	9	14	12	21	10	9	12	11	14	19	8	8	1	9	**183**
3X	2	7	2	1	2	0	4	5	3	2	5	9	11	5	6	4	10	**78**
3Y	2	4	5	4	1	3	2	13	5	9	2	5	6	0	1	1	3	**66**
4X	5	1	7	19	8	6	5	11	4	8	6	16	7	6	6	21	7	**143**
5X	1	4	12	9	4	5	4	11	5	11	17	14	11	5	3	3	4	**123**
5Y	1	1	0	1	7	2	1	4	2	0	2	2	2	3	0	1	4	**33**
6X	19	29	38	26	23	17	24	54	20	20	26	46	28	20	7	12	9	**418**
7X	13	13	28	9	21	11	14	23	17	13	20	31	38	17	4	8	15	**295**
8X	4	19	12	11	9	5	2	18	7	11	9	11	13	8	2	0	3	**144**
9X	1	6	2	0	0	0	1	4	0	4	4	1	1	0	0	0	0	**24**
10X	2	3	9	11	14	7	7	12	5	4	11	5	5	1	2	5	5	**108**
10Y	1	9	9	6	3	5	5	11	3	16	13	17	8	9	1	8	4	**128**
11X	1	4	6	3	2	7	3	5	10	7	3	9	5	1	4	7	1	**78**
12X	5	5	9	2	3	6	0	4	3	5	4	6	5	0	3	8	2	**70**
12Y	0	3	3	4	2	3	1	2	1	0	5	0	1	5	0	1	0	**31**
13X	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	**2**
13Y	0	1	0	1	0	0	1	0		0	0	0	2	0	0	2	0	**7**
13Z	3	1	0	2	0	0	0	0	0	0	7	0	0	0	0	0	0	**13**
14X	0	1	4	0	2	1	1	0	2	1	0	1	0	3	1	1	2	**20**
14Y	0	1	1	1	0	1	0	0	0	0		1	2	0	0	0	0	**7**
15X	2	7	3	5	2	2	3	4	1	1	4	11	19	0	1	5	1	**71**
16X	0	0	1	0	0	0	0	0	0	1	0	3	0	0	0	0	0	**5**
16Y	1	0	1	1	0	1	0	3	0	0	1	1	0	0	0	0	0	**9**
17X	2	6	3	0	0	2	2	8	4	12	8	6	20	3	3	2	0	**81**
17Y	0	14	9	7	4	3	5	7	3	14	6	6	14	1	4	4	5	**106**
18X	0	3	4	1	0	2	0	5	6	9	6	10	11	4	2	12	6	**81**
18Y	5	8	8	4	3	6	8	13	3	1	11	12	12	6	0	2	5	**107**
19X	3	9	8	15	11	4	9	15	6	18	26	11	22	11	1	16	7	**192**
20X	3	8	7	4	2	1	9	11	10	7	21	15	28	11	0	3	2	**142**

