

Cannabis Regulatory Commission

AGENDA

Thursday, April 16th, 2015, 6:30 p.m.
Council Chambers, City Hall, One Frank H. Ogawa Plaza

Members:

Dale Gieringer	District 1	Jacob Sassaman	District 7
Sean Donahoe	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>

MEETING AGENDA

- 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 meeting of 1-29-15.
- E. Reports for Discussion and Possible Action
 - 1. Update action on the recommendations to the City Council Public Safety Committee regarding the City's proposed Cannabis Cultivation Ordinance and Annual Report.(Attached)
 - 2. A discussion of "Do's and Don'ts for Measure Z Clubs (list attached)
 - 3. An update on efforts at Statewide Legalization in 2016 (Reiman)
 - 4. An update on significant statewide legislation regarding Cannabis and E-Cigarettes: Links to the language of each specific bill are below.

Comprehensive Regulation

AB 34: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=ab_34&sess=CUR&house=B&author=bonta_%3Cbonta%3E

AB 266: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=ab_266&sess=CUR&house=B&author=cooley_%3Ccooley%3E

ons 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 agenda 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.

SB 643: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=sb_643&sess=CUR&house=B&author=mcguire_%3Cmcguire%3E

Environment/Cultivation

AB 243: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=ab_243&sess=CUR&house=B&author=wood_%3Cwood%3E

SB 165: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=sb_165&sess=CUR&house=B&author=monning_%3Cmonning%3E

Patient Protection

AB 258: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=ab_258&sess=CUR&house=B&author=levine_%3Clevine%3E

E-Cigarettes

SB 140: http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=sb_140&sess=CUR&house=B&author=leno_%3Cleno%3E

F. Announcements

G. Adjournment

Cannabis Regulatory Commission (former Measure Z)

Pending List and Proposed

Thursday, April 16th, 2015 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. Tracking of ballot measures and/or passed legislation regarding cannabis reform in states outside of California.
4. A public education campaign regarding the private versus public use of cannabis. (July, 2012)
5. A discussion regarding the definition of "Private" in regard to cannabis offenses in the City of Oakland.
6. A continuation of the discussion of horticultural waste associated with cannabis grows and how recycling it could benefit the City's Recycling Program
7. A discussion on packaging for sales of cannabis and the impact on the environment.

For Tracking Purposes

1. Annual Report to the City Council (finalized in November/December)

(rev. 1-2014)

Cannabis Regulatory Commission

Thursday, February 19, 2015, 6:30 p.m.

Meeting Minutes

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

Members:

Dale Gieringer	District 1	Jacob Sassaman	District 7
Sean Donahoe	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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MEETING AGENDA

A. Roll Call and Determination of Quorum

Members Present: Gieringer, Donahoe, Martinez, Anthony, Hummel, DeVries

Members Absent: Hendrix, Sassaman, Parker, Reiman

B. Open Forum / Public Comment

Alex Zavell spoke about an interaction he had with Mayor Schaaf whereby she publicly stated she was supportive of lifting the cap on the number of licensed dispensaries until such time that any problems presented themselves and therefore he feels the Commission would have political support for such a recommendation. He suggested the City study the impact of raising the cap from 4 dispensaries to 8 dispensaries as a measure of what to expect were the caps to be removed.

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

Member Gieringer asked that SB140, the E-cigarette bill as well as any pending Medical Cannabis Bills be discussed at the next meeting.

D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meeting of 1-29-15.

The minutes of the meeting were passed.

E. Reports for Discussion and Possible Action

ons 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.

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

1. Discussion and action on the recommendations to the City Council Public Safety Committee regarding the City's proposed Cannabis Cultivation Ordinance.

The committee continued its discussion of the recommendations and made a final motion as to what to recommend the City Council enact regarding cultivation. The final recommendations are included in the attached document.

2. A discussion and action on the 2014 Annual Report (Attached)

The Committee approved the final Annual Report to be forwarded to the City Council.

3. A discussion of "Do's and Don'ts for Measure Z Clubs (list attached)

This item was continued to the next meeting.

4. An update on efforts at Statewide Legalization in 2016 (Reiman)

Member Gieringer spoke briefly about the efforts moving forward at the state level, no action was taken.

F. Announcements

G. Adjournment

The meeting adjourned at 8:00.

Oakland Cannabis Regulatory Commission

One Frank H. Ogawa Plaza
Oakland, CA 94612

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

To: Oakland City Council,
Public Safety Committee

From: Matt Hummel, Chairperson,
Oakland Cannabis Regulatory Commission

Date: February 17, 2015

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

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

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

The Cannabis Regulatory Commission conducted a Special Meeting on January 29th and convened again on February 19th to discuss the ordinance and proposed amendments and developed the below recommendations. During the meeting the Commission received input from City Staff, current dispensary operators, consumers, and representatives of other cannabis related businesses.

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

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

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CM Kalb/Kaplan Memo Recommendations:

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

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

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

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

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

The Commission voted to support this amendment.

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

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

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

The Commission voted to support this proposal. The Commission has had lengthy conversations about the need to modify the City's smoking ordinance or somehow create a way to allow on-site consumption of cannabis at licensed facilities. For many years patient advocates have pointed

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out that many low-income patients who suffer from chronic disease often do not have a safe place at home to consume their medicine and therefore allowing on-site consumption is an act of compassion to those most in need. If the City were to make this modification, the Commission has a lot of

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

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

The Commission believes the City would benefit from lifting the restriction on the number of licensed dispensaries and allowing the market to decide the most viable number immediately. Also, in anticipation of major changes in 2016, if there were more licensed dispensaries now, the transition to a fully legal cannabis industry would be smoother.

In light of the fact that many consider Oakland to be a hub for manufacturing of medical cannabis products whereby the actual plant is both cultivated and processed in Oakland, the Commission also recommends the City consider licensing medical cannabis manufacturing and processing of products such as edibles, extracts, tinctures, vaporizers and topical products.

Current Proposed Ordinance:

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

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

The current language reads:

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

The proposed change is:

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

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

Modify Section 5.80.025:

The current language reads:

Any use or activity that involves possessing, cultivating, processing and/or manufacturing more than 9 pounds of dried cannabis or 96 square feet of cultivation area shall constitute cultivation of medical cannabis and shall be subject to administrative citation, pursuant to Chapters 1.08, 1.12 and/or 1.16, and other applicable legal, injunctive or equitable remedies, unless a permit as prescribed in this Chapter has been granted. Possession of other types of State or City permits or licenses does not exempt an applicant from the requirement of obtaining a permit under this Chapter.

The Commission is recommending this language be changed to:

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

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

There were six less substantive/ clean-up portions of the City’s current Ordinance that the Commission also took an official position on to better align the Ordinance with the language contained in the state law. Those recommendations are as follows:

1. Subsection 5.80.010(B) -- Definition of “Cannabis” or “Marijuana”

The word “cannabis” should be changed to “marijuana” when quoting from the California Health and Safety Code because that is how the state defines it. Subsection 5.80.010(B) should be amended to read as follows:

B. "Cannabis" or "Marijuana" shall have the same definition as Health and Safety Code § 11018, as amended from time to time, which defines "~~cannabis~~" "marijuana" as all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted

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from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It 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 are incapable of germination.

2. Subsections 5.80.010(H)(2) & (3) -- Definition of "Primary Caregiver"

Subsections (2) and (3) should be deleted from the definition in their entirety. In Section 5.80.010(H), the ordinance repeats verbatim the long definition of "primary caregiver" from SB 420. Therefore subsections (2) and (3) serve no purpose. Thus, Section 5.80.010(H) should be amended to read as follows:

H. "Primary caregiver" shall have the same definition as California Health and Safety Code Section 11362.7, and as may be amended, and which 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 any of the following: ...

