

Thursday, November 7, 2019, 6:30 pm
Council Chambers, City Hall, One Frank H. Ogawa Plaza

AGENDA

Members:

Lanese Martin	District 1	Frank Tucker	District 7
Chang Yi	District 2	Jeff Hutcher	At Large
Zachary Knox	District 3	Stephanie Floyd-Johnson	Mayor
Vacant	District 4	Vacant	City Auditor
Claudia Mercado	District 5	Greg Minor	City Administrator
Joshua Chase	District 6		

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

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
 - *Information on private use of cannabis (since May 2019)*
 - *Potential forum/event (since August 2019)*
 - *Updated equity program assessment (since August 2019)*
 - *Information on security inspections, trends in crimes against cannabis businesses, security best practices (since October 2019)*
- D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meetings of October 2019.
- E. Reports for Discussion and Possible Action
 - 1. Draft 2019 Dispensary Request for Permit Applications (RFPA)
 - 2. Use of SB 1294 California Cannabis Equity Act of 2018 Grant Funding
 - 3. Format of Permitting Statistics
 - 4. Transfer of Cannabis Permits
- F. Announcements
 - 1. Update on Cannabis Permitting Process
- 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) 238-6370.

Cannabis Regulatory Commission

Regular Meeting

Thursday, October 3, 2019, 6:30 pm
Council Chambers, City Hall, One Frank H. Ogawa Plaza

MINUTES

Members:

Lanese Martin	District 1	Frank Tucker	District 7
Chang Yi	District 2	Jeff Hutcher	At Large
Zachary Knox	District 3	Stephanie Floyd-Johnson	Mayor
Vacant	District 4	Vacant	City Auditor
Claudia Mercado	District 5	Greg Minor	City Administrator
Joshua Chase	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: Martin, Yi, Knox, Mercado, Chase, Tucker, and Floyd-Johnson

Absent: Hutcher and Minor

B. Open Forum / Public Comment

Public speakers spoke regarding ongoing City Council debates around modifying cannabis tax rates, upcoming cannabis job fair on October 26th, and upcoming equity workshops.

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

- *Information on private use of cannabis (since May 2019)*
- *Potential forum/event (since August 2019)*
- *Updated equity program assessment (since August 2019)*

Member Martin moved to agendize an updated equity program assessment for the next CRC meeting. Vice-Chair Knox seconded the motion and it was approved by consensus. Member Martin also moved to agendize a review of the format of the permitting statistics. Chair Yi seconded the motion and it passed by consensus.

D. Approval of the Draft Minutes from the Cannabis Regulatory Commission meetings of August and September 2019.

Vice-Chair Knox moved to approve the September minutes. Member Floyd-Johnson seconded the motion and it passed by consensus with Member Martin abstaining. Member Floyd-Johnson moved to

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approve the August minutes. Chair Yi seconded the motion and it passed by consensus with Vice-Chair Knox abstaining.

E. Reports for Discussion and Possible Action

1. OPD 2018 Report on Cannabis Enforcement Activities

Deputy Chief Armstrong provided an overview of the report and Officer Romero offered an overview of new OPD training related to cannabis laws.

Members asked OPD questions regarding racial disparities in those arrested for cannabis, OPD's tracking of licensed cannabis businesses, and OPD's response to crimes committed against licensed cannabis businesses. Chair Yi asked OPD to cross-reference police beat and arrest data by beat in future reports.

2. Crimes Committed Against Cannabis Businesses

After OPD staff exited, members discussed various security related issues before Vice-Chair Knox moved to request OPD provide information on how they are conducting security inspections, if there is a common trend that that is leading to crimes against cannabis businesses and best security practices for cannabis businesses. Member Mercado seconded the motion and it passed by consensus.

3. Draft 2019 Dispensary Request for Permit Applications (RFPA)

Members mentioned they had questions they would ask Member Minor if he was present. Chair Yi then moved to continue the item to next month's CRC meeting. Vice-Chair seconded the motion and it passed by consensus. Members then discussed specific issues related to the RFPA before Vice-Chair Knox moved to reallocate half of the points on the scored application allocated towards the tax question towards the security plan question. Member Mercado seconded the motion and it passed by consensus.

4. Transfer of Cannabis Permits

Members Mercado, Chase and Knox stated that the City should focus on the issue of transferring permits to equity applicants. Member Mercado then mentioned the issue of percentage of control an equity applicant has for a business as it relates to raising funds. Vice-Chair Knox asked how City approaches the situation when an equity applicant passes away or leaves a business. Vice-Chair Knox moved to continue the item. Member Floyd-Johnson seconded the motion and it passed by consensus.

F. Announcements

1. As of September 27, 2019, the BCC has not notified the city of Oakland regarding its local equity grant award.
2. The City Council Finance Committee: the September 24th finance committee heard a proposal from councilmember Taylor re reducing cannabis tax rates and continued the item until the October 8th finance committee meeting.
3. Update on Cannabis Permitting Process

Vice-Chair Knox mentioned upcoming cannabis job fair on October 26th.

G. Adjournment



Cannabis Regulatory Commission

TO: Cannabis Regulatory Commission

FROM: Greg Minor
Assistant to the City
Administrator

SUBJECT: November Agenda Items

DATE: November 4, 2019

ITEM E (1) Draft 2019 Dispensary Request for Permit Applications (RFPA)

Attached please find an updated draft of the 2019 Cannabis Dispensary Permit Scored Application for the Cannabis Regulatory Commission's (CRC) additional review. As the discussion at the October CRC meeting on the initial draft RFPA focused on the Scored Application and not the Overview or Equity Application Dispensary Application, the November CRC agenda packet only includes the updated draft Scored Application.

The updated draft of the Scored Application is based on feedback staff received at and after the October CRC meeting and it features the following changes:

- Questions concerning Labor now receive the most points and these include incentives for hiring employees from Equity Program qualifying police beats and minimizing disparities in employee and executive compensation.
- There is now a question providing significant points for purchasing product distributed by equity operators.

- The number of points available for incubating equity applicants is now limited and the amount of points available diminishes for each additional equity applicant incubated so as to level the playing field between those dispensary applicants with enough capital to incubate numerous equity applicants and those dispensary applicants with less capital.
- The point totals on the more subjective questions have all been reduced.

All deletions are indicated via ~~strike through~~ and additions via underline.

ITEM E (2) Use of SB 1294 California Cannabis Equity Act of 2018 Grant Funding

On October 9, 2019 the Bureau of Cannabis Control (BCC) approved the City of Oakland (City) to receive funding in the amount of \$1,657,201.65 to support its Equity Program. Staff is currently in the process of drafting a Resolution for the City Council's consideration later this year that will accept and allocate this state funding as well as City funding already allocated for the Equity Program.

Based on feedback provided by equity applicants in a survey earlier this year regarding proposed uses of Senate Bill (SB) 1294 funding, discussions at CRC meetings, and staff observations of permitting trends and applicant concerns, staff currently recommends applying state grant funding towards the following:

- Grants to cover equity applicants' start-up and ongoing costs;
- Additional technical and legal assistance programs;
- Workforce development programs;
- Development and/or leasing of commercial kitchens for manufacturers; and
- Events featuring equity businesses.

Thank you in advance for your feedback regarding these proposed uses and other suggested uses of SB 1294 funding.

ITEM E (3) Format of Permitting Statistics and ITEM F (1) Update on Cannabis Permitting Process

Below please find updated cannabis permitting statistics for the CRC's review.

Figure 1: Application Totals

APPLICATIONS	TOTALS	PENDING
Total Complete & Incomplete Applications	1391	107
Total Complete Applications	1391	
Complete General Applications	568	
Equity Applications based on residency	708	
Equity Applications based on conviction	115	
Incubators	369	
Interested in Incubating	21	
Complete Application with property	1029	
Complete Application without property (Equity)	307	
Complete Applicants without property (General)	55	

*Figure 1 does not include withdrawn applications. Staff intends on incorporating this statistic in future reports.

Figure 2: Permit Applications by Category

COMPLETED APPLICATIONS BY BUSINESS TYPE	GENERAL	INCUBATOR*	INTERESTED IN INCUBATING*	EQUITY
Delivery	135	67	4	224
Cultivator (Indoor)	128	76	13	121
Cultivator (Outdoor)	5	4	0	35
Distributor	131	102	2	206
Mfg. Volatile	63	50	0	40
Mfg. Non-Volatile	95	63	2	145
Transporter	7	4	0	41
Lab Testing	4	3	0	11
GRAND TOTALS	568	369	21	823
		*These numbers are part of the General Total		

Figure 3: Operators Locally Authorized for Provisional or Annual State License by Category

LOCALLY AUTHORIZED FOR STATE *ANNUAL/PROVISIONAL LICENSES*	GENERAL	INCUBATOR	EQUITY	
Delivery	15	43	92	
Cultivator	1	65	41	
Distributor	6	68	90	
Mfg. Volatile	4	27	5	
Mfg. Non-Volatile	1	66	39	
Transporter	0	1	4	
Lab Testing	0	1	1	
Retailers	0	2	4	
TOTALS:	27	273	276	576
*These figures represent those who have actually applied with the state for their provisional/annual license. There are additional applicants who are locally authorized, but who have not yet applied with the state.				

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

	GENERAL NOT INCUBATING	INCUBATOR	EQUITY	TOTAL
<i>NEW ANNUAL PERMITS BY BUSINESS TYPE</i>				
Dispensary	0	1	2	3
Delivery	22	9	37	68
Cultivator (Indoor)	0	2	2	4
Cultivator (Outdoor)	0	0	0	0
Distributor	4	9	15	28
Mfg. Volatile	0	1	0	1
Mfg. Non-Volatile	2	2	7	11
Transporter	1	0	4	5
Lab Testing	0	0	0	0
SUB TOTALS	29	23	65	117
GRAND TOTALS	29	24	67	120

2019 CITY OF OAKLAND

SCORED DISPENSARY PERMIT APPLICATION

INSTRUCTIONS

- a. All applicant board members, partners and managers must undergo a LiveScan background check.¹ *Please use the LiveScan Form attached to this Application.* Applicants that have already undergone a LiveScan as part of a City of Oakland cannabis permit application only need to perform an additional LiveScan if there last LiveScan submitted to the City was more than a year ago.
- b. Complete the below application and gather all supporting documentation required.
- c. Before 3:00 p.m. January 28, 2020 *submit one full set (application plus attachments) and three (3) additional paper copies of the completed Dispensary Permit Application (no attachments) as well as the completed LiveScan form and all applicable fees to the Special Activity Permits office in the City Administrator’s Office, 1 Frank H. Ogawa Plaza, 1st floor, Room 123 (Accepted Monday through Thursday, 9:30am-12pm and 1:00pm-3:30pm). The Dispensary Permit Application fee is \$3,005, the LiveScan processing fee is \$32 per person.² Payment shall be made in check, money order or cashier’s check payable to the City of Oakland. Cash and credit card payments will not be accepted.*
- d. **Please note that Applicant’s failure to provide truthful responses or fulfill any commitments made in this Application is grounds for dispensary permit disqualification as well as suspension and/or revocation of any dispensary permit issued in reliance on the responses below.**

¹ The purpose of the background check is to determine whether an individual has been convicted or plead guilty or nolo contendere to violent offenses or those involving fraud or deceit in the last seven years. Applicants with such a conviction or guilty plea will be offered an opportunity to present evidence of mitigation or rehabilitation. Prior drug offenses will not be considered in the background check.

² The LiveScan fee covers the cost the Department of Justice charges the City to receive LiveScan results.

**2019 CITY OF OAKLAND
SCORED DISPENSARY PERMIT APPLICATION**

1. Applicant Information

a. Name: _____

b. Type of Corporate Structure:

Corporation Limited Liability Company Partnership Individual

Collective Other: _____

c. Doing Business As: _____

d. Please Attach a Copy of State Registration (if applicable)

e. Partner/Owner/Manager Information:

Please list all persons directly or indirectly interested in the permit sought, including all officers, directors, general partners, managing members, stockholders, and partners. Please attach additional pages if necessary (additional pages should be on 8½ x 11” paper; single sided, *and include a Header with the applicant’s name on the top right corner of each page*).

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

Last Name:		First Name:		Middle Initial:
Alias(es):				
Title:				
Date of Birth:		Phone:		Email:
Residential Address:				
City:		State:		Zip:
Business Address:				
City:		State:		Zip:

2. Business Plan (~~twenty-four~~ twelve points, ~~four~~ two points per subsection)

Using only the spaces provided below, please answer the following questions.

- a) Describe Applicant's understanding of the cannabis dispensary market, what customers in this market are seeking, and how Applicant intends on capturing market share.



b) Describe Applicant's background and experience in cannabis dispensing or similar industries.

DRAFT

c) Explain how Applicant will cover its startup costs and working capital requirements. If Applicant's funds are currently available, please attach a letter of credit demonstrating sufficient capitalization to cover initial business costs. If these funds are not yet available, please outline how Applicant will gather enough capital to cover initial business costs. Examples include:

- I. Selling or converting other personal assets to raise funds.
- II. Borrowing against personal assets.
- III. Raising funds from investors.
- IV. Obtaining a loan from a third party.
- V. Obtaining a letter of credit from a third party.
- VI. Other (please describe)



d) Using the following tables, please provide Applicant's anticipated start-up expenses.

REAL ESTATE AND ADMINISTRATIVE EXPENSES	\$ AMOUNT
Purchase or Rent	
Construction or Remodeling	
Utility Deposits	
Legal and Accounting Fees	
Insurance	
Prepaid Insurance	
Pre-Opening Salaries and Benefits	
Other (please provide detail)	

CAPITAL EQUIPMENT LIST	\$ AMOUNT
Furniture	
Equipment	
Fixtures	
Machinery	
Other (please provide detail)	

OPENING INVENTORY	\$ AMOUNT
Category 1:	
Category 2:	
Category 3:	
Category 4:	
Category 5:	

ADVERTISING AND PROMOTIONAL EXPENSES	\$ AMOUNT
Advertising	
Signage	
Printing	
Travel/entertainment	
Other/additional categories	

OTHER EXPENSES	\$ AMOUNT
Reserve for Contingencies	
Other Expense 1:	
Other Expense 2:	

e) Please provide a staffing plan for the first three years using the following tables for each anticipated owner or employee:

2021

Position Title:	Salary Costs per Month	Benefit Costs per Month	Number Employed at this Position	Anticipated Month of Hiring

2022

Position Title:	Salary Costs per Month	Benefit Costs per Month	Number Employed at this Position	Anticipated Month of Hiring

2023

Position Title:	Salary Costs per Month	Benefit Costs per Month	Number Employed at this Position	Anticipated Month of Hiring

f) Please provide a forecast of your income statement (profit and loss) for each of the first three year, including:

	2021	2022	2023
REVENUES			
Product/Service 1			
Product/Service 2			
Product/Service 3			
Other Revenue			
TOTAL REVENUES			
COST OF GOODS SOLD			
Product/Service 1			
Product/Service 2			
Product/Service 3			
Salaries-Direct			
Payroll Taxes and Benefits-Direct			
Depreciation-Direct			
Supplies			
Other Direct Costs			
TOTAL COSTS OF GOODS SOLD			
GROSS PROFIT (LOSS)			
OPERATING EXPENSES			
Advertising and Promotion			
Automobile/Transportation			
Bad Debts/Losses and Thefts			
Bank Service Charges			
Business Licenses and Permits			
Charitable Contributions			
Computer and Internet			
Continuing Education			
Depreciation-Indirect			
Dues and Subscriptions			
Insurance			
Meals and Entertainment			
Merchant Account Fees			
Miscellaneous Expense			
Office Supplies			
Payroll Processing			
Postage and Delivery			
Printing and Reproduction			
Professional Services-Legal, Accounting			
Occupancy			

	2021	2022	2023
Rental Payments			
Salaries-Indirect			
Payroll Taxes and Benefits-Indirect			
Subcontractor			
Telephone			
Travel			
Utilities			
Website Development			
TOTAL OPERATING EXPENSES			
OPERATING PROFIT (LOSS)			
INTEREST (INCOME), EXPENSE & TAXES			
Interest (Income)			
Interest Expense			
Income Tax Expense			
TOTAL INTEREST (INCOME), EXPENSE & TAXES			
NET INCOME (LOSS)	\$	\$	\$

DRAFT

3. Security Plan (~~ten~~ five points)

Using only the space provided below, describe what measures Applicant will take to


- i. to avoid diversion of cannabis to unregulated market;
- ii. to prevent a burglary or armed robbery;
- iii. to minimize the loss of product in the case of a burglary or armed robbery.

DRAFT

4. Compliance with State Law (ten four points)

Using only the space provided below, please describe how Applicant will comply with state law, including:

- i. The supply chain from which applicant will obtain cannabis and cannabis products (Applicants need not name specific vendors; identifying license categories is sufficient).
- ii. How Applicant plans to record the movement of cannabis and cannabis products in their custody, such as with a track and trace system.



5. Tax Rates (~~ten~~ four points, one point per subsection)

Using only the space provided below, please answer the following questions regarding local and state tax laws that apply to cannabis dispensaries.

i. Local Taxes:

a. What are the City of Oakland's current business tax rates for cannabis businesses?

ii. State Taxes:

a. What is the cannabis excise tax rate for adult use cannabis purchases?

b. What is the sales tax rate for adult use cannabis sales?

iii. What measures, including point of sale systems, Applicant will implement to ensure proper collection of local and state taxes.

6. Odor Mitigation (~~ten~~ four points)

Using only the space provided below, please submit a plan for how cannabis odors will not be detectable outside of the proposed facility, such as utilization of carbon filters.



7. Neighborhood Beautification (~~ten~~ five points)

Using only the space provided below, please submit a community beautification plan detailing specific steps your business will take to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community. Examples of specific steps include participating in City of Oakland Adopt a Spot/Drain program, installing murals, removing graffiti within 48 hours and providing landscaping.



8. Labor (twenty eight points, twenty points available per subsection)

a. OMC 5.80 requires that half of all dispensary employees be Oakland residents. What percentage of Applicant's employees will be Oakland residents from equity program qualifying police beats as defined by OMC 5.80 and 5.81?

- 0-10%
- 10-20%
- 20-30%
- 30-40%
- 0-100%

b. What percentage of Applicant's employees will be formerly incarcerated current Oakland residents?

- 0-10%
- 10-20%
- 20-30%
- 30-40%
- 40-50%
- above 50%

c. What will the pay ratio be between the median compensation of the company's workforce compared to the dispensary's CEO compensation?

- >5 to 1
- ≤5 to 1
- ≤3 to 1
- ≤2 to 1
- 1 to 1

d. How will you recruit employees from equity qualifying police beats and/or formerly incarcerated Oakland residents?



9. Ownership (thirty fifteen points)

For this question, the term "ownership" shall mean the individual or individuals who:

- i. ~~With respect to for profit entities, including without limitation corporations partnerships, limited liability companies, has or have an aggregate ownership interest (other than a security interest, lien, or encumbrance) of 100% of the entity.~~
- ii. ~~With respect to not for profit entities, including without limitation a non-profit corporation or similar entity, constitutes or constitute 100% of the board of directors.~~
- iii. ~~With respect to collective has or have all controlling interest in the collective's governing body.~~

a) ~~Is Applicant's ownership a current Oakland resident?~~

- ~~• yes~~
- ~~• no~~

Does at least half of Applicant's ownership satisfy the definition of an Equity Applicant under OMC 5.80 and 5.81³?

- yes
- no

If you answered yes to question 9 (a), please provide:

- ~~• two of the following supporting documents for each individual: a deed, lease agreement, utility bills, cable/internet bills, tax returns, or California driver's record; and~~
- ~~• entity formation documents or documents filed with the California Secretary of State (e.g. articles of incorporation, stock issuance records, operating agreements, partnership agreements).~~

If you answered yes to question 9 (b), please provide supporting documentation as described below.

For proof of ownership please provide entity formation documents or documents filed with the California Secretary of State (e.g. articles of incorporation, stock issuance records, operating agreements, partnership agreements).

For proof of income please provide federal tax returns and at least one of the following documents: two months of pay stubs, current Profit and Loss Statement, Balance Sheet, or proof of current eligibility for

³ an "Equity Applicant" is an Applicant whose ownership/owner:

1. Is an Oakland resident; and
2. Has an annual income at or less than 80 percent of Oakland Average Medium Income (AMI) adjusted for household size; and
3. Either

(i) has lived in any combination of Oakland police beats 2X, 2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, 5X, 8X and 35X for at least ten of the last twenty years OR

(ii) was arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland.

General Assistance, Food Stamps, Medical/CALWORKs, or Supplemental Security Income or Social Security Disability (SSI/SSDI).

For proof of conviction should be demonstrated through Court documents, Probation documents, Department of Corrections or Federal Bureau of Prisons documentation.

For proof of residency please complete the below Proof of Residency Chart for all qualifying individuals and provide a minimum of two of the documents listed below evidencing 10 years of residency. All residency documents must list the applicant’s first and last name, and the Oakland residence address in applicable police beats.

- California driver's record; or
- California identification card record ; or
- Property tax billing and payments; or
- Verified copies of state or federal income tax returns where an Oakland address is listed as a primary address; or
- School records; or
- Medical records; or
- Oakland Housing Authority records; or
- Utility company billing and payment covering any month in each of the ten years.

Proof of Residency Chart

NAME OF EQUITY INDIVIDUAL		
CURRENT OAKLAND ADDRESS	DATES	
	FROM	TO
PRIOR OAKLAND ADDRESS(ES)		

NAME OF EQUITY INDIVIDUAL		
CURRENT OAKLAND ADDRESS	DATES	
	FROM	TO
PRIOR OAKLAND ADDRESS(ES)		

NAME OF EQUITY INDIVIDUAL		
CURRENT OAKLAND ADDRESS	DATES	

	FROM	TO
PRIOR OAKLAND ADDRESS(ES)		

10. Product (forty points)

What percentage of its cannabis products will Applicant commit to purchasing placing on its shelves and electronic platforms from Oakland equity cultivators and manufacturers? This commitment shall be demonstrated to the City via quarterly reports and verified on an annual basis.

- 0-10%
- 10-20%
- 20-30%
- 30-50%
- above 50%

11. Distribution (forty points)

What percentage of its cannabis products will Applicant commit to purchasing from Oakland equity distributors? This commitment shall be demonstrated to the City via quarterly reports and verified on an annual basis.

