

Thursday, September 3, 2020, 6:30 pm
Teleconference Meeting

AGENDA

Pursuant to the Governor's Executive Order N-29-20, 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/87458919383>
- 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
or +1 301 715 8592

For each number, please be patient and when requested, dial the following Webinar ID: 874 5891 9383

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:

Lanese Martin	District 1	Frank Tucker	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Vacant	District 3	Stephanie Floyd-Johnson	Mayor
Debby Goldsberry	District 4	Tiyanna Long	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
 - *Annual Report from Revenue Management Bureau (since July 2020)*
 - *Revisiting Cannabis Business Tax Rate (since August 2020)*
 - *Updated Parliamentary Procedures (since July 2020)*
 - *Public Ethics Training (since August 2020)*
 - *CRC 2019 Annual Report (since August 2020)*
- D. Approval of the Draft Minutes from the Special CRC meeting on August 13, 2020
- E. Reports for Discussion and Possible Action
 - 1. Law Enforcement Items:
 - a. Annual Report from Oakland Police Department;
 - b. Shared Drive Regarding Cannabis Robberies and Burglaries;
 - c. Enforcement re Seshes; and
 - d. Cybersecurity Best Practices.
 - 2. Continued Discussion re Impact of Covid-19 on the Cannabis Industry
 - 3. Electing Members of Ad Hoc Committee to Create Plan to Create a Department of Cannabis.
- F. Announcements
 - 1. Update on Cannabis Permitting Process
- G. Adjournment

Cannabis Regulatory Commission

Special Meeting

Thursday, August 13, 2020, 6:30 pm
Teleconference Meeting

MINUTES

Pursuant to the Governor's Executive Order N-29-20, 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/84512557317>
- 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
or +1 301 715 8592

For each number, please be patient and when requested, dial the following Webinar ID: 845 1255 7317

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:

Lanese Martin	District 1	Frank Tucker	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Vacant	District 3	Stephanie Floyd-Johnson	Mayor
Debby Goldsberry	District 4	Tiyanna Long	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, Corder, Goldsberry, Mercado, Chase, Tucker, Turner, Floyd-Johnson, Long, and Minor.

B. Open Forum / Public Comment

Mr. Charles Reed spoke in favor of an Emerald New Deal.

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

- *Shared drive regarding cannabis robberies and burglaries (since February 2020)*
- *Annual Report from Oakland Police Department*
- *Annual Report from Revenue Management Bureau (since July 2020)*
- *Enforcement re Seshes (since July 2020)*
- *Updated Parliamentary Procedures (since July 2020)*
- *Cybersecurity best practices (since July 2020)*

Member Minor mentioned he anticipates OPD’s annual report next month, Revenue Management Bureau’s report in October, and a presentation from Public Ethics in October as well. Member Tucker made a motion to have a formal training on parliamentary procedures at the next CRC meeting. Vice-Chair Martin seconded the motion and it passed by consensus.

Member Long moved to remove the shared drive item from the pending list. Member Goldsberry made a friendly amendment to move all law enforcement items to next month’s agenda. Member Long accepted the friendly amendment and the motion passed by consensus.

D. Approval of the Draft Minutes from the Regular CRC meeting on July 2, 2020

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

E. Reports for Discussion and Possible Action

1. East Bay Municipal Utility District (EBMUD) Permitting Process for Cannabis Operators

Adam Kern with EBMUD provided an overview of EBMUD's permitting process. Members of the public and CRC members asked questions about sprinkler connections, requirements for manufacturers, and whether EBMUD has a separate program for equity businesses.

2. Draft Annual CRC Report for 2019 and How the CRC Can Communicate with the City Council

Member Minor summarized the draft report. Vice-Chair Martin encouraged including revenue statistics in the annual report, highlighting the CRC's tax use recommendation at the top of the report, and explain more about the equity and tax rebate programs. Vice-Chair moved to refer the draft report to the equity subcommittee and include Member Long on the committee. Member Long seconded the motion and it passed by consensus.

Member Long then made a motion for each member to meet with their representative quarterly to provide an update on CRC activities. Member Corder seconded the motion. Members Corder, Mercado, Chase and Long voted in favor of the motion; Members Goldsberry, Tucker, and Johnson voted against the motion and Members Martin, Tucker and Minor abstained, so the motion failed.

Vice-Chair Martin then moved for staff to present bi-annual reports to the City Council on CRC activities. Member Floyd-Johnson seconded the motion and it passed by consensus.

3. Revisiting Cannabis Business Tax Rate

Since the Revenue Management Bureau will present in October, Vice-Chair Martin moved to continue this item to the October CRC meeting. Member Long seconded the motion and it passed by consensus.

Mr. Charles Reed emphasized that members should leverage their power to be closer to the City Council so that they can feel the pain of those suffering from the war on drugs and that the business tax rate is not a pressing issue.

4. Creation of a Department of Cannabis

Member Long moved to form a subcommittee to do research to create a plan to create a Department of Cannabis. Vice-Chair Martin seconded the motion and it passed with Members Corder, Chase and Minor abstaining. Vice-Chair Martin moved to determine who is on the subcommittee at next month's meeting. Member Corder seconded the motion and it passed by consensus.

