Cannabis Regulatory Commission

Regular Meeting

AGENDA

Thursday November 2, 2023 6:30 pm I Frank Ogawa Plaza, City Hall, 3rd Floor City Council Chambers Oakland, CA 94612

Reminder: This meeting will take place in person. Members of the public can observe remotely via zoom but must attend in person in order to participate.

PUBLIC PARTICIPATION INSTRUCTIONS

TO OBSERVE:

- Attend in person; or
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After calling any of these phone numbers, if you are asked for a participant ID or code, press #. Instructions on how to join a meeting by phone are available at: <u>https://support.zoom.us/hc/en-us/articles/201362663</u>, which is a webpage entitled "Joining a Meeting By Phone."

TO PROVIDE PUBLIC COMMENT: There are two ways to make public comment within the time allotted for public comment on an eligible Agenda item.

- Attend in person; or
- Comment in advance. To send your comment before the meeting starts, please send your comment, along with your full name and agenda item number you are commenting on, to Greg Minor at <u>gminor@oaklandca.gov</u>. All submitted public comments will be provided to the Cannabis Regulatory Commission prior to the meeting.

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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.

b 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) 238-6370.

Members:

Javier Armas	District 1	Hellen Harvey	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Taib Alaoui	District 3	Yulie Padmore	Mayor
Tariq Ikharo Vacant Tanya Boyce	District 4 District 5 District 6	TiYanna Long Greg Minor	City Auditor City Administrator

Available on-line at: https://www.oaklandca.gov/boards-commissions/cannabis-regulatory-commission

MEETING AGENDA

- A. Roll Call and Determination of Quorum
- B. Approval of the Draft Minutes from the CRC Special Meeting on October 2023
- C. Reports for Discussion and Possible Action

1. Oakland Police Department Report on 2022 Citations and Arrests for Cannabis Offenses and Discussion Regarding Private Security Guards at Cannabis Businesses

- 2. Developing a CRC Member Attendance Policy
- 3. Exit Interview Survey for Withdrawn Applications

4. Fires Related to Cannabis Cultivation Facilities and Status of Hazardous Materials Inspector in Fire Prevention Bureau

- 5. Implementation Update on State Grants
- D. Review of the Pending List and Additions to Next Month's Agenda
 - Building and Fire Baseline Permitting Timelines (since January 2022)
 - Establishing Department of Cannabis (since September 2022)
 - Planning Department Discussion re Zones Eligible for Cannabis Businesses (since October 2022)
 - Draft 2022 Cannabis Regulatory Commission Annual Report (since October 2023)
 - Updated information from Finance Department (since October 2023)
- E. Open Forum / Public Comment
- F. Announcements
 - 1. Update on Cannabis Permitting Process
 - Proposal to Authorize Converting Cannabis Equity Loans Into Grants, Allow the Transfer of Permits from Equity Applicants to General Applicants, and Lift the Limit on Cannabis Special Events for a One-Year Period is Scheduled for the City Council's November 14th Community Economic Development (CED) Committee Meeting
 - 3. Apply to serve on CRC here: https://oakland.granicus.com/boards/w/8552f8c4c0e15460/boards/6697
- G. Adjournment

Cannabis Regulatory Commission

Regular Meeting

MINUTES

Thursday October 5, 2023 6:30 pm 1 Frank Ogawa Plaza, City Hall, 3rd Floor City Council Chambers Oakland, CA 94612

Reminder: This meeting will take place in person. Members of the public can observe remotely via zoom but must attend in person in order to participate.

PUBLIC PARTICIPATION INSTRUCTIONS

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Available on-line at: https://www.oaklandca.gov/boards-commissions/cannabis-regulatory-commission

MEETING AGENDA

A. Roll Call and Determination of Quorum

Present: Armas, Ikharo, Boyce, Harvey, Padmore, Long, and Minor (Member Ikharo arrived after Roll Call) Absent: Corder, Alaoui, Turner

B. Approval of the Draft Minutes from the CRC Special Meeting on February 9, 2023

Vice-Chair Long made a motion to approve the minutes as drafted. Member Harvey seconded the motion. The motion passed with Members Harvey and Vice Chair Long voting in favor, and Member Armas, Boyce, Padmore, and Minor abstaining.

