

# *Cannabis Regulatory Commission (former Measure Z) Regular Meeting*

Thursday, April 17<sup>th</sup>, 2014, 6:30 p.m.  
Council Chambers, City Hall, One Frank H. Ogawa Plaza

## AGENDA

### *Members:*

Dale Gieringer	District 1	Jacob Sassaman	District 7
Tyson Nagler	District 2	A. Kathryn Parker	At Large
Sierra Martinez	District 3	Vacant	Mayor
James Anthony	District 4	Amanda Reiman	City Auditor
Matt Hummel	District 5	Joe DeVries	City Administrator
Marlon Hendrix	District 6		

Available on-line at: <http://www.oaklandnet.com/measurez>

### AGENDA

## Please Note New Meeting Time of 6:30PM

- A. Roll Call and Determination of Quorum
- B. Open Forum / Public Comment
- C. Review of the Pending List and Additions to Next Month's Agenda
- D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meetings of 3/20/14.
- E. Reports for Discussion and Possible Action
  - 1. A continuation of the discussion of Cannabis Cabaret Proposal (proposal Attached)
  - 2. Election of Officers
  - 3. Update on delivery of Annual Report—PSC Committee May 13<sup>th</sup>, at Castlemont High School
  - 4. Discussion of City's Public Safety Plan
- F. Announcements
- G. Adjournment

Persons may speak on any item appearing on the agenda; however a Speaker Card must be filled out and given to a representative of the Cannabis Regulatory Commission. Multiple agenda items cannot be listed on one speaker card. If a speaker signs up to speak on multiple items listed on the agenda, the Chairperson may rule that the speaker be given an appropriate allocation of time to address all issues at one time (cumulative) before the items are called. All speakers will be allotted 3 minutes or less – unless the Chairperson allots additional time.

This meeting is wheelchair accessible. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meetings of the Cannabis Regulatory Commission, please contact the Office of the City Clerk (510) 238-3612. Notification two full business days prior to the meeting will enable the City of Oakland to make reasonable arrangements to ensure accessibility. In compliance with Oakland's policy for people with chemical sensitivities, please refrain from wearing strongly scented products to events.

Questions or concerns regarding this agenda, or to review any agenda-related materials, please contact the Cannabis Regulatory Commission at (510) 238-3301.

# *Cannabis Regulatory Commission (former Measure Z)*

## Pending List and Proposed

Thursday, April 17<sup>th</sup>, 2014 6:30 p.m.

Items for discussion

Pending, no specific date

1. Establishment of guidelines, regulations, and fees for Cannabis Clubs (Measure Z Clubs)
2. Report from the District Attorney- conviction versus arrest statistics for CA Health and Safety Code section 11357- misdemeanor arrests (L. Bonett October, 2012)
3. Extended Discussion regarding "direction" of the Cannabis Regulatory Commission
4. Tracking of ballot measures and/or passed legislation regarding cannabis reform in states outside of California.
5. A public education campaign regarding the private versus public use of cannabis. (July, 2012)
6. A discussion regarding the definition of "Private" in regard to cannabis offenses in the City of Oakland.
7. A continuation of the discussion of horticultural waste associated with cannabis grows and how recycling it could benefit the City's Recycling Program
8. A discussion on packaging for sales of cannabis and the impact on the environment.

For Tracking Purposes

1. Annual Report to the City Council (finalize in November/December)\* On tonight's agenda

(rev. 1-2014)

# *Cannabis Regulatory Commission (former Measure Z)*

## Regular Meeting

Thursday, March 20<sup>th</sup>, 2014, 6:30 p.m.

Council Chambers, City Hall, One Frank H. Ogawa Plaza

## Meeting Minutes

### *Members:*

Dale Gieringer	District 1	Jacob Sassaman	District 7
Tyson Nagler	District 2	A. Kathryn Parker	At Large
Sierra Martinez	District 3	Vacant	Mayor
James Anthony	District 4	Amanda Reiman	City Auditor
Matt Hummel	District 5	Joe DeVries	City Administrator
Marlon Hendrix	District 6		

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### A. Roll Call and Determination of Quorum

Present: Nagler, Sassaman, Parker, Reiman, Hummel, Martinez, DeVries

Absent: Gieringer, Anthony, Hendrix,

### B. Open Forum / Public Comment

*The owner of Sunny Spot Café appeared to further discuss what was happening with her business. She will not be distributing cannabis in the near future but would like to consider ways to open legally. This sparked a lot of discussion by Commission Members as to the legality of dispensaries.*

### C. Review of the Pending List and Additions to Next Month's Agenda

*Member Parker noted that in April the Commission is to elect its officers.*

### D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meetings of 2/20/14.

*The Minutes were approved by consensus with the caveat that Member Parker has minor edits to add.*

### E. Reports for Discussion and Possible Action

1. A continuation of the discussion on the Police Operation on December 18<sup>th</sup>, 2013 on a "Measure Z" Club in North Oakland and on Sunny Spot Café on 17<sup>th</sup> Street in January.

