

Monday, June 13, 2022 6:30 pm
Teleconference Meeting

MINUTES

Pursuant to the Governor's Executive Order N-29-20 and AB 361, members of the Cannabis Regulatory Commission as well as City staff will participate via phone/video conference and no physical teleconference locations are required.

PUBLIC PARTICIPATION INSTRUCTIONS

TO OBSERVE:

- To observe the meeting by video conference, please click the link below to join the webinar:
<https://us02web.zoom.us/j/82663763492>
- To listen to the meeting by phone, please call the numbers below at the noticed meeting time: Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 9128 or +1 346 248 7799 or +1 253 215 8782 or +1 312 626 6799 or +1 646 558 8656
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For each number, please be patient and when requested, dial the following Webinar ID: 826 6376 3492

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: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled "Joining a Meeting By Phone."

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

- Comment in advance. To send your comment to staff 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 gminor@oaklandca.gov. All submitted public comment will be provided to the Cannabis Regulatory Commission prior to the meeting.
- By Video Conference. To comment by Zoom video conference, click the "Raise Your Hand" button to request to speak when Public Comment is being taken on an eligible agenda item at the beginning of the meeting. You will then be unmuted, during your turn, and allowed to participate in public comment. After the allotted time, you will then be re-muted. Instructions on how to "Raise Your Hand" are available at: <https://support.zoom.us/hc/en-us/articles/205566129>, which is a webpage entitled "Raise Hand In Webinar."

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) 238-6370.

• By Phone. To comment by phone, please call on one of the above listed phone numbers. You will be prompted to “Raise Your Hand” by pressing STAR-NINE (“*9”) to request to speak when Public Comment is being taken on a eligible agenda item at the beginning of the meeting.

Once it is your turn, you will be unmuted and allowed to make your comment. After the allotted time, you will be re-muted. Instructions of how to raise your hand by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663>, which is a webpage entitled “Joining a Meeting by Phone.”

If you have any questions about these protocols, please e-mail Greg Minor, at gminor@oaklandca.gov

Members:

Javier Armas	District 1	Vacant	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Taib Alaoui	District 3	Eric Medrano	Mayor
Lauren Payne	District 4	TiYanna Long	City Auditor
Vacant	District 5	Greg Minor	City Administrator
Vacant	District 6		

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

MEETING AGENDA

A. Roll Call and Determination of Quorum

Present: Armas, Payne, Turner, Medrano, Long, Minor

Absent: Corder, Alaoui

B. Approval of the Draft Minutes from the Special CRC Meeting on May 12, 2022

Vice-Chair Long moved to approve the minutes as drafted. Chair Turner seconded the motion and it passed with Member Minor abstaining.

C. Reports for Discussion and Possible Action

1. Adopt a Resolution Determining That Conducting In-Person Meetings Of The Cannabis Regulatory Commission Would Present Imminent Risks To Attendees’ Health, And Electing To Continue Conducting Meetings Using Teleconferencing In Accordance With California Government Code Section 54953(E), A Provision Of AB-361

Member Minor offered background on the item and a public speaker asked when the CRC might return to meeting in person. Member Minor noted that there is no status update, but as soon as there is he would report back. Member Payne moved to approve the Resolution as drafted. Vice-Chair Long seconded the motion and it passed by consensus.

Public speakers asked how the City utilizes cannabis tax revenues.

Chair Turner inquired about what the City knows about cannabis businesses that may have ceased operating. Member Payne asked if City would actually collect outstanding taxes due.

Nicole Andrino with the Revenue Management Bureau offered additional information on the report. Specifically, Ms. Andrino explained how the drop in tax rates were the main reason for less cannabis tax revenues, followed by COVID and burglaries. Additionally, Ms. Andrino noted that the City offers payment

plans for businesses, which is why at this point in time there are outstanding revenues due. She emphasized that 43 businesses contribute more than 90 percent of cannabis tax revenues in 2022. Ms. Andrino also shared that cannabis tax revenues currently go to the City's General Fund and that in 2022 the total gross receipts from cannabis businesses were less than 2021, but more than 2020.

Chair Turner made a motion to ask for data regarding loss of cannabis businesses. There was no second to this motion.

Member Armas asked how the City can further develop businesses and encouraged the City to explore cannatourism to attract more revenue.

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 review. Chair Turner seconded the motion and it passed by consensus.

2. Annual Report From Finance Department Regarding Cannabis Tax Revenues

Rogers Agaba from the Finance Department presented the 2022 report regarding cannabis tax revenues, noting lower revenues in the past year due to the lowering of tax rates that took effect this tax year. He noted the cannabis tax rates are constant now and not set to lower further.

3. Emerald New Deal Proposed Changes to Cannabis Regulatory Commission

Councilmember Loren Taylor presented updates to the Emerald New Deal (END) proposed ballot measure to provide the CRC with authority to develop a plan for the cannabis tax revenues. Councilmember Taylor began by thanking the CRC for their work and the overall growth of the cannabis industry over the last three years. Councilmember Taylor emphasized that the END would provide transparency over how the City utilizes cannabis tax revenues compared to the present where the revenues are deposited in the General Fund. Additionally, Councilmember Taylor noted that the END would provide funds for the cannabis equity program, the source of funding for END programs could include more than cannabis tax revenues, and that the END modifies the criteria for serving on the CRC to better align with addressing the War on Drugs.

Public commenters asked about whether END would address environmental impacts and OCEP shared its perspective that the END is bad policy.

Chair Turner emphasized that the City needs to invest in equity business and communities and questioned how far the annual cannabis tax revenues can go towards these needs. Vice-Chair Long asked what the next steps were and Councilmember Taylor replied that END was scheduled for the City Council's Rules and Legislation Committee and afterwards it would need City Council's approval to go before Oakland voters in November.

4. Draft 2021 CRC Annual Report to City Council

Member Minor shared background on the draft report and the lack of updates since the meeting in May. Chair Turner moved to approve the annual report as drafted. Member Payne seconded the motion and it passed by consensus.

5. Implementation Update on State Grants

Member Minor noted the City was in a transitional period having spent the prior year's state grants and waiting to receive and process the latest state grant from Go-Biz to support equity applicants.

- D. Review of the Pending List and Additions to Next Month's Agenda
- *Building and Fire Baseline Permitting Timelines (since January 2022)*
 - *Details on Proposed Legislative Framework for Next Phase of Cannabis Program (since February 2022)*

E. Open Forum / Public Comment

Public speakers expressed concern regarding air quality impacts of cannabis businesses from the use of diesel generators and a desire to expand eligible locations for cannabis businesses. Vice-Chair Long expressed an interest in making a motion regarding environmental impacts but Chair Turner was no longer in the meeting at this point so there was no quorum to facilitate a motion.

F. Announcements

1. Update on Cannabis Permitting Process
2. Apply to serve on CRC here:
<https://oakland.granicus.com/boards/w/8552f8c4c0e15460/boards/6697>

G. Adjournment