

Cannabis Regulatory Commission

Regular Meeting

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

MINUTES

Members:

Lanese Martin	District 1	Frank Tucker	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

Present: Martin, Yi, Knox, Shim, Hummel, Johnson, Tucker, Minor
Absent: Floyd-Johnson, Parker

B. Open Forum / Public Comment

One speaker spoke regarding escalating real estate prices in the industrial sector because of the cannabis industry and its impact on non-cannabis operators. Cannabis equity applicants also spoke regarding the difficulty of finding space to operate their business due to the high cost of real estate.

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

- *Medical cannabis permitting process (since July 2017)*
- *Use of cannabis tax revenues (since July 2017)*
- *Annual report (since September 2017)*
- *Cannabis advertising (since September 2017)*
- *Onsite consumption/lounges (since October 2017)*
- *Microbusinesses (since October 2017)*
- *Cannabis tax rates (since November 2017)*
- *Event permitting (since December 2017)*
- *Dispensary applicant runner-ups (since December 2017)*
- *OPD 2017 enforcement report (since June 2018)*
- *OPD updated training bulletin (since June 2018)*

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.

Member Yi asked to add cannabis waste to the pending list. Member Tucker urged the commission to clean up the pending list by placing the pending items on the agenda for review and action. Member Tucker then made a motion for a synopsis for each pending item and for them to be agendized as action items. Member Floyd-Johnson seconded and the motion passed by consensus with Members Shim and Minor abstaining.

Chair Hummel suggested removing tax rates from the pending list. Member Yi suggested removing microbusiness and advertising as well. Member Yi made this a motion, seconded by Member Knox and it passed by consensus with Member Minor abstaining.

D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meeting of May 2018.

Member Tucker moved to accept the May minutes as drafted, Member Knox seconded the motion and it passed by consensus with Member Minor abstaining.

E. Reports for Discussion and Possible Action

1. Councilmember Kaplan and Office of the Mayor's Proposed Ordinance Amendments:
 - a. Ordinance Amending Oakland Municipal Code (OMC) Chapter 5.81 by: (A) Limiting Indoor Cannabis Cultivation Permits to Premises that Have Been Vacant for at Least One Year and/or Greenhouses; (B) Extending the Initial Permitting Phase of the Equity Program for Indoor Cultivation Approvals and Permits; and (C) Requiring Council to Evaluate These Amendments One Year After Enactment and/or after Completion of a Study on the Impact of the Cannabis Industry on Oakland's Industrial Sector.
 - b. Directing the City Administrator to: (A) Study Additional, Non-Residential Eligible Sites that Could be Used for the Construction and/or Operation of Cannabis Cultivation Greenhouses; and (B) Study Possible Locations for Cannabis Edible Production Outside of the Areas Where Such Use is Permitted Under OMC Chapter 5.81, Subject To Appropriate Design Standards; and (C) Return to City Council with the Results of Such Evaluation.

Kelley Kahn of the Mayor's Office provided an overview of the proposal and its intent to promote a balanced and resilient industrial sector. Laura Holtan of Councilmember Kaplan's Office offered background on the desire to promote edible and greenhouse production in the City.

Members of the public expressed support for the proposals and their consideration of industries other than cannabis, particularly those who cannot compete with cannabis operators for real estate.

Commission members expressed some support for the proposal but recommended the proposal target only large cannabis businesses. Member Shim made a motion to support the proposal with an 8-month sunset date and application to only cannabis operators using 10,000 square feet or more for their business. Member Knox seconded and the motion passed with Member Yi opposing and Members Martin, Tucker, and Minor abstaining.

2. Office of the City Administrator's Proposed Clean-Up Amendments to Cannabis Ordinances OMC 5.80 and 5.81:
 - a. Sunset Non-Enforcement for Cannabis Permit Applicants
 - b. Align with State License Categories by Adding Packaging and Infusion Permits
 - c. Limit Number of Dispensary Permits An Individual or Entity May Have An Interest In

d. Clarify the Distance between Cannabis Facilities and Other Uses As Path of Travel
Member Minor provided an overview of the proposed clean up amendments, including an additional amendment to limit the annual number of cannabis related special events per person or location. Members debated whether to support the sunseting of the non-enforcement provision. Member Knox made a motion to support all of the CAO's proposed amendments as long as the non-enforcement provision was extended until 2019 for existing applicants and 2020 for new applications. Member Shim seconded the motion and it passed by consensus with Member Minor abstaining.

3. Compassion Program

Member Shim discussed Senator Weiner's SB 829 and made a motion for the City to support the bill and for the City to forgo taxes on compassion programs. Member Tucker seconded the proposal and it passed by consensus with Member Minor abstaining.

4. Cannabis Advertising Restrictions

Member Yi discussed latest state regulations as they relate to cannabis advertising and how they restrict but do not ban cannabis advertising. Member Yi made a motion for the City to adopt state advertising laws, Member Shim seconded the motion and it passed by consensus with Member Minor abstaining.

5. Pending State Cannabis Legislation

Members Yi, Floyd-Johnson and Martin have formed a subcommittee to track pending state cannabis legislation and offered to continue to update the commission.

6. Expanding Permitted Areas for Cannabis Activities.

Item skipped due to extensive related discussion under Item number one.

F. Announcements

G. Adjournment