- 0-20%
- 20-40%
- 40-60%
- 60-80%
- 80-100%

12. Dispensary Incubator Program ~~(twenty points per cultivation, testing lab, and manufacturing equity business incubated, five points per delivery and distribution equity business incubated. An additional five points per each incubatee license that is for an equity applicant who has not yet been incubated under the City of Oakland’s equity program since it was established in 2017)~~

(point allocation outlined below, with 60 points the maximum number of points available)

- Twenty-five points for first equity business incubated
- Fifteen points for second equity business incubated
- Ten points for third equity business incubated
- Five points for fourth equity business incubated
- Two points for fifth or any additional equity business incubated
- Five additional points per cultivation, testing lab, and manufacturing equity business incubated
- Five additional points per each license that is for an equity applicant who has not yet been incubated under the City of Oakland’s equity program since it was established in 2017

General dispensary applicants that serve as incubators for cannabis equity applicants by providing free rent or real estate are entitled to bonus points for every cannabis equity business it incubates. Please note, the equity business may be any cannabis business type and it may be incubated either on the same property as the dispensary or at another site in Oakland.

In order to receive these bonus points, the General Applicant must comply with the following conditions:

- a. The free real estate or rent shall be for a minimum of three years.
- b. The Equity Applicant shall have exclusive access to a minimum of 1,000 square feet to conduct its business operations, with the exception of applicants in a Type S manufacturing space.⁴
- c. The General Applicant must provide any City required security measures, including camera systems, safes, and alarm systems for the space utilized by the Equity Applicant.
- d. The incubated equity applicant is not already being incubated in the proposed space under a separate permit application.
- e. The dispensary applicant cannot incubate themselves by possessing any ownership interest in an incubatee license.
- f. The same equity applicant cannot be incubated for more than three licenses per dispensary permit application.
- g. Should an incubated equity applicant cease operating its business within the three-year period, the General Applicant must notify the City of Oakland within 30 days and incubate a new equity applicant.

In order to receive credit for incubating an equity business, general dispensary applicants must submit a copy of the lease and/or contractual agreements between General and Equity Applicants that provides the requirements listed under (a) through (e) above.

Please use the Dispensary Incubator Chart to list all equity applicants dispensary applicant intends on incubating under the conditions outlined above. Attach additional pages as necessary.

Dispensary Incubator Chart

NAME OF EQUITY APPLICANT	ADDRESS OF EQUITY BUSINESS	BUSINESS TYPE
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

12. Supporting Documents.

Please check the boxes below for each supporting document submitted with this application. Please ensure that all supporting documents include a Header with the applicant’s name on the top right corner of each page.

Copy of State Registration for corporate structure

⁴ Please note that this exclusive access requirement under the Dispensary Incubator Program is different than the equity incubator program for non-dispensary uses, which allows for shared use of space.

Letter of Credit if applicable

For Oakland Owners Applicants Only:

Proof of Oakland Residency

For Oakland Equity Applicants Only:

Proof of Ownership

Proof of Income

And either

Proof of Residency

or

Proof of Conviction

For Dispensary Incubators Only:

Lease or other contract providing free real estate or rent for a minimum of three years indicating square footage available to the Equity Applicant

Proof of providing required security measures, including camera systems, safes, and alarm systems for the space utilized by the Equity Applicant.

13. Oath of Application

I, the undersigned, declare under penalty of perjury that to the best of my knowledge, the information contained in this application and its supporting documentation is truthful, correct and complete; and, the information contained in this application and its supporting documentation discloses all facts regarding the applicant and associated individuals necessary to allow the City Administrator to properly evaluate the Applicant's qualifications for registration.

I, the undersigned further agree and acknowledge that I may be required to provide additional information as needed, for a complete investigation by the City Administrator.

I, the undersigned, further agree and recognize that I am responsible for obeying all Federal, State, County and local laws.

I, the undersigned, further agree and understand that any misrepresentations, omissions or falsifications in the application or any documents attached thereto or amendments thereto will be immediate grounds for the City Administrator to deny this permit application and/or immediate grounds for revocation of a medical cannabis permit.

APPLICANT NAME:
SIGNATURE:
DATE:

FOR OFFICE USE ONLY:

Application:

Received by: _____ Date: _____

Receipt #: _____

DRAFT