*The Commission noted that the search warrant indicated that OPD was alerted to the facility via an undercover "buy/bust" operation in Bushrod Park, not via a community complaint. They also noted that a lot of time was spent by the officers observing the activity, stopping and searching customers of the facility, and this is out of step with the lowest law enforcement priority the department is supposed to be observing.*

*Public Comment:*

*Scott Nelson spoke about the warrants and the press release related to the bust indicating that the police were touting their efforts as going after "gangs and guns" which he believes is erroneous.*

*Rueben (no last name) claimed to be the operator of the North Oakland facility in question. He explained that he had been part of a licensed medical dispensary in Berkeley that lost its lease due to zoning issues and that most of his clientele were former Berkeley customers. He also noted that he was working closely with the neighbors, enjoyed neighborhood support, and never received a cease and desist letter like other nearby clubs had. Also, the police charged his licensed security guard with being a felon in possession of guns but those charges were immediately dropped with the police claiming a case of mistaken identity.*

*Rob Raich stated he believes the key problem is the Deputy City Administrator's interpretation of the law. In his opinion, Measure Z could be interpreted differently than how the City's chief enforcement officer interprets it and that the City has discretion they are not choosing to use. Specifically he was referring to the definition of the word private.*

*Member Sassaman stated that he has heard the licensed medical cannabis dispensaries are not happy with the Measure Z Clubs as they are competition, and they want the City to enforce the law on them.*

*Joe DeVries noted that the current interpretation of Measure Z is consistent with what the City has been doing. The Commission discussed, again, the problem with the interpretation of the word private and the fact that this is the continuing stumbling point. Member Martinez noted that the increase in enforcement activity is cause to re-open discussion on this topic. Joe DeVries noted the place where OPD draws the line appears to be with commercial use—they are not pursuing private, non-commercial activity, only commercial, profit-making enterprises.*

*It was decided that members Martinez and Sassaman would form an ad hoc committee to discuss the City's interpretation of "private" and what changes they would recommend.*

2. A continuation of the discussion of the report from the Cultivation Regulation Research Committee (see attached)

*Chairperson noted that the regulations were modified slightly since the last meeting. Member Parker recommended looking at the Mendocino regulations. She also had concerns about the language around odors—she wants to ensure they are not too restrictive or vague.*

3. A continuation of the discussion of Cannabis Cabaret Proposal

*Member Reiman met with staff to Council Member McElhaney, but otherwise had little to report other than clarifying the proposal. One concern raised by Member Sassaman was that if the City licenses consumption but not Measure Z Clubs (which would be precluded from the consumption license by the fact that they have sales on site) won't the net effect be to further expose and isolate the measure Z Clubs. It was noted that because they are already operating illegally,*

*adding consumption wouldn't help them, if anything it would make them more noticeable and likely for targeting. The updated draft was accidentally left out of the packet so the item was continued to April.*

4. A continuation of the discussion of horticultural waste associated with cannabis grows and how recycling it could benefit the City's Recycling Program

*Chairperson Hummel met with Waste Management to determine how to deal with leftover products from "grows" and they can mix the Rockwool into their regular compost. A public education campaign would be needed to educate people on how to dispose of their products after a grow—both the Rockwool and the leftover nutrients which can be dropped off at the hazardous waste facility for Alameda County.*

*Cassimere Camacho, a member of the public, suggested that dispensaries should have a drop off area similar to the plastic bag drop off that grocery stores used to have. He suggested it could be incorporated into their licensing requirements.*

5. A discussion on packaging for sales of cannabis and the impact on the environment.

*Chairperson Hummel opened the conversation with a bag he found on the estuary that he considers medical waste. It was a package that will last forever but contained an amount of cannabis that would be smoked in one afternoon. He would like the dispensaries to be more responsible.*

*Member Parker suggested a deposit/return system like on old bottles. Member Reiman noted that the more the movement focuses on environmental issues, the more popular legalization will be statewide. Member Sassaman noted its an economic issue (for the smaller clubs) as well.*