~~2. An individual who has been designated as a primary caregiver by more than one qualified patient or person with an identification card, if every qualified patient or person with an identification card who has designated that individual as a primary caregiver resides in the same city or county as the primary caregiver.~~

~~3. An individual who has been designated as a primary caregiver by a qualified patient or person with an identification card who resides in a city or county other than that of the primary caregiver, if the individual has not been designated as a primary caregiver by any other qualified patient or person with an identification card.~~

3. Subsection 5.80.010(K) -- Definition of "Written documentation"

The term "written documentation" does not occur in any substantive provisions of the ordinance therefore including a definition of that term is meaningless. Subsection 5.80.010(K) should be deleted as follows:

~~K. "Written documentation" shall have the same definition as California Health and Safety Code Section 11362.7 et seq., and as may be amended, and which defines "written documentation" as accurate reproductions of those portions of a patient's medical records that have been created by the attending physician, that contain the information required by paragraph (2) of subdivision (a) of California Health and Safety Code~~

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~~Section 11362.715, and that the patient may submit to a county health department or the county's designee as part of an application for an identification card.~~

4. Subsection 5.80.020(B) -- Elimination of Vestigial Language

Subsection 5.80.020(B) is not necessary (describing things the ordinance does *not* apply to); and everything following the first clause of that subsection becomes unnecessary in light of the new definition of “Dispensary” the Commission is recommending. Accordingly Subsection 5.80.020(B) should be amended to read as follows:

- 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 apply to the usage, distribution, cultivation or processing of medical marijuana by qualified patients or primary caregivers when such group is of three or less individuals, and distributing, cultivating or processing the marijuana from a residential unit or a single non-residential parcel of land. Associations of three 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 and the Attorney General Guidelines.~~

5. Section 5.80.040 -- Reference to City Administrator Guidelines

In Section 5.80.040, language should be deleted that seems to refer to standards that do not exist in the section. The first paragraph of Section 5.80.040 should be amended to read as follows:

The City Administrator shall develop and implement performance standards ~~consistent with those set forth in Ordinance No. 12585 in the Office of the City Administrator Guidelines~~ and shall modify ~~such Guidelines~~ *them* from time to time as required by applicable law and consistent with public health, welfare, and safety.

The language as amended still permits the City Administrator to develop, implement, and modify performance standards.

6. Section 5.80.060 -- Profit and Sales

Oakland’s ordinance currently purports to prevent dispensaries from making a profit. If that provision were actually enforced, it would greatly reduce safe access to cannabis because dispensary operators could not receive compensation for their investment or for the risks they are taking. That provision has never been enforced and around the state, a similar misperception about profit under state law is routinely evaded through a few well-known methods. A ban on profit is impractical and serves no useful purpose, but the perception of its existence does serve

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to make operations more cumbersome and more expensive, and to inject a level of uncertainty into business transactions. For the foregoing reasons, Section 5.80.060 and its title should be amended to read as follows:

5.80.060 - ~~Profit.~~ Sales.

~~The dispensary shall not profit from the sale or distribution of marijuana. Any monetary reimbursement that members provide to the dispensary should only be an amount necessary to cover overhead costs and operating expenses.~~

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

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

Thank you for your consideration,

Matt Hummel, Chairperson

Do's and Don'ts for Measure Z clubs in Oakland

Even though Measure Z made marijuana activities by adults the lowest police priority, it did not make the non medical sales of marijuana legal. Many entities (Measure Z clubs) opened after the passage of Measure Z in attempt to push the boundaries of what marijuana activity would be allowed in the city of Oakland. Since the passage of Measure Z, the Oakland Police have, for the most part, honored the will of the voters and have been very hands off concerning MOST marijuana activity in the city. However, the city does seem to have drawn a line in the sand around which activities will rise to the level of police intervention. If police become aware of your location, the activities going on there, or that you are providing to minors, they will be obligated to check it out rather than turn a blind eye. The goal of this document is to provide guidelines for those providing marijuana in a non medical environment that might help prevent police intervention. It should be noted that all sales of non-medical marijuana are illegal in California and these guidelines are not intended to permit or advise the non-medical sale of marijuana, but rather to inform those who might engage in this practice about which aspects of Measure Z clubs seem to garner police attention.

DO

1. Keep a low profile: No signs, advertising, etc. Think speakeasy during alcohol prohibition.
2. Try to locate in an area zoned for mixed uses: The police seem to be more tolerant of these activities happening in places zoned for residential than in bustling commercial thoroughfares.
3. ID your customers: Even though what you are doing is in a gray area, police might send underage decoys to try and purchase, or parent complaints of minors purchasing could draw the cops to your location.
4. Be professional: If you hire people, be aware that they represent you. Treat this as a business and take it seriously.
5. Be nice to your neighbors: If you don't want to tell them what you are doing, fine. But still be a good neighbor. Address any complaints they have in a friendly and civil way and go out of your way to keep your property clean and the noise down.

DON'T

1. Advertise: If the police become aware of you via advertising, they might feel an obligation to investigate.
2. Keep firearms on the premises: It is understandable that there are concerns over robberies, but if police arrive and find firearms, it's a whole new issue above and beyond the marijuana including more severe penalties.
3. Allow people to use on site or hang out by your location: While it might seem a public service to allow people to use on site (and it is), the odor and traffic can draw police to your location. It is best to have people leave right after obtaining the marijuana and ask them not to loiter outside.
4. Get too big: While this might seem like an opportunity to grow a business, it is better to keep it small and under control. Once marijuana is legal, then it is time to think about expansion.
5. Locate in vulnerable areas: If it can be helped, avoid locating near parks, schools or other areas where police might patrol for drug selling.

To: Oakland City Council Public Safety Committee
From: Cannabis Regulatory Commission
Re: 2014 Annual Report
Date: March 18th, 2014

Introduction

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

The Commission met eight times in 2014. At the start of the year, 10 seats were filled. In June, Tyson Nagler (District 2) vacated his seat. In October, Sean Donahoe joined the Commission, filling the District 2 vacancy. At the end of the year, the Commission again had 10 members. The Mayor has yet to appoint someone to fill the vacancy created when Leslie Bonett resigned from the Commission in December 2013.

Because Leslie Bonett was still serving her term as Chair of the Commission when she resigned, the Commission elected an interim Chair and Vice Chair. Matt Hummel was elected as Interim Chair, and Kathryn Parker was elected Interim Vice Chair. In April, Mr. Hummel and Ms. Parker were elected to full terms as Chair and Vice Chair, respectively.

Primary Discussion and Action Items

I. Monitor OPD Compliance with Measure Z

a. OPD Activity at Unlicensed Dispensaries

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

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

b. OPD's Annual Report to the Commission

In August, Assistant Chief Paul Figueroa and Lt. Tony Jones presented OPD's annual report with the 2013 arrest data for cannabis-related offenses. Once again, the Commission received a thorough report from OPD, which included demographic data to better enable the Commission to evaluate the Police Department's compliance with Measure Z. (See Attachment A.)

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

II. Cannabis Regulations

a. Cultivation Regulations

In 2014, the Commission's Cultivation Regulation Research Committee continued its work researching options for cultivation regulations in Oakland. The committee worked on model language for modifying Oakland's regulations for cultivating cannabis in light of community members' concerns regarding large cultivation sites in Oakland. In December, this Committee (the Public Safety Committee) requested the Commission review and comment on the proposed amendments to Oakland Municipal Code 5.80, Medical Cannabis Dispensary Permits, which the Commission will present in a separate report.

b. Licenses for On-Site Consumption

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

c. Reducing Waste

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

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

d. Potential Economic Benefits

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