C. Reports for Discussion and Possible Action
1. 2023 Annual Report from Revenue Management Bureau on Cannabis Business Taxes

Nicole Andrino with the Revenue Management Bureau (RMB) summarized the information provided in RMB's written report and highlighted the decrease in the largest tier of businesses.

Members of the public asked about the downstream impact of reduced cannabis sales, the need to lower cannabis taxes, and asked questions regarding the number of equity vs. general applicants on payment plans.

Member Armas stated that taxes on cannabis businesses should be lowered to be more competitive with other jurisdictions. Member Boyce advocated for clarity on where cannabis tax revenues go.

Vice-Chair Long made a motion to request that the finance department provide updated information for Tables 6, and 9 in their report with respect to equity vs. non-equity businesses. Member Armas seconded the motion and it passed by consensus.

2. Proposal to Allow Cannabis Cafes, Authorize the Forgiveness of Cannabis Equity Loans Into Grants, Allow the Transfer of Permits from Equity Applicants to General Applicants, and Increase Number of Cannabis Special Event Permits at a Location from Twelve To Twenty-Four Per Year

Member Minor provided a summary of the proposed legislation. Members of the public encouraged the City to support equity businesses by allowing for the transfer of permits and encouraging more onsite consumption options. Member Armas noted what a challenging environment it is for equity operators and how their licenses are treated as less valuable than general applicant licenses. Member Boyce said she was generally supportive but concerned about the topic of allowing equity applicants to transfer licenses and how to ensure reinvestment

in the City's equity program. Member Padmore expressed that the proposal was a great start and that the City should move things forward to stimulate Oakland's economy. Member Ikharo expressed support for converting loans to grants, cannabis cafes, and reducing taxes.

Vice-Chair Long made a motion to move Item C(2) to the City Council as four separate items for the City Council's consideration. Member Boyce seconded the motion with Members Armas, Ikharo and Minor abstaining.

3. Implementation Update on State Grants

Member Minor provided an update on the status of different state grants.

Chaz Walker asked if there was anyone with experience cultivating cannabis interested in working with Merritt College on an upcoming project.

Member Armas shared that he has had a bad experience with the City's consultant for loan and grant programs, Elevate Impact. Vice-Chair Long asked what the process will be for assessing Elevate Impact's performance and Member Minor shared that staff intends to survey equity applicants as it has in the past.

Member Boyce asked for clarity on what time period are covered by the different figures in the CRC memo; Member Minor offered to update the CRC memo in future agendas. Member Boyce inquired about the use of Local Jurisdiction Assistance Grant (LJAG) funds, including funding for CPTED (Crime Prevention Through Environmental Design) and Hazardous Materials Inspector.

Member Boyce then made a motion to request a follow up report from staff regarding how the (1) CPTED funds in the LJAG are and will be used and (2) how much of the funding for the Hazardous Materials Inspector will remain going forward. Vice-Chair Long seconded the motion and it passed by consensus.

- D. Review of the Pending List and Additions to Next Month's Agenda
 - Building and Fire Baseline Permitting Timelines (since January 2022)
 - Finalize Exit Interview Survey for Withdrawn Applications (since July 2022)
 - Establishing Department of Cannabis (since September 2022)
 - Planning Department Discussion re Zones Eligible for Cannabis Businesses (since October 2022)
 - Oakland Police Department Report on Citations and Arrests for Cannabis Offenses in 2022 (since October 2023)
 - Draft 2022 Cannabis Regulatory Commission Annual Report (since October 2023)

Member Minor offered an overview of the items on the pending list.

Member Boyce recommended adding a report from the fire department regarding cultivation fires as well as the impact of private security guards at cannabis businesses across Oakland.

Member Boyce made a motion for a report on the topics of cultivation fires and private security guards at cannabis businesses as well as a report from the Planning Department on what zones should be eligible for cannabis businesses. Member Armas seconded the motion and it passed by consensus.

Vice-Chair Long then made a motion to bundle the CRC's 2022-2023 annual reports for presenting to the City council in the spring of 2024. Member Boyce seconded the motion and it passed by consensus.

E. Open Forum / Public Comment

Jordan Rynning of Peninsula Press spoke.

- F. Announcements
 - 1. Update on Cannabis Permitting Process
 - 2. Updates Since February Meeting
 - a. Cultivation Ordinance Amendment to Preserve Work-Live Uses
 - b. Large Cultivator and Compliance Plan Fees

Member Minor provided an update on the actions that had taken place since the CRC's last meeting in February 2023. Member Boyce and Vice-Chair Long expressed frustration about the Oakland Cannery and the potential loss of live-work spaces in Oakland. Vice-Chair Long emphasized that the CRC needs to represent the whole community and not just cannabis businesses.

- 3. State Legislative Updates
 - a. Senate Bill 51
- 4. Apply to serve on CRC here: https://oakland.granicus.com/boards/w/8552f8c4c0e15460/boards/6697
- G. Adjournment



Cannabis Regulatory Commission

то:	Cannabis Regulatory Commission	FROM:	Greg Minor Deputy Director, Economic and Workforce Development Department
SUBJECT:	November 2023 Agenda Items	DATE:	October 30, 2023

ITEM C (1) Oakland Police Department Report on 2022 Citations and Arrests for Cannabis Offenses and Discussion Regarding Private Security Guards at Cannabis Businesses

Attached please find the Oakland Police Department (OPD) Report on 2022 Citations and Arrests for Cannabis Offenses. Additionally, at the October 2023 CRC meeting, Member Boyce made a motion for a report on private security guards at cannabis businesses across Oakland. OPD does not have a written report on the topic of private security guards but OPD staff will be available at the November 2023 CRC meeting to answer questions and hear public comments.

ITEM C (2) Developing a CRC Member Attendance Policy

Chair Turner has requested a discussion regarding developing a CRC member attendance policy. Although the CRC met last month, the CRC did not meet due to lack of quorum between February and October 2023.

ITEM C (3) Exit Interview Survey for Withdraw Applications

At the October 2023 CRC meeting Vice-Chair Long asked for a status update on finalizing an exit interview survey for withdrawn cannabis permit applications and Member Minor offered to provide an updated version of the survey for the CRC's review at the November CRC meeting.

This topic first came about at the June 13, 2022 CRC meeting when Vice-Chair Long made a motion for staff to draft exit interview questions for cannabis businesses that withdraw their applications to better understand why they are withdrawing and for staff to present these questions to the CRC for its review. Chair Turner seconded the motion and it passed by consensus.

At the July 2022 CRC meeting staff then presented a draft survey and CRC members made the following recommendations for staff to incorporate: add an "other" option to questions and options for a write in response; add incubation, loan default, challenges attracting investment due to burglaries, and not being able to transfer a license as reasons for withdrawing an application.

Accordingly, below are draft questions for the CRC and public's review and feedback. The goal of these questions is to better understand trends taking place within Oakland's cannabis industry and what cannabis policies the City of Oakland should adopt.

UPDATED DRAFT EXIT SURVEY

- Applicant Background questions:
 - Permit type(s)
 - When did you start operating a cannabis business?
 - How many individuals did you employ on average?
 - Demographics
- Do you plan on relocating your cannabis business outside of Oakland?
- Do you plan on transitioning from an operator to an employee in the cannabis industry?
- What was the top reason you are withdrawing your application?
 - End of lease/Loss of access to business location
 - \circ End of Incubation
 - o Loan Default
 - Challenges attracting investment
 - Not able to transfer license
 - o Lack of funding to finish buildout of business location
 - Legal disputes
 - Lack of funds to cover tax liability
 - o Lack of funds to cover operating expenses
 - Generating insufficient revenue
 - Burglaries/robberies
 - Other

- What impact, if any, has the COVID-19 pandemic have on your business?
 - No impact, very negative impact, slightly negative impact, slightly positive impact, very positive impact
- What recommendations do you have for the City of Oakland?

ITEM C (4) Fires Related to Cannabis Cultivation Facilities and Status of Hazardous Materials Inspector in Fire Prevention Bureau

At the October 2023 CRC passed a motion made by Member Boyce for a report on fires related to cannabis cultivation facilities and for an update on how much funding for the Hazardous Materials Inspector in the Fire Prevention Bureau (FPB) will remain under the Local Jurisdiction Assistance Grant (LJAG) following a budget amendment with the Department of Cannabis Control (DCC). With respect to the LJAG, staff has submitted a request to the DCC for a budget amendment to allow the City to repurpose funding originally budgeted for new full time staff positions in the Building and Fire Departments towards grants to operators to bring their facilities into compliance. Staff made this request due to the challenges of hiring new staff, particularly for a limited duration grant. However, funding remains available for overtime for existing fire and building department staff to conduct inspections under the LJAG even following the budget amendment.

Staff has also received the following updates from FPB:

- The Oakland Fire Department (OFD) does not currently track fires based on cannabis, however, FPB will send a message to Operations personnel (firefighters) to code any fires related to cannabis. By doing this OFD can track and monitor these fire types and work with business owners and staff to identify hazards and reduce risks if OFD finds a pattern.
- FPB currently has a retired annuitant and fire inspectors acting in the position of Hazardous Materials Inspector. FPB has been working with the Department of Human Resources Management to update the job specification for Hazardous Materials Inspector. Once the specification updates are complete, FPB will conduct a recruitment for permanent Hazardous Materials Inspectors.

ITEM C (5) Implementation Update on State Grants

Oakland's pioneering race and equity analysis of the cannabis industry and creation of an Equity Program inspired jurisdictions across the country to pursue and support similar programs. Then starting in 2019 the State of California set aside annual grant funding to support local jurisdictions' cannabis equity programs. **Table A** outlines the amount of funding the City has received from the State of California for its Equity Program, Oakland's ranking among local jurisdictions each year, and the total amount of funding set aside by the State of California that year. Notably, due to less state investment in cannabis equity programs, the City of Oakland and other local jurisdictions have less funds to disburse to equity applicants in the coming fiscal year.

State Funding Agency	Fiscal Year (FY)	Amount of Funding Received	Oakland's Ranking Among Local Jurisdictions	Total Amount of Funding Available Statewide
BCC ¹	FY 2019-2020	\$1,657,201.65	2nd	\$10 million
Go-Biz	FY 2019-2020	\$6,576,705.76	1st	\$30 million
Go-Biz	FY 2020-2021	\$2,434,712.51	1st	\$15 million
Go-Biz	FY 2021-2022	\$5,435,140.82	2nd	\$35 million
Go-Biz	FY 2022-2023	\$1,996,487.50	1st	\$15 million

Table A: Oakland's Receipt of Local Equity Grant Funding

With respect to the \$5,435,140.82 "Go-Biz 3" grant, staff is on track to disburse most of the remaining funds in the next month following entering into contract with the final event grantees and C4C, Inc. (C4C), doing business as Case for Cannabis, to cannabis workforce certification and on the job training programs.

In addition to Go-Biz Grants, in 2022 the City of Oakland received a three-year \$9,905,020 Local Jurisdiction Assistance Grant (LJAG) from the Department of Cannabis Control (DCC) to support the transition of cannabis operators from a provisional to an annual state license. As noted at prior CRC meetings, due to delays in hiring building and fire department staff, staff has sought City Council and DCC approval to repurposed unspent funding as grants to operators to bring their buildings into compliance with building, fire and health codes. Additionally, staff has formed small teams of inspectors on overtime to inspect and review the compliance status of provisionally licensed cannabis operators.

Finally, in 2021 the City received a three-year grant from the Board of State and Community Corrections (BSCC) to address the impacts of cannabis legalization and in 2023 the City received a five-year \$3 million <u>Proposition 64 Health and Safety Cohort 3 Grant</u>, which will consist of (i) security measures for Oakland's licensed cannabis operators and (ii) a public education campaign to support Oakland equity operators. For more information, please <u>visit here</u>.

Figures 1-4 provide status updates on these various state grants.

¹ Initially the Bureau of Cannabis Control, the predecessor to the Department of Cannabis Control, dispersed Local Equity Grant funding.

Figure 1- Local Jurisdiction Assistance Grant

LOCAL JURISDICTION ASSISTANCE GRANT (2022-2025)				
USES	COST IN ONE YEAR	COST OVER THREE YEARS	DISBURSED	BALANCE
Grants to Provisionally Licensed Equity Applicants	\$547,218.50	\$1,722,655.50	\$1,325,000.00	\$397,655.50
Special Activity Permit Technician	\$166,810.00	\$500,430.00		\$500,430.00
Planning CEQA Review	\$9,237.00	\$27,710.00		\$27,710.00
Program Analyst for Processing Grants	\$198,640.00	\$595,920.00	\$43,037.10	\$552,882.90
Process Coordinator II in Building Bureau	\$175,696.00	\$527,088.00		\$527,088.00
Overtime for Civil Engineers to Review Plans	\$591,075.00	\$1,773,224.00	\$10,263.81	\$1,762,960.19
Overtime for Code Enforcement	\$78,115.80	\$234,347.00	\$26,807.73	\$207,539.27
Hazardous Materials Inspector II	\$193,545.00	\$580,638.00		\$580,638.00
Overtime for Fire Plan Engineers to Review Plans	\$73,760.00	\$221,280.00	\$6,709.73	\$214,570.27
Overtime for Fire Code Enforcement	\$61,824.00	\$185,472.00	\$8,942.25	\$176,529.75
Overtime for Special Activity Permit Inspectors for Security Inspections	\$50,000.00	\$150,000.00	\$28,021.11	\$121,978.89
Annual CPTED Training for Special Activity Permit Inspectors	\$1,200.00	\$3,600.00	\$595.00	\$3,005.00
Establishing/Maintaining Accela Module for Cannabis Permit Tracking	\$310,000.00	\$430,000.00		\$430,000.00
Grants to Meet Security Requirements	\$574,218.50	\$1,722,655.50	\$1,156,010.71	\$566,644.79
Consultant (4Front Partners) to Administer Loan/Grant Programs	\$160,000.00	\$480,000.00	\$317,049.89	\$162,950.11
Consultant (Knox & Ross) to Provide Legal Assistance to Equity Applicants	\$125,000.00	\$375,000.00	\$159,500.00	\$215,500.00
Consultant (Oaksterdam) to Provide Technical Assistance to Equity Applicants	\$125,000.00	\$375,000.00	\$173,735.00	\$201,265.00
TOTALS	\$3,441,339.80	\$9,905,020.00	\$2,889,402.66	\$7,015,617.34

LOCAL JURISDICTION ASSISTANCE GRANT (2022-2025)

Figure 2: 2022-2023 Go-Biz (GO-Biz 3) Grant Funds

	TOTAL FUNDED	DISBURSED	BALANCE
Grants/Loans to Operators for Start Up and Ongoing Costs	\$2,178,953.10	\$2,178,953.10	\$0
Events	\$300,000.00	\$250,000.00	\$50,000.00
No Interest Loan to Purchase Property	\$2,250,000.00	\$2,250,000.00	\$0
Managing Shared-Use Facilities	\$212,915.36	\$212,915.36	\$0
Workforce Development	\$280,357.00		\$280,357.00
Administering of Grant/Loan Programs	\$89,956.36	\$89,956.36	\$0
STAFFING			
Half of City Administrator Analyst	\$122,959.00	\$122,959.00	\$0
TOTALS	\$5,435,140.82	\$5,054,783.82	\$380,357.00

Ori	Original and Proposed/New Uses of Proposition 64 (BSCC) Grant Funds					
Purpose	Original Organization	Original Amount	New or Same Organization	New or Same Amount		
Preventative and Intervention Activities for Youth	East Oakland Youth Development Center (EOYDC)	\$360,000	Public Health Institute	\$280,000		
Develop and Support Youth Awareness Campaign	Public Health Institute	\$133,306	Same	\$163,306		
Data Management/Local Evaluation Reports	Cityspan	\$30,000	LMB Creative Group, LLC	\$80,000		
Security Workshops and Support for Cannabis Businesses	City of Oakland: 8 Hours Weekly Police Officer Overtime	\$112,329	Same	Same		
Public Outreach Campaign to Adults	To Be Determined After Request for Proposals	\$70,000	Make Green Go Selected After RFP	\$75,000		
Meeting Supplies and Notification	EOYDC, OUSD, PHI	\$32,000	Youth Uprising, OUSD, PHI	\$27,000		
Indirect Costs/Overhead	City of Oakland	\$29,059	Same	Same		
Oversee Overall Program	City of Oakland: 0.5 F.T.E. City Administrator Analyst	\$231,000	Same	Same		
TOTAL				\$997,694		