6. An update on current Ballot Measures or legislation being considered in CA.

*Member Reiman noted that the CA League of Cities and Police Chief's Association submitted the Correa bill which is draconian in attempting to regulate Doctors and her organization is fighting it while supporting the Amiano Bill which would provide for reasonable regulations.*

*Sean Donohue, a member of the public noted there are two other bills AB 1588 which was defeated and AB 2500 (Frasier) which enabled a very unscientific "drug driving" rule that likely will be defeated. He also noted that he was in Washington DC meeting with CA delegates who are very supportive of fixing the problem of access to banking for the industry.*

- F. Announcements
- G. Adjournment

*The meeting adjourned at 7:47, there were 12 people in attendance.*

## Licensing on-site, adult cannabis consumption in Oakland

Background: In 2004, Oakland residents approved Measure Z, which makes marijuana activities by adults in Oakland the lowest enforcement priority for police. In the wake of this measure, the instance of open air marijuana use has increased. Since Measure Z was passed, the state of CA has made possession of less than one ounce of marijuana by adults an infraction, which has also contributed to the brazenness of marijuana use in Oakland. It is projected that marijuana will be legalized in California in 2016, and we feel that this is an opportunity to start weaving marijuana use into the nightlife and tourism of Oakland in ways possible before the flood gates open. Oakland's proactivity regarding medical marijuana has resulted in the city having one of the most well regulated programs in the state, and we feel it is time to take the next step.

The idea: Considering this environment, we are suggesting ***a licensing structure that allows the on-site consumption of cannabis by adults in venues that have been approved by the city.***

Benefits for Oakland:

1. Reducing the amount of open air cannabis use in the downtown Oakland area.
2. Providing a place for patrons of the arts and food in downtown Oakland to use cannabis that precludes them from having to drive after use.
3. Providing a place for medical cannabis patients to safely consume
4. Socialization across demographic categories (as was observed in the first dispensaries)
5. Tourism
6. Alternatives to establishments that provide alcohol.

### Zoning

We are recommending that cannabis consumption centers be allowed in commercial areas of Oakland, and remain more than 600 feet from all schools, parks and churches.

### Licensing

We are proposing two types of licenses. One for a free standing structure where adults 21 and over can bring personal amounts of cannabis (less than one ounce) or cannabis infused products and consume (see Cannabis Cabaret example), and one for a one use permit to consume at a location already in existence with the permission of the proprietor (renting out New Parrish for a private party).

San Francisco has established an Entertainment Commission, which regulates, promotes and enhances entertainment and nightlife in the city of San Francisco. The seven member commission has authority to accept, review and gather information to conduct hearings for entertainment-related permit applications. The Entertainment Commission also plans and coordinates the provision of City services for major events for which there is no recognized organizer, promoter, or sponsor. This commission ensures that public safety is protected and that there are harm reduction strategies in place related to nightlife activities. The city of Oakland is working on establishing a similar commission and we are proposing that the Entertainment Commission oversee the preliminary licensing of cannabis consumption centers and

one time use permits. Once the commission is satisfied that the appropriate public health and safety precautions are being taken, they would forward the application to the Police, who license alcohol establishments, with their recommendation for approval. We are hoping this will reduce the burden on the police by screening out applications that do not meet the basic criteria.

### **Public Health and Safety Requirements**

We are recommending:

1. That alcohol not be sold in the free standing cannabis consumption centers
2. That, if food is sold, it be held to the proper food handling standards
3. That centers be near public transportation and/or have taxi service readily available
4. The centers provide adequate security, both at the door to screen for age, and inside the center
5. That centers provide information on harm reduction and cannabis use, such as non-smoked methods of ingestion and information on cutting down if desired
6. That all staff be trained in CPR
7. Other requirements as recommended by the commission

### **Consumption**

We are recommending that all methods of consumption be allowed, including smoking, which might require amending the city's code to exempt marijuana smoking in licensed centers or with a one-time use permit. Those centers that allow smoking will be required to provide appropriate ventilation and odor control.

Patrons may only consume their personal cannabis or share the cannabis of others in the center. NO CANNABIS MAY BE SOLD AT ANY TIME. The selling of cannabis on the grounds of the center will be prohibited.

### **Other Activities**

Centers may apply for cabaret licenses, or become day spas that allow vaporized cannabis. The point is to incorporate cannabis in a safe and thoughtful way.

### **Next Steps**

We are seeking a recommendation by the Public Health and Safety Committee to direct Council staff to research this plan and support its possible adoption.