BEAT	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2013	2014	2015	TOTAL PER BEAT
21X	4	15	14	4	7	6	6	15	3	11	17	11	18	8	3	2	15	**159**
21Y	2	21	1	3	16	1	10	11	12	11	25	19	24	11	3	3	6	**179**
22X	0	2	5	3	0	1	1	3	2	3	2	2	3	0	0	1	0	**28**
22Y	0	1	2	0	2	1	3	7	0	1	10	7	11	1	0	0	1	**47**
23X	1	11	9	6	13	10	5	20	5	16	13	9	20	11	9	8	13	**179**
24X	4	12	8	2	10	7	9	9	3	13	16	16	6	3	6	3	7	**134**
24Y	2	6	4	2	2	3	6	5	0	3	15	4	4	3	1	1	0	**61**
25X	1	5	7	3	4	2	4	2	0	3	13	4	10	3	3	2	0	**66**
25Y	0	4	0	0	3	5	0	3	0	2	0	0	1	2	1	0	1	**22**
26X	2	10	5	13	3	3	3	6	8	8	15	4	3	3	0	2	3	**91**
26Y	33	74	51	66	61	24	17	50	65	66	38	24	41	17	20	14	15	**676**
27X	7	36	13	10	12	9	27	36	14	16	21	11	16	4	4	9	7	**252**
27Y	13	37	10	10	13	5	10	20	19	30	40	28	28	14	9	15	18	**319**
28X	0	5	6	1	2	0	2	5	3	6	7	8	12	1	3	3	2	**66**
29X	7	17	22	26	33	18	14	27	20	30	27	17	19	5	8	0	4	**294**
30X	22	68	45	15	29	16	8	63	39	77	47	31	32	16	13	31	27	**579**
30Y	8	35	48	30	19	10	10	28	19	21	32	20	25	13	11	15	6	**350**
31X	2	2	3	1	0	0	2	16	6	3	1	1	4	1	0	2	0	**44**
31Y	6	3	6	4	11	3	8	15	6	13	9	24	15	9	7	13	5	**157**
31Z	1	2	1	2	5	3	1	3	0	9	2	11	12	4	10	15	3	**84**
32X	12	7	12	9	9	4	8	5	13	11	15	13	9	2	8	8	18	**163**
32Y	9	4	11	5	11	5	6	8	1	9	20	15	16	3	11	5	4	**143**
33X	7	15	12	10	26	15	10	28	8	21	22	16	15	11	3	11	13	**243**
34X	12	36	25	37	30	26	25	47	20	54	92	51	41	13	26	31	48	**614**
35X	11	16	32	26	37	6	10	15	6	34	63	46	26	12	8	11	5	**364**
35Y	0	1	1	2	1	0	1	0	0	2	0	0	0	1	3	0	0	**12**
Unknown	214	24	26	6	15	9	6	260	43	65	88	77	53	23	2		3	**914**
TOTALS	**460**	**658**	**591**	**461**	**532**	**312**	**360**	**983**	**461**	**733**	**900**	**742**	**778**	**334**	**236**	**341**	**331**	**9213**

*Missing data for 2012 due to a flood at OPD Administration Building

BEAT	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2013	2014	2015	TOTAL PER BEAT

OFFENSES

HS11357 - Possess Marijuana or Hashish

HS11357 (B) - Possess Marijuana 28.5 grams or less or w/prior

HS11357(C) - Possess Marjuana 28.5 grams or less

HS11358 - Plant/Cultivate/etc. Marjiuana/Hashish

HS11359 - Possess Marijuana/Hasish for sale

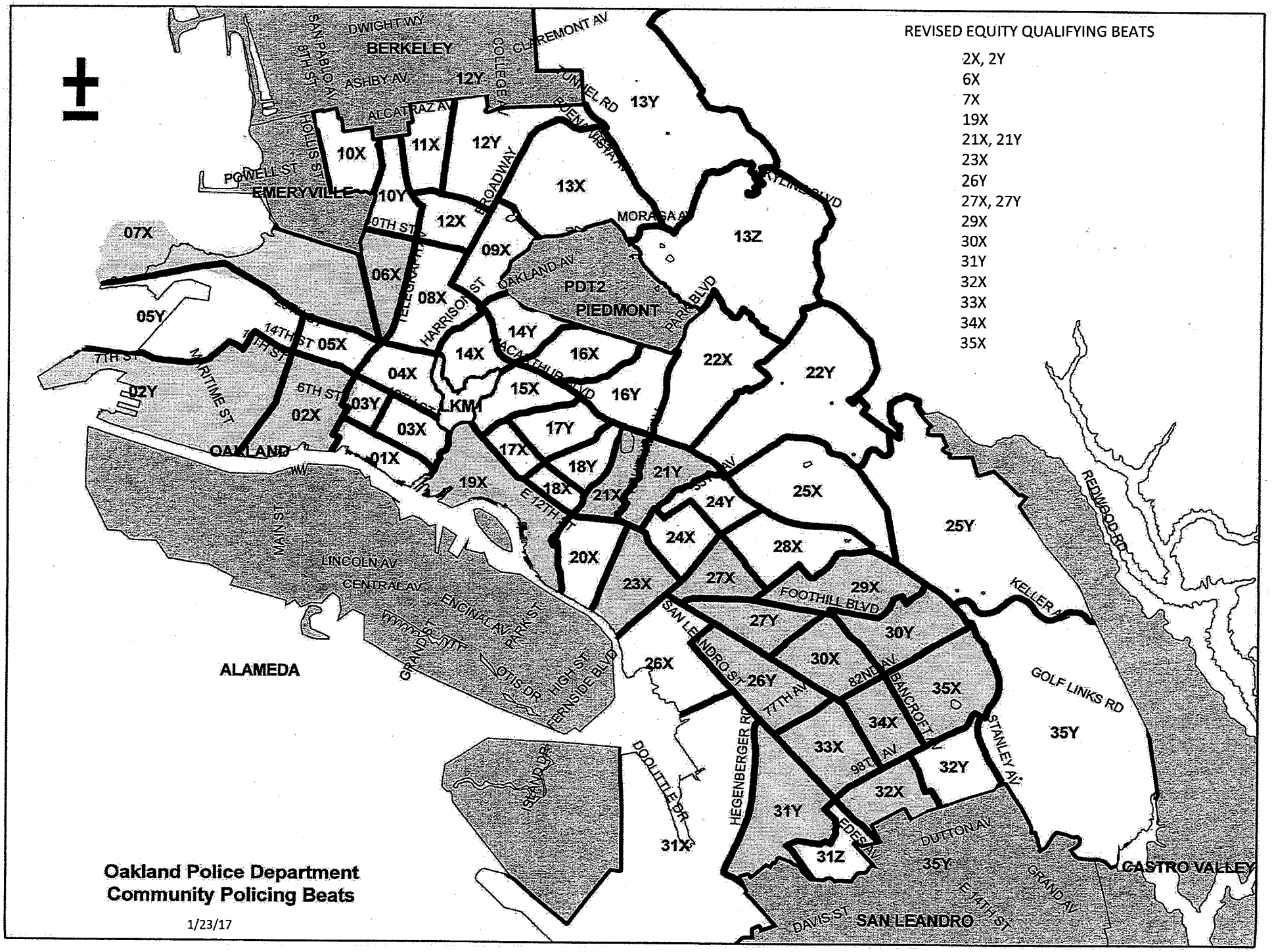
HS11360(A) - SellFurnish/etc. Marijuana/Hashish

HS11360(B) - Give/Transport Marijuana/Hashish under 1oz

VC23222(B) - Possess Marijuana 1 oz or less while driving

ATTACHMENT G

OAKLAND POLICE BEAT MAP


REVISED EQUITY QUALIFYING BEATS
2X, 2Y
6X
7X
19X
21X, 21Y
23X
26Y
27X, 27Y
29X
30X
31Y
32X
33X
34X
35X
BERKELEY
EMERYVILLE
OAKLAND
ALAMEDA
PIEDMONT
SAN LEANDRO
CASTRO VALLEY
PDT2
LKM
DWIGHT WY
ASHBY AV
ALCATRAZ AV
POWELL ST
10TH ST
6TH ST
7TH ST
14TH ST
MARITIME ST
MAIN ST
LINCOLN AV
CENTRAL AV
ENCINA AV
PARK ST
HIGH ST
FERNSIDE BLVD
OTIS DR
GRAND AV
SAN PABLO AV
8TH ST
HOLLIS ST
TELEGRAPH AV
HARRISON ST
BROADWAY
COLLEGE AV
CLAREMONT AV
TUNNEL RD
BUENA VISTA AV
MORAGA AV
OAKLAND AV
MACARTHUR BLVD
PARK BLVD
FOOTHILL BLVD
SAN LEANDRO ST
77TH AV
82ND AV
98TH AV
BANCROFT AV
HEGENBERGER RD
EDES AV
DUTTON AV
STANLEY AV
GOLF LINKS RD
KELLER AV
REDWOOD RD
E 12TH ST
E 14TH ST
DAVIS ST
DOOLITTLE DR
SEAR DR
Oakland Police Department
Community Policing Beats
1/23/17