Figure 3- Original and Current Uses of Proposition 64 Cohort Two Grant (2021-2024)

Figure 4- Proposition 64 Cohort Three Grant (2023-2028)	Figure 4-	Proposition	64 Cohort	Three Grant	(2023-2028)
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USES	YEAR 1 FY 23-24	YEAR 2 FY 24-25	YEAR 3 FY 25-26	YEAR 4 FY 26-27	YEAR 5 FY 27-28	TOTAL
Half of Program						
Analyst III	0	\$100,000	\$105,000	\$110,000	\$115,000	\$430,000
Equity Public Awareness						
Consultant	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$225,000
3rd Party Evaluator	0	\$20,000	\$20,000	\$20,000	\$20,000	\$80,000
Grants to Secure Facilities	0	0	\$200,000	\$200,000	\$200,000	\$600,000
Grants to Support Onsite Security	\$332,000	\$332,000	\$332,000	\$332,000	\$332,000	\$1,660,000
RFP Advertising	5,000					\$5,000
TOTAL	\$382,000	\$497,000	\$702,000	\$707,000	\$712,000	\$3,000,000

Figure 5: 2023-2024 Go-Biz (GO-Biz 4) Grant Funds

CATEGORY	TOTAL FUNDED	DISBURSED	BALANCE
Grants/Loans to Operators for Start Up and Ongoing Costs	\$1,796,838.75	\$ 876,046.90	\$920,791.85
Consultant (Loan & Grants)	\$78,979.75	\$ 68,512.50	\$10,467.25
Staffing (Half of City Administrator Analyst)	\$120,669.00	0	\$ 120,669.00

ITEM F (1) Update on Cannabis Permitting Process

Below please find cannabis permitting statistics from 2017 to present day for the CRC's review, including additional categories as well as application and permit trend graphs.

Figure F-1: Application Totals

APPLICATIONS	TOTALS	PENDING
Total Complete & Incomplete Applications	1564	143
Total Complete Applications	1564	
Complete General Applications	663	
Equity Applications based on residency	785	
Equity Applications based on conviction	116	
Incubators	325	
Interested in Incubating	23	
Complete Application with property	1024	
Complete Application without property (Equity)	434	
Complete Applicants without property (General)	106	

Figure F-2: Permit Applications by Category

COMPLETED APPLICATIONS BY BUSINESS TYPE	GENERAL	INCUBATOR*	INTERESTED IN INCUBATING*	EQUITY
Delivery	162	52	4	231
Cultivator (Indoor)	207	109	13	150
Cultivator (Outdoor)	5	3	0	36
Distributor	143	77	4	219
Mfg. Volatile	50	36	0	47
Mfg. Non-Volatile	91	44	2	172
Transporter	4	3	0	36
Lab Testing	1	1	0	10
GRAND TOTALS	663	325	23	901
			ers are part of eral Total	

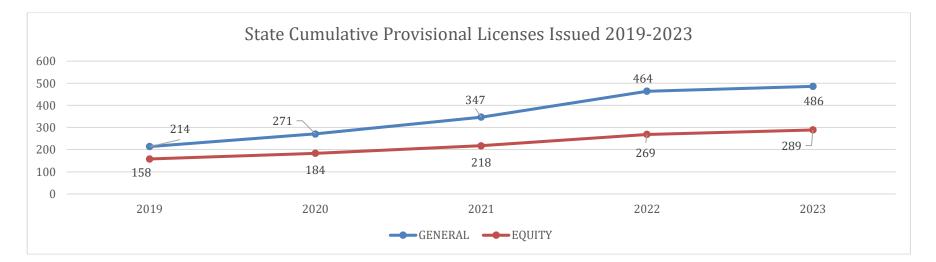


Figure F-3: Operators Issued Provisional and Annual Licenses

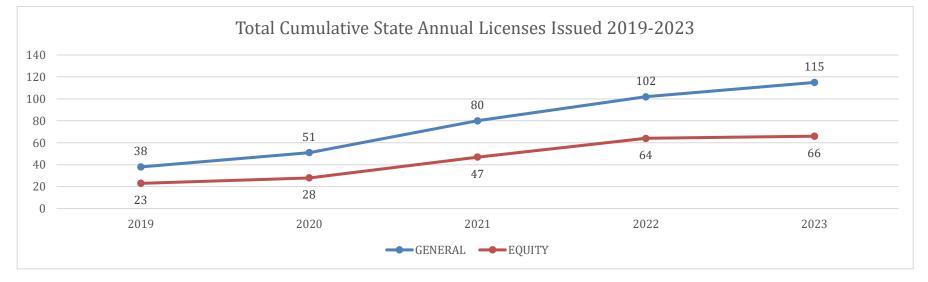


Figure F-4: New Permits Issued to Cannabis Operators Since Spring of 2017 by Category

	GENERAL	INCUBATOR	EQUITY	TOTAL
NEW ANNUAL PERMITS BY BUSINESS TYPE				
On-site Consumption	3		3	6
Dispensary	8	1	7	16
Delivery	66	18	82	166
Cultivator (Indoor)	6	6	19	31
Cultivator (Outdoor)	0	0	2	2
Distributor	26	27	59	112
Mfg. Volatile	3	5	1	9
Mfg. Non-Volatile	9	11	42	62
Transporter	2	0	4	6
Lab Testing	0	0	0	0

GRAND TOTALS	123	68	219	410

Figure F-5: Withdrawn Applications

WITHDRAWN APPLICATIONS	GENERAL	INCUBATOR	EQUITY	TOTALS
Delivery	22	38	88	148
Cultivator (Indoor)	18	22	62	102
Cultivator (Outdoor)	14	13	13	40
Distributor	13	54	74	141
Mfg. Volatile	3	19	23	45
Mfg. Non-Volatile	14	29	52	95
Transporter	6	1	16	23
Lab Testing		3	3	6
TOTALS	90	179	331	600

Figure F-6: Revoked Local Authorization

REVOKED LOCAL AUTHORIZATION	GENERAL	INCUBATOR	EQUITY	TOTALS
Delivery	1	6	6	13
Cultivator (Indoor)	5	20	6	31
Cultivator (Outdoor)				0
Distributor	1	5	4	10
Mfg. Volatile		3		3
Mfg. Non-Volatile		3	1	4
Transporter		1		1
Lab Testing				0
TOTALS	7	38	17	62

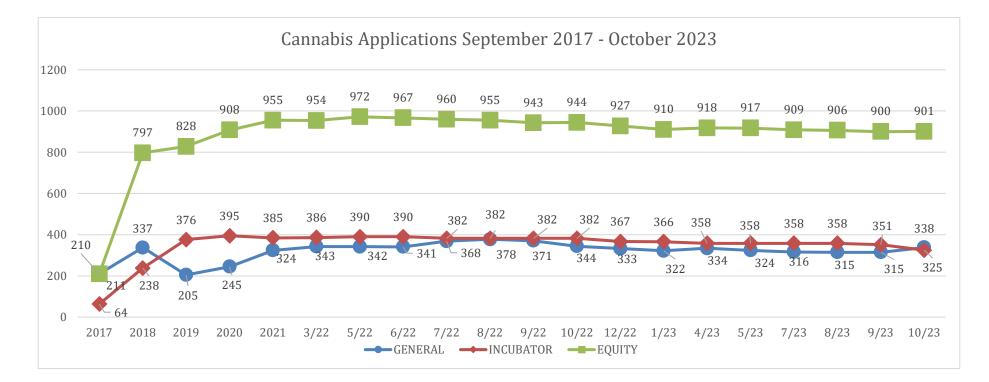
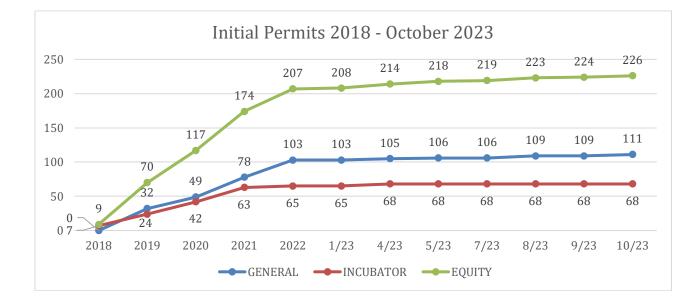


Figure F-7: Graph of Cannabis Permit Applications Received Since 2017

Figure F-8: Graph of Cannabis Permits Issued since 2018





Memorandum

TO: Cannabis Regulatory Committee
 FROM: Oakland Police Department
 SUBJECT: Citations and Arrests for Cannabis Offenses 2022
 DATE: May 1st, 2023

This report reflects the types of arrests and citations conducted by the Oakland Police Department for the 2022 cases related to marijuana (cannabis) offenses. The history and background related to this document stem from the following:

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 use, distribution, sale, cultivation and possession, the City's lowest law enforcement priority.

Measure Z does not change state law, which regulates medical and recreational Cannabis use, or federal law, which prohibits 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 does not mandate OPD to treat cannabis offenses committed by minors (possession, distribution, or consumption) as a low 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."

Oakland Police Resource Dedicated to Cannabis Activates:

One Full Time Sworn Police Officer; approximately 50% of the officer's time is devoted to security inspections, 25% is devoted to trainings and serving as the liaison within the department for outside agencies regarding cannabis related issues, and 25% is spent on enforcement.

2022 Marijuana Arrests:

In 2022, there were eight arrests where possession of less than one ounce of marijuana under Section 11357(B) H&S (Health and Safety Code) was listed as one of the offenses. In 2021, there were two of these types of marijuana possession arrests.

Table 1: 2022 11357(B) H&S Adult Citations by Sex and Race							
Race	Male	Female	Total				
African American	5	0	5				
Asian Indian	1	0	1				
Hispanic	1	0	1				
Filipino	1	0	1				
Total	8	0	8				

The following tables below indicate the decrease in arrests/citations related to marijuana. The data also indicates and identifies the other offenses that resulted in arrests/citation that included marijuana charges as a lesser offense and not the primary arresting factor. Arrests for possession for sale and sales/transportation of marijuana have continuously decreased from the previous six years **from 355 arrests in 2016 to 48 arrests in 2022** – a decrease of 87% between 2016 and 2022 (see Table 2). There has been a significant decrease in these types of arrests.

Table 2: Cannabis Arrests/Citation	s for Calendar Years 2016 to 2022
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Statute	2016	2017	2018	2019	2020	2021	2022
Cultivation - 11358 H&S	17	2	1	1	1	0	0
Possession for Sales - 11359/(B) H&S	286	112	93	52	25	13	41
Sales/Transportation - 11360(A) H&S	52	8	6	14	1	8	7
Total	355	122	100	67	27	21	48

The table below indicates other offense types associated with the 11359(B), 11360(A), 11358 arrests in 2020 and 2021. In these cases, marijuana was not the primary arresting factor. OPD does not prioritize arresting people solely for cannabis-related offenses. The most common violations associated with a cannabis arrest was a firearm related offense.

Table 3: Other offenses that included marijuana arrests * UPDATED 2022 INFORMATION NOT AVAILABLE AT THIS TIME

Violation Type	2020	2021
Firearm Offenses	79	50
Drug Offenses	19	11
Traffic Offenses	0	5
Probation/Parole/Warrant Offenses	11	3
Other Offenses	3	3
Violent Offense	1	0
Property Offenses	8	0
Total	121	72

	Afri Amei		As	ian	Hisp	anic	Wh	nite	Ot	her	Total
Statute	Μ	F	М	F	М	F	М	F	Μ	F	-
11358 H&S	0	0	0	0	0	0	0	0	0	0	0
11359/(B) H&S	33	2	4	0	5	0	1	0	0	0	0
11360(A) H&S	0	0	0	0	0	0	0	0	0	0	0
Total	33	2	4	0	5	0	1	0	0	0	0

Table 4: 2022 Marijuana Arrests/Citations by Sex & Race

Table 5: Marijuana Arrests/Cita	ations by Oakland Police Beats
Beat	2021
02X	1
02Y	2
03X	2
05X	2
05Y	1
07X	2
08X	1
14X	3
17X	1
17Y	1
18Y	1
19X	8
20X	2
25X	1
26X	1
26Y	4
27Y	3
30X	5
30Y	5
31Z	1
32X	4
34X	2
77X	3
	56

Charges: HS11359, HS11359(B), HS11360(A)

William Febel A/Lieutenant of Police Support Operations Division Oakland Police Department Date: June 16, 2022

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