Mr. Charles Reed encouraged the creation of more opportunities in the cannabis industry.

5. Continued Discussion re Impact of Covid-19 on the Cannabis Industry

Member Goldsberry made a motion continue the item to next month. Member Mercado seconded the motion and it passed by consensus.

6. Electing a New Chair and Vice-Chair

Members of the public spoke in favor of running efficient meetings and Vice-Chair Martin's management of recent meetings.

Vice-Chair Martin made a motion to nominate herself as the Chair and Member Long as the Vice-Chair. Member Corder seconded the motion and it passed by consensus.

F. Announcements

1. Update on Cannabis Permitting Process

G. Adjournment



MEMORANDUM

TO: Cannabis Regulatory Commission
FROM: Oakland Police Department
SUBJECT: Citations and Arrests for Cannabis Offenses 2019
DATE: August 26 2020

This report reflects the types of arrests and citations conducted by the Oakland Police department for the 2019 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."

2019 Cannabis Citations and Arrests Statistical Tables:

Table 1: Citations Section 11357(b) H&S Adult Citations by Sex and Race
(possession of less than one ounce)

Table 2: Cannabis Arrests/Citations for Calendar Years 2016 to 2019

Table 3: Arrest by Statue Type, Race, and Gender

Table 4: Other Offenses that Included Cannabis Arrests/Citations

Table 5: Cannabis Arrests/Citations by Beat

In the previous year of 2018, OPD issued one citation to an adult who was in possession of less than one ounce of marijuana under Section 11357(b) H&S (Health and Safety Code). In 2019 OPD had an increase of 3 citations (see **Table 1** next page).

Cannabis Regulatory Commission

Citations and Arrests for Marijuana Offenses - 2019

Date: August 26, 2020

Table 1: Citations Section 11357 (b) by Gender and Race

Race	Male	Fem	Total
African American	1	0	1
Asian	0	0	0
Hispanic	1	0	1
White	1	0	1
Other	0	0	0
Total	3	0	3

The following table below indicate the decrease in arrests/citations related to cannabis. The data also indicates and identifies the other offenses that resulted in arrests/citation that included cannabis charges as a lesser offense and not the primary arresting factor. Arrests for possession for sale and sales/transportation of cannabis have continuously decreased from the previous four years **from 355 charged cases resulted from 338 arrests in 2016 to 67 charged cases in 2019 that resulted from 59 arrests** – a decrease of over 80% between 2016 and 2019 (see **Table 2**). There has been a significant decrease in these types of arrests/citations.

Table 2: Cannabis Arrests/Citations for Calendar Years 2016 to 2019

Statute	2016	2017	2018	2019
Cultivation - 11358 H&S	17	2	1	1
Possession for Sales - 11359 H&S	286	112	93	52
Sales/Transportation - 11360(A) H&S	52	8	6	14
Total	355	122	100	67

Table 3 below illustrates the breakdown of **Table 2** arrests by statute type, race, and gender.

Statute	African American		Asian		Hispanic		White		Other		Total	
	Male	Fem	Male	Fem	Male	Fem	Male	Fem	Male	Fem		Male
11358 H&S	0	1	0	0	0	0	0	0	0	0	0	1
11359 H&S	2	39	1	2	0	5	0	2	1	0	0	52
11360(A) H&S	1	9	0	0	1	1	1	0	1	0	0	14
Total	3	49	1	2	1	6	1	2	2	0	0	67

Cannabis Regulatory Commission

Citations and Arrests for Marijuana Offenses - 2019

Date: August 26, 2020

Page 3

Table 4 below indicates the other associated offense types related to the arrests/citations above for 2019. In these cases, cannabis was not the primary arresting factor; the cannabis arrests occurred as a lesser offense. OPD does not prioritize arresting people solely for cannabis-related offenses.

Table 4: Other Offenses that Included Marijuana Arrests/Citations

HS11378	POSSESS CONTROLLED SUBSTANCE FOR SALE
PC30305 (A)(1)	PROHIBITED POSSESS AMMUNITION OR RELOADED AMMUNITION
PC29800 (A)(1)	FELON/ADDICT/POSSESS/OWN/ETC FIREARM
HS11351.5	POSSESS/PURCHASE COCAINE BASE FOR SALE
PC1203.2	VIOLATION OF PROBATION-FELONY
PC25850 (C)(6)	CARRY LOADED HANDGUN: NOT REG OWNER
PC25400 (A)(1)	CARRY CONCEALED WEAPON IN VEHICLE
HS11351	POSSESS/PURCHASE FOR SALE NARCOTIC/CONTROLLED SUBSTANCE
HS11370.1(A)	POSS CONTROLLED SUBSTANCE WHILE ARMED W/LOADED FIREARM
PC25850 (A)	CARRY LOADED FIREARM IN PUBLIC UNDER SPEC CIRCUMSTANCES
PC32310	MFG/SALE/POSSESS/ETC LARGE CAPACITY MAGAZINE

Table 5: Cannabis Arrests/Citations by Beat

Beat	Number of Arