

ADMINISTRATIVE REGULATIONS AND PERFORMANCE STANDARDS FOR
CITY OF OAKLAND CANNABIS OPERATORS
Last Updated April 28, 2023

I. Introduction

Oakland Municipal Code (“OMC”) Sections 5.80.040 and 5.81.070 require the City Administrator to set forth operating and performance standards for cannabis operators.

The definitions set forth in OMC Chapters 5.80 and 5.81 apply to the interpretation and understanding of these Administrative Regulations (“Cannabis Operator Regulations”). Additions from prior Cannabis Operator Regulations are shown in underline and deletions are shown as ~~strikethrough~~.

II. Compliance with State Law, Municipal Code and Regulations

Cannabis operators must comply with all applicable state and local laws, policies or regulations, including, but not limited to, the Health and Safety Code, the Business and Professions Code, the Medical and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) and any related regulations, the City of Oakland adopted Building Code, Plumbing Code, Electrical Code, Mechanical Code, Fire Code¹, Bay Area Air Quality Management District regulations, and the Americans with Disabilities Act.

Medical cannabis operators must pay the Cannabis Tax as required pursuant to OMC Section 5.04.480 as may be amended and adult use cannabis operators must pay the Cannabis Tax as required pursuant to OMC Section 5.04.481 as may be amended.

Cannabis operators must comply with any applicable Conditions of Approval and the City Administrator’s Administrative Regulations for Cannabis Operators, including any additions or revisions hereto.

Failure to comply with the Conditions of Approval, the Cannabis Operator Regulations provided in this document, and any applicable local and state laws or regulations may result in the imposition of fines, and suspension or revocation of any permit. Cannabis operators may also be subject to enforcement through the City’s nuisance abatement process and other administrative enforcement mechanism, civil action, and/or criminal prosecution.

¹ See Title 15 of the Oakland Municipal Code (OMC) for the Building, Plumbing, Electrical, Mechanical, and Fire Codes. https://library.municode.com/ca/oakland/codes/code_of_ordinances?nodeId=TIT15BUCO

III. Permitting

A. Applications for Permit

The City Administrator shall be responsible for implementing a process for selection of qualified cannabis operators and may set forth criteria to determine an operator's qualifications to meet the requirements of the applicable City's ordinances, regulations and state law. In addition to the standards set forth in the Cannabis Operator Regulations provided herein and OMC Chapters 5.80 and 5.81, the City Administrator or ~~his/her~~ their designee may consider the history of applicant's operating experience in the City of Oakland and/or relevant information from outside jurisdictions during the review of ~~his or her~~ the application for Cannabis Dispensary, Delivery-Only Dispensary, Cultivation, Manufacturing, Distribution, Lab Testing or Transporter permit or the renewal thereof.

In applying for a cannabis permit, ~~the~~ cannabis operators other than equity applicants shall pay the required non-refundable application fee as mandated in OMC Chapter 5.80 and 5.81. General applicants operating under a compliance plan must also pay any compliance plan required fees.

When a cannabis permit is issued, the annual regulatory fee is due. ~~A n n u a l~~ Cannabis Permits are valid for one (1) year from the date of issuance. In no event does the Cannabis Permit confer a vested right to operate for beyond the one (1) year term or beyond any successive one (1) year term thereafter.

Cannabis operators shall comply with any specific, additional administrative regulations, procedures and measures imposed as conditions of approval by the City Administrator to ensure that the operation is consistent with protection of the health, safety and welfare of the community and will not adversely affect surrounding uses. Additionally, any approved aspects of the cannabis operator's permit application shall be deemed to be incorporated into the operator's permit; failure to comply with all aspects of the approved permit application may be grounds for revocation of the permit.

B. Renewal of Permits

Permits must be renewed annually with the City Administrator's Office. Permit Holders shall contact the City Administrator's Office no later than forty-five (45) days before the expiration of the current permit to begin the renewal process. At that time, the cannabis operator shall submit the renewal application form along with renewal application fees and annual regulatory fees, verification of the current Business Tax Certificate, and any other requested financial documents or information as required by the OMC or the Regulations. If the Oakland cannabis operation is part of a multi-operator business or is included as part of a non-cannabis business for tax reporting purposes, the audited financial statements must be for the cannabis operation part of the business.

As part of the annual renewal process the cannabis operator shall be inspected by the Fire Marshall or their designee, any applicable County agency or their designees and pay any fees required by those agencies. Violations of the OMC shall be corrected within a reasonable time, as determined by the Fire Marshal or ~~his/her~~ their designee. The cannabis operator shall provide proof to the City Administrator's Office that there are no outstanding violations of the OMC.

~~Dispensaries are subject to public hearings as part of their annual renewal.~~

C. Prohibited Operations and Nonconforming Uses for Dispensaries

OMC Section 5.80.80 provides as follows:

1. Operation of a dispensary or delivery-only dispensary in violation of California Health and Safety Code Section 11326.7, et seq., 11362.5, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) 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 cannabis.
2. Except for uses established pursuant to Chapter 8.46, no use which purports to have distributed cannabis 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.
3. 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.

D. Prohibited Operations and Nonconforming Uses for Cultivators, Manufacturers and other facility permits pursuant to OMC Chapter 5.81

1. Oakland Municipal Code Sections 5.81.110 provide as follows: Any cultivating, 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 cannabis 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.
2. 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.

E. Revocation

Suspensions and revocations of permits shall follow the procedures set forth in OMC Sections 5.80.070 and 5.81.120.

F. Liability and Indemnity

OMC Sections 5.80.090 and 5.81.91 provide as follows as to the liability of a Cannabis operator that has been issued a permit (hereinafter referred to as “permittee”) by the City of Oakland:

1. 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.
2. 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, any 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.
3. 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 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.

G. Transfer of Permits

Permits issued under OMC Sections 5.80 and 5.81 only apply to the premises and the entities or individuals originally specified, except upon written permission of the City Administrator’s Office granted upon written application to the City Administrator’s Office made in the same manner as required in the original application process. All individuals with a direct or indirect interest in the permit not listed on the original application must undergo a live scan background check and inspections of the originally permitted premises by relevant agencies may be required.

IV. Performance Standards

A cannabis operator shall operate in conformance with the following standards, and such standards shall be deemed to be conditions of approval on any permit, to ensure that its operation

complies with California law, the OMC, and mitigates any potential adverse impacts of the cannabis operation.

Operations

1. Only dispensary and delivery-only dispensaries operators may provide cannabis to the public.
2. Only dispensaries are open to the public.
3. Any cannabis provided to other cannabis operators, patients or adults 21 and over shall be properly labeled in strict compliance with state and local laws, regulations and policies.
4. Cannabis operators shall not allow cannabis to be smoked, ingested or otherwise consumed on the premises, except in strict compliance with the terms of an approved onsite consumption permit. The term premises includes the actual building, as well as any accessory structures, parking areas, or other immediately surrounding areas.
5. Cannabis operators shall not hold or maintain a license from the State Department of Alcoholic Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages at the same location and time as a cannabis operation.
6. Cannabis operators shall post a copy of the City of Oakland Business Tax Certificate issued by the Business Tax Office and a copy of the cannabis permit issued by the City Administrator's Office in a conspicuous place on the premises.
7. Manufacturing of edible cannabis products must be done in compliance with all state and county laws, including health department regulations.

Background Checks

8.
 - A. Prior to employment, but only after a conditional job or appointment offer has been made, Executives, Board Members and Managers of Cannabis operators permitted by the City of Oakland pursuant to OMC Chapter 5.80 or 5.81 must undergo a Live Scan background check. The purpose is to determine whether the individual has been convicted or plead guilty or *nolo contendere* to the following criminal offenses, or their equivalent if arising out of state:
 - a) Penal Code Section 187 (homicide)
 - b) Penal Code Section 207 (kidnapping)
 - c) Penal Code Section 211 (robbery)
 - d) Penal Code Sections 245 (assault with deadly weapon)
 - e) Penal Code Sections 458-464 (burglary)
 - f) Penal Code Sections 470-483.5 (forgery)
 - g) Penal Code Sections 484-502.9 (larceny)
 - h) Penal Code Sections 503-515 (embezzlement)

Proposed Executives, Board Members, and Managers must contact the City Administrator for information related to the processing and cost of the fingerprinting, and any costs must be paid for in advance by the cannabis operation. Background checks shall be limited to the past seven (7) years.

If the background investigation determines a proposed Executive, Board Member or Manager has been convicted of or plead guilty or *nolo contendere* to one of the above offenses in the last seven years, the individual shall be informed of such by the City Administrator's Office and offered an opportunity to submit evidence of mitigation or rehabilitation to the City Administrator's Office before a final decision is made to exclude the proposed board member or manager. The City Administrator retains discretion in determining whether an Executive Director, Board Member or Manager is permitted to participate in the Cannabis Operation permit.

- B. If a Cannabis Operator elects to conduct a background check on other employees the background check must be done in the following manner.
 - i. Background checks may only take place after a conditional job offer has been made.
 - ii. Background checks must be conducted by a reputable third party.
 - iii. Background checks shall not utilize prior cannabis offenses to prohibit employment.
 - iv. Background checks must be in compliance with applicable state and federal laws including, but not limited to, Fair Credit Reporting Act (FCRA) 15 USC §1681 et seq. and Investigative Consumer Reporting Act (ICRAA) CA Civil Code §1786 et seq.

Records

9. Cannabis operators shall implement a track and trace program as prescribed by state law that records the movement of cannabis and cannabis products in their custody and make these records available to the City Administrator upon request.

10. Cannabis operators shall keep accurate records, follow accepted cash handling practices and maintain a general ledger of cash transactions.

11. Cannabis operators shall allow the City Administrator to access the books, records, accounts and all data relevant to its operations for purposes of conducting an audit or examination to determine compliance with the OMC, the Operating Regulations and applicable laws. Books, records, accounts and all relevant data shall be produced no later than twenty-four (24) hours after the date of the City Administrator's written request.

Facilities

- 12. Pursuant to Business and Professions Code section 26054(b) cannabis operators shall not be located within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, daycare center, or youth center (collectively herein after referred to as "sensitive uses") that is in

existence at the time the license is issued, unless the City Administrator specifies a different radius as provided below. The distance specified in this section shall be measured in the same manner as provided in subdivision (c) of Section 11362.768 of the Health and Safety Code unless otherwise provided by law. Pursuant to Oakland Municipal Code 5.80.020, to approve an application for a location at a distance less than 600 feet of the sensitive uses specified above, the City Administrator must determine that the location will not impact the peace, order and welfare of the public. In making this determination, the City Administrator shall consider the following factors:

- (1) Whether the proposed location is visible from a sensitive use;
- (2) Whether there are existing businesses oriented towards adult consumers also within six hundred feet of the proposed use, including but not limited to a liquor store or bar, tobacco shop or tobacco smoking lounge, smoking paraphernalia store, adult bookstore, massage parlor, commercial hot tub or sauna establishment.

If the City Administrator determines a proposed location within a 600-foot radius of a sensitive location will not impact the peace, order, and welfare, in addition to providing an analysis of the factors specified above, the City Administrator shall include a provision in the Findings and Recommendations of the Hearing Officer on the cannabis operator application that states: “[t]he City Administrator has determined the proposed location will not impact the peace, order, and welfare of the public and hereby specifies the approved radius of the location with the sensitive uses listed below is . . . [x number of feet].”

13. Cannabis operators shall not permit any breach of peace inside of their facility or any disturbance of public order or decorum by any tumultuous, riotous or disorderly conduct.

14. Cannabis facilities shall be designed with sufficient sound absorbing insulation so that the noise generated inside is not audible on the premises, or public rights-of-way, or any other building or other separate unit within the same building beyond that of a normal commercial office as determined by the City Administrator.

15. Cannabis facilities shall be designed to provide sufficient odor absorbing ventilation and exhaust system so that any odor generated inside the facility is not detected outside the building, on adjacent properties or public rights-of-way, or within any other unit located within the same building as the Cannabis operator, if the use only occupies a portion of a building.

16. No cannabis shall be visible from outside of a cannabis facility.

17. Cannabis operators must implement a community beautification plan to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community within 50 feet of the cannabis facility.

18. All cannabis associated with the cannabis operation must be stored at the site of the permitted facility.

Security

19. Security cameras shall be installed and maintained in good condition. The camera and recording system must be of adequate quality, color rendition and resolution so as to allow the identification of an individual. The minimum camera resolution shall be 1280 x 720 pixels. The

cameras shall be in use 24 hours per day, 7 days per week, and shall cover all cannabis dispensing areas, storage areas, all doors and windows into the cannabis facility, parking areas and other areas as determined by the Chief of Police or ~~his/her~~ their designee. The recordings shall be maintained at the property for a period of thirty (30) days. Surveillance cameras must satisfy any state requirements, including ~~Bureau~~ Department of Cannabis Control Regulation Section 5044.

20. The security cameras must be Internet Protocol (IP) cameras capable of providing real time footage over the internet. Operators must provide the Oakland Police Department with access to this real-time camera footage in case of an emergency.

21. The cannabis facility shall be alarmed with a centrally-monitored fire and burglar alarm system, and monitored by an alarm company properly licensed by the State of California Department of Consumer Affairs Bureau of Security and Investigative Services in accordance with California Business & Professions Code § 7590 *et seq.* and whose agents are properly licensed and registered under applicable law.

22. Exterior windows and roof hatches at the property shall be secured so as to prevent unauthorized entry and also equipped with latches that may be released quickly from the inside to allow exit in the event of an emergency.

23. Cannabis facilities shall maintain adequate exterior lighting in the parking areas to help provide safety for qualified patients, primary caregivers, customers, and employees.

24. Non-dispensary facilities that are either (a) greater than 10,000 square feet or (b) subject to more than two burglaries, robberies, attempted burglaries, or attempted robberies, in less than six months shall maintain at least one security guard duly licensed by the State of California, Department of Consumer Affairs. Security guards shall possess a "Security Guard Card" at all times.

25. Any crimes or attempted crimes at the cannabis facility, including burglaries, robberies, attempted burglaries, and attempted robberies, must be reported within forty-eight (48) hours to the Oakland Police Department through a police report and to the City Administrator's Office via an email to cannabisapp@oaklandca.gov.

26. Cannabis facilities lacking a security guard must maintain a safe at their facility that either weighs more than seven-hundred (700) lbs. or is bolted to the ground.

27. Exterior entry/exit doors shall be commercial grade with commercial grade locking mechanisms.

28. If an operator is seeking local authorization for a provisional state license to conduct commercial cannabis activity prior to obtaining a City of Oakland cannabis permit, operators must cure any defects identified in the City of Oakland's security inspection within 30 days.

Signage

29. Exterior signage shall be limited to one wall sign not to exceed 10 square feet in area, and

one identifying sign not to exceed two square feet in area unless otherwise proscribed by the Planning and Building Department in the zoning clearance issued to the Cannabis operation. Such signs shall not be directly illuminated.

Labor & Employment Practices

30. Cannabis operators must provide compensation and opportunities for continuing education and training to their employees. Cannabis operators shall provide proof of their policy and regulations to the City Administrator or ~~his/her~~ their designee upon request. The City reserves the right to review employee policies and procedures and to audit their employee records to determine how many employees have participated in education and training programs, as well as what programs are being offered and how employees are being compensated to assure that the Cannabis operator is complying with this condition.

31. Cannabis operators must purchase at least 50% of their products, equipment, materials from Oakland businesses and hire only local firms for construction.

32. Cannabis operators must provide a living wage as defined by OMC Section 2.28 to their employees. Wage scale should be provided in writing for all levels of employment at the facility.

33. Cannabis operators must provide Equal Benefits and sign a Declaration of Non-Discrimination as required.

Equity Permit Program

34. In order to receive City benefits under the Equity Assistance Program, such as fee waivers, and technical or financial assistance, Equity applicants must submit income and residency documents to the City Administrator, or ~~his/her~~ their designee, that verify their equity status at the time of applying for a cannabis permit and within ~~four~~ eight years of the initial verification.

35. General Applicants that the City approved as incubators based on their commitment to provide security measures and three years of free real estate or rent for a minimum of 1,000 square feet for an Equity applicant to conduct its business operations must continue to provide this free space and security for the three-year period, regardless of whether the Initial Permitting Phase has expired. This three-year period commences when the equity applicant obtains access to the space for operating its business.

- a. Incubated Equity Applicants shall have access to camera footage of their cannabis business premises as well as the exterior of the building in which the Equity business resides.
- b. General Applicant incubators shall provide their Equity Applicants with a safe.

36. To preserve a General Applicant's Equity Incubator status, an Equity applicant receiving equity incubator benefits must operate an active cannabis business.

37. Equity applicant ownership must satisfy the definition of "ownership" under OMC Sections 5.80.010 and 5.81.20 such that the equity qualifying individuals maintain control over at least half

of the cannabis operation.

Local Authorization for an ~~Provisional~~ or Annual State License

38. To obtain local authorization for an annual state license to conduct commercial cannabis activity an operator must receive an environmental determination from the City pursuant to the California Environmental Quality Act (CEQA) as described in paragraphs 41-43 and either:

A. Obtain approvals from all agencies listed on the cannabis permit checklist, receive an annual cannabis permit from the City of Oakland, and renew the annual cannabis permit each year; or

B. Obtain a conditional cannabis permit from the City of Oakland, enter into a [compliance plan with the Special Activity Permits Division](#), and satisfy the compliance plan requirements outlined in paragraph 39. annually.

39. ~~An operator with a current cannabis permit from the City of Oakland may be locally authorized for a provisional state license in lieu of an annual state license to conduct commercial cannabis activity. To~~ An operator may maintain or obtain local authorization for an annual ~~provisional~~ state license to conduct commercial cannabis activity ~~prior to obtaining approvals from all agencies listed on the City of Oakland cannabis permit checklist by an operator must obtain receive an environmental determination from the City pursuant to CEQA as described in paragraphs 42-44 and demonstrating good faith progress in obtaining approvals from the Building and Fire Prevention Bureaus, the Oakland Police Department, and if required, Alameda County Health Department and East Bay Municipal Utility District. Good faith progress shall be demonstrated by entering into a [120-Day Local Authorization Building and Fire Permitting Compliance Plan for Cannabis Operators](#), paying any required compliance plan fees, and staying in compliance with the Compliance Plan's requirements. If an operator has not completed the City's annual cannabis permit process within the 120-day compliance plan period, the operator may request another 120 days of local authorization while finishing the permitting process. To do so, the operator shall send an email to cannabisapp@oaklandca.gov outlining what progress has been made towards the milestones identified in the compliance plan and what steps the operator needs to complete in order to finish the permitting process.~~

40. In order for a General Applicant incubator to maintain its local authorization for a provisional state license, all Equity Applicants being incubated by them that have not yet obtained a City of Oakland cannabis permit must maintain their local authorization for a provisional state license in accordance with the requirements of Section ~~thirty-nine(39) forty (40)~~ above.

California Environmental Quality Act ("CEQA")

41. Each Cannabis Operator must receive an environmental determination pursuant to CEQA (Public Resources Code Section 21000 et seq.) from the City prior to approval of the Cannabis Operation Permit. The City, in its discretion and based on substantial evidence in the record, may determine that either: (1) a CEQA exemption applies and a Notice of Exemption (NOE) is appropriate, or (2) further environmental study, including but not limited to, an Initial Study, Environmental Impact Report (EIR), or other study may be needed depending upon the proposed Cannabis operation. The City will inform the Cannabis operator before granting the Cannabis

Operation Permit as to what, if any, further environmental review is needed, or whether an NOE is appropriate.

42. If the City determines that the Cannabis operation should receive an NOE, then the Cannabis operator must then file the NOE with Alameda County Clerk and the state Office of Planning and Research (OPR) within five (5) days from the date of the Cannabis Permit approval. The Cannabis Operator shall furnish proof of the filed NOE to the City Administrator or ~~his/her~~ their designee upon request.

43. If further environmental review is needed, then the City will notify the Cannabis operation applicant, who will be responsible for paying for the environmental consultant. The City will then choose and retain the environmental consultant. The City will follow the same environmental review procedure required for City development projects.

Cultivator and Volatile Manufacturing Specific Requirements

44. Cultivators shall not use internal combustion engine generators to provide primary or supplemental power to a building, facility, stationary source, or stationary equipment.

45. Indoor cultivators must demonstrate that one hundred percent (100%) of their electricity is derived from renewable or carbon free sources. Renewable or carbon free sources include electricity generated by wind, solar, geothermal, and/or hydroelectric. No combustion generated electricity, including use of renewable natural gas (RNG) or biofuels, qualifies under this definition. This can be done by enrolling in Ava Community Energy Choose Renewable 100 Option (<https://ebce.ccaprocess.com/Views/AccountInfo.aspx?enrollment=optup>) and providing confirmation annually or more frequently if required by the City Administrator's Office.

46. Cannabis cultivation operations that will use CO2 enrichment shall provide documentation as outlined in Chapter 53, Section 5307.4 of the 2019 California Fire Code to the Oakland Fire Department (OFD) and shall not proceed with this operation until the installation has been approved by OFD.

47. Volatile manufacturing operations shall provide documentation as outlined in Chapter 39 of 2019 California Fire Code to OFD and shall not begin this operation until the installation has been approved by OFD.

