

Cannabis Regulatory Commission

Regular Meeting

Thursday, September 21st, 6:30 p.m.
Council Chambers, City Hall, One Frank H. Ogawa Plaza

AGENDA

Members:

Vacant	District 1	Jacob Sassaman	District 7
Chang Yi	District 2	A. Kathryn Parker	At Large
Zach Knox	District 3	Stephanie Floyd- Johnson	Mayor
Jin Jack Shim	District 4	Vacant	City Auditor
Matt Hummel	District 5	Greg Minor	City Administrator
Derreck Johnson	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
 - *Medical cannabis permitting process*
 - *Use of cannabis tax revenues*
- D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meeting of July 2017.
- E. Reports for Discussion and Possible Action
 - 1. Oakland Police Department Report on 2016 arrests and citations for cannabis offenses.
 - 2. Update on medical cannabis permitting process.
 - 3. Update on implementation of adult recreational use due to the passage of Prop 64.
 - 4. Update on upcoming medical cannabis dispensary permit application process.
- F. Announcements
 - 1. New member orientation binders.
- 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.

Thursday, July 20th, 6:30 p.m.
Council Chambers, City Hall, One Frank H. Ogawa Plaza

Minutes

Members:

Vacant	District 1	Jacob Sassaman	District 7
Chang Yi	District 2	A. Kathryn Parker	At Large
Zach Knox	District 3	Stephanie Floyd-Johnson	Mayor
Jin Jack Shim	District 4	Vacant	City Auditor
Matt Hummel	District 5	Greg Minor	City Administrator
Terryn Buxton	District 6		

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MEETING AGENDA

A. Roll Call and Determination of Quorum

Members Present: Yi, Knox, Shim, Hummel, Sassaman, Parker, Floyd-Johnson, Minor
Members Not Present: Buxton

B. Open Forum / Public Comment

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

- *OPD 2016 Report on arrests for cannabis offenses.*
- *OPD training bulletin*

D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meeting of May, 2017 and June 2017.

Approved by Consensus with amendment to May minutes to delete bracket on second line of E (1).

E. Reports for Discussion and Possible Action

1. An update on the implementation of 5.80 and 5.81 and applications received thus far.

Staff provided an update regarding applications received by number and business type.

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Rob Raich raised concerns re staff's July recommendation to keep adult use and medical cannabis businesses distinct.

2. A discussion on updating the City's Cannabis Regulations to include adult recreational use due to the passage of Prop 64.

Commissioners engaged in a broad discussion of issues related to adult use implementation, including learning from the experiences of other states, co-existence of medical and adult use businesses, whether to limit the number of permits, permitting onsite consumption, permitting cannabis events, the need to examine how cannabis tax revenue is allocated, and advertising. The item was continued for further discussion.

3. Overview of upcoming medical cannabis dispensary permit application process.

Staff provided an overview of proposed application process centered on satisfying basic requirements with no initial property requirement and selection of permittees via lottery.

Members of the public and commissioners discussed pros and cons of a lottery approach as well as alternative approaches with objective standards. The dialogue included discussion regarding the timing of the process, financial requirements, and learning from City's past dispensary permitting process.

4. Discussion on "seshes."

Commissioners Hummel introduced the topic, Commissioner Sassaman advocated for less enforcement and regulating "seshes."

Members of the public expressed support for legalizing "seshes"/cannabis events as they allow for intimate settings, communal spaces and a platform for small businesses.

Commissioner Yi made a motion, seconded by Commissioner Knox to recommend that City's special event redesign task force consider incorporating cannabis events in the special event permitting process. Motion passed unanimously.

5. Update on Public Bank

Commissioner Hummel provided an update; the City of Oakland has provided \$75,000 towards a study but is trying to get other cities and cannabis businesses to contribute towards the study.

F. Announcements

G. Adjournment



MEMORANDUM

TO: Cannabis Regulatory Committee

FROM: Oakland Police

SUBJECT: Citations and Arrests for Marijuana Offenses 2016

DATE: September 15, 2017

Background

The Oakland Cannabis Regulation and Revenue Ordinance (aka Measure Z), passed with the support of 65 percent of Oakland voters on November 2, 2004. The ordinance became effective on December 7, 2004. Measure Z provides that the City of Oakland make the enforcement of laws related to the private adult cannabis (marijuana) use, distribution, sale, cultivation and possession, the City's lowest law enforcement priority.

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

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

2016 Marijuana Citations & Arrests

In 2016, OPD issued 190 citations for possession of less than one ounce of marijuana under Section 11357(b) H&S (Health and Safety Code) (See Table 1 below), which equates to a 14 percent decrease from 2015. Approximately 38 percent of incidents involved vehicle stops for traffic violations where marijuana was observed or found after the stop. A majority of the remaining incidents involved walking stops where persons were observed with marijuana in a public place.