Dispensary Specific Requirements

48. Dispensaries shall provide the City Administrator's Office, the Chief of Police, or their respective designees, and all neighbors located within fifty (50) feet of the premises with the name, phone number, and facsimile number of an on-site community relations staff person to whom one can provide notice if there are operating problems associated with the Dispensary. The Dispensary shall make a good faith effort to encourage neighbors to call the community relations staff person to try to solve operating problems, if any, before any calls or complaints are made to the City Administrator or Police Department.

49. Maximum operating hours for a Dispensary shall be as follows: 7:01 am to 9:59 pm daily.

The Dispensary is prohibited from operating between the hours of 10:00 p.m. and 7:00 a.m. the next ensuing day, except that patients or customers who have entered the premises prior to closing time may complete their transactions and must be escorted out of premises immediately upon completion of transaction.

50. Dispensary operators must maintain a staff comprised of at least 50% Oakland residents with the goal of 25% of all employees from Oakland census tracts identified by the City Administrator as having high unemployment rates.

51. Dispensaries are encouraged to disclose the percentage level of delta-9 (trans) tetrahydrocannabinol, cannabidiol, and cannabitol in cannabis to qualified patients and customers prior to purchase.

52. Dispensaries shall maintain records of its medical cannabis patients using only the State of California Medical Marijuana Identification Card number issued by the county or the County's designee, pursuant to California Health and Safety Code Section 11362.7 *et seq.*, or a copy of the written recommendation, as a protection of the confidentiality of the cardholders. Dispensaries shall track when Members' medical cannabis recommendation and/or identification cards expire and enforce conditions of membership by excluding members whose identification card or recommendation are invalid or have expired. Additionally, operators shall exclude members or customers who are caught diverting cannabis.

53. Dispensaries shall, by using the patient or caregiver's identification number, keep an accurate account of the number of members and customers that visit or do business with the Cannabis operator each month, and for the entire permit year.

54. Dispensaries shall maintain a log of patient and customer complaints and shall make the log available to the City Administrator, or ~~his/her~~ their designee, upon request. The log shall contain at a minimum the date of the complaint, the complaining patient's identification number or reference to ~~his/her~~ their written recommendation, the nature of the complaint, and the action taken by the Cannabis operator to address the complaint.

55. Dispensaries must also be six hundred (600) feet via path of travel from any youth center or school as defined by OMC 5.80.

56. Dispensaries shall remove litter on and in front of the premises and, if necessary, on public sidewalks within one hundred feet (100') of the facility two (2) times, in four (4) hour intervals, each operating day.

57. During Business Hours, Dispensaries shall provide a minimum of two (2) security guards duly licensed by the State of California, Department of Consumer Affairs. Each security guard shall possess a "Security Guard Card" at all times.

58. Among other duties, security guards shall be responsible for ensuring compliance with OMC Chapter 8.30, which prohibits smoking within twenty-five feet (25') of any building entrance, exit, window and air intake vent of service buildings.

59. Dispensaries shall direct security guards to monitor the outside of the premises for loitering and unlawful sale of cannabis by members or customers. Further, those security persons shall be directed to report to the Dispensary all unlawful sales of cannabis by members or customers. The Dispensary shall immediately cease providing cannabis to the reported person, and make a report within twenty-four (24) hours to the Alameda County Health Department or the doctor that issued the medical cannabis recommendation for the member, if applicable. If the patient is subsequently re-approved by county health or its agent, the dispensary may resume the providing medical marijuana to the patient and caregiver. The dispensary shall keep a record of all incidents where members unlawfully provide cannabis to non-members. Additionally, the dispensary shall inform patients and caregivers about this condition and remind them that it is unlawful for them to sell cannabis.

Ramifications for Failing to Appear at Community Meetings

60. Under OMC Section 5.80.020 (E) and OMC Section 5.81.050(E) cannabis applicants proposing to situate within 300 feet of a residential zone must participate in a community meeting before obtaining a cannabis permit or other approvals.

61. City staff will coordinate with cannabis applicants required to participate in a community meeting regarding the scheduling of the community meeting. If the applicant fails to attend the community meeting that has been scheduled and noticed, the applicant must provide a written justification for why they failed to attend in the meeting before City staff will schedule another meeting.

62. If an applicant required to participate in a community meeting fails to attend a community meeting more than once, that applicant is no longer eligible for a permit at that location.

Community Beautification

63. OMC Section 5.80.020(D)(4) and OMC Section 5.81.070(B)(3) require permitted facilities to implement a community beautification plan to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community within fifty (50) feet of the cannabis facility.

64. Cannabis operators shall satisfy this community beautification requirement by reducing illegal dumping, littering, graffiti and blight on at least a quarterly basis and operators shall maintain records of their compliance for at least one year, such as before and after photos or receipts, and make these records available to the City Administrator's Office upon request.

V. Effective Date of Cannabis Operator Regulations and Changes

Any amendments to these Cannabis Operator Regulations shall take effect immediately, and compliance with current regulations shall be required for all new permit applicants.

~~AS YOU KNOW, THE CULTIVATION, POSSESSION, DISTRIBUTION AND SALE OF ANY TYPE OF CANNABIS, INCLUDING MEDICAL CANNABIS, IS PROHIBITED UNDER FEDERAL LAW.~~

~~A CANNABIS PERMIT ISSUED BY THE CITY OF OAKLAND DOES NOT PROVIDE ANY IMMUNITIES OR DEFENSES TO FEDERAL PROSECUTION OR ENFORCEMENT ACTIONS AGAINST PERMITTEES, THEIR CULTIVATORS, LANDLORDS OR OTHER PARTIES INVOLVED IN CANNABIS ACTIVITY. AS A RESULT, THE PERMIT SHOULD NOT BE RELIED UPON AS PROVIDING ANY IMMUNITIES OR DEFENSES FROM SUCH PROSECUTION OR ENFORCEMENT ACTION.~~

The permittee agrees to indemnify and save harmless the City of Oakland, its officers, agents, employees and volunteers, and each of them, from any suits, claims, or actions brought by any person or persons, corporations, government agencies or other entities on account of any activities associated with this permit such as but not limited to cannabis distribution, cultivation or transportation.

2024 ADDENDUM
TO ADMINISTRATIVE REGULATIONS AND PERFORMANCE STANDARDS
FOR CITY OF OAKLAND CANNABIS OPERATORS

Last Updated April 29, 2024

I. Introduction

On December 5, 2023 the Oakland City Council adopted [Ordinance No. 13775 C.M.S.](#), which amended Oakland Municipal Code (OMC) 5.80 and 5.81 to allow an Equity Applicant to transfer their local authorization status or permit to a General Applicant one year after receipt of a cannabis permit or three years after submitting a cannabis permit application, whichever occurs first. This amendment is in addition to the City of Oakland's (City's) default business permit regulations found in [OMC 5.020.70](#) which already allow Equity Applicants to transfer their permits to other Equity Applicants after notifying the City by submitting an updated cannabis permit application. Furthermore, [Ordinance No. 13775 C.M.S.](#) authorized the City Administrator to develop regulations to implement the transfer approval process. Accordingly, below please find the City's regulations on transfer approvals; please note that to the extent there is any conflict between this addendum and [the City's current Cannabis Operator Regulations](#), namely Section G. Transfer of Permits, this addendum supersedes the existing Cannabis Operator Regulations.

II. Transfer Approval Process

1. The City of Oakland may approve the transfer of an Equity Applicant's cannabis permit or local authorization status to a General Applicant after the transferor and transferee complete the following:
 - a. Submit a complete transfer request form to the Special Activity Permits Division.
The completed form shall include the name and contact information of the proposed transferee, the terms the transaction between the transferor and transferee, and a completed LiveScan background check for transferee's board members, partners and managers.
 - b. If the transferor's business has a physical address, provide proof of current compliance with the Oakland Fire Code as demonstrated via a Fire Inspection Report from the Oakland Fire Department from within the last thirty (30) days.
 - c. Provide a current business tax certificate for the business entity that will hold the permit or local authorization status. If the business entity is different than the prior entity that held the permit or local authorization status, the transferor must pay any outstanding City taxes.
 - d. Confirm that either one year has passed since the transferor received their cannabis permit or three years have passed since they submitted their cannabis permit application.
2. Other than equity ownership commitments, transferees that obtain dispensary permits that were selected through a competitive (scored) process must satisfy all commitments made by the transferor in their initial dispensary permit application, such as

commitments to sell equity products, purchase products from Oakland equity distributors and cultivators, and local hiring.

3. If the transferor has an outstanding loan from the City of Oakland, the loan must be repaid in full prior to the City approving a transfer.