Table 1: 2016 11357(B) Citations by Sex and Race

Race	Male	Fem	Total	Percent
African American	131	19	150	79%
Asian	2	1	3	2%
Hispanic	21	1	22	12%
White	6	3	9	5%
Other	6	0	6	3%
Total	166	24	190	100%

Cannabis Regulatory Committee

Citations and Arrests for Marijuana Offenses - 2016

Date: September 15, 2017

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The number of citations dropped by 78 percent per month (from an average of 18 per month to an average of four per month) upon passage California Proposition 64 passed in November 2016.

In 2016, OPD made 15 arrests for possession of more than one ounce of marijuana under Section 11357(c) H&S.

In 2016, the Oakland Police Department's Homicide Section investigated 85 deaths that were classified as homicides per Federal Bureau of Investigation (FBI) Uniform Crime Report (UCR) guidelines. The motive in one of these murders involved marijuana.

In 2016, OPD made 17 arrests for marijuana cultivation (Section 11358 H&S). Seven of these arrests included additional offenses. Four of the arrests included firearms. Six arrests had neither an additional offense nor a firearm involved. Arrests for the sale of marijuana increased seven percent from 267 in 2015 to 286 in 2016. Arrests involving the sale and transportation of marijuana increased by 21 percent from 43 in 2015 to 52 in 2016. Police beats 34X, 31Y, 30X, and 04X had the highest number of arrests at 26, 23, 19 and 16 respectively. Tables 2 through 4 below provide an overview of marijuana arrests by sex, race and police beat.

Table 2: 2007 – 2016 Criminal Marijuana Arrests for Calendar Years

Statute	2007	2008	2009	2010	2011
Cultivation - 11358 H&S	13	29	37	58	8
Possession for Sales - 11359 H&S	508	618	571	517	275
Sales/Transportation - 11360(A) H&S	115	164	128	136	29
Total	636	811	736	711	312
Statute	2012	2013	2014	2015	2016
Cultivation - 11358 H&S	24	1	9	21	17
Possession for Sales - 11359 H&S	192	180	238	267	286
Sales/Transportation - 11360(A) H&S	33	55	94	43	52
Total	249	236	341	331	355

Table 3: 2016 Arrests by Sex & Race

Statute	African American		Asian		Hispanic		White		Other		Total
	Male	Fem	Male	Fem	Male	Fem	Male	Fem	Male	Fem	
11358 H&S	2	0	0	0	12	1	0	2	0	0	17
11359 H&S	195	8	7	0	57	2	3	3	11	0	286
11360(A) H&S	30	2	1	0	8	2	5	0	4	0	52
Total	227	10	8	0	77	5	8	5	15	0	355

Table 4: Arrests by Beat

Beat	Arrests	Beat	Arrests	Beat	Arrests	Beat	Arrests
34X	26	32X	9	29X	6	12Y	2
31Y	23	21Y	9	20X	6	14Y	2
30X	19	03X	8	18X	6	22Y	2
04X	16	02Y	8	32Y	5	05Y	1
27Y	14	30Y	8	18Y	4	08X	1
26Y	13	02X	8	77X	4	26X	1
23X	12	22X	8	05X	4	11X	1
07X	11	28X	8	27X	3	99X	1
19X	10	33X	7	10X	3		
35X	10	24X	6	31Z	3		
UNK	10	10Y	6	17Y	2		
Total	164	Total	85	Total	46	Total	11

City of Oakland Overall Crime Statistics:

In 2016, the City of Oakland experienced a five percent Overall decrease in crimes classified as Part One Crimes by the FBI.¹ There was a two percent increase in murder, a four percent decrease in shootings, a seven percent decrease in robberies, and a twenty-one percent decrease in residential burglaries.

/s/
Roland Holmgren
Captain of Police

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

CITY OF OAKLAND MEDICAL CANNABIS APPLICATION TOTALS

As of September 15, 2017

	TOTALS	PENDING	GRAND TOTAL
Total Complete & Incomplete Applications	178	9	187
Total Complete Applications	178		
Complete General Applications	93		
Equity Applications based on residency	67		
Equity Applications based on conviction	18		
Incubators	21		
Interested in Incubating	15		
Complete Application with property	110		
Complete Application without property (Equity)	49		
Complete Applicants without property (General)	19		

COMPLETED APPLICATIONS BY BUSINESS TYPE	GENERAL	INCUBATOR*	INTERESTED IN INCUBATING*	EQUITY
Delivery	16		2	21
Cultivator (Indoor)	35	10	8	20
Cultivator (Outdoor)	1	1		6
Distributor	13	3	2	16
Mfg. Volatile	11	4	1	4
Mfg. Non-Volatile	12	2	1	12
Transporter	3	1	1	3
Lab Testing	2			3
GRAND TOTALS	93	21	15	85

*These numbers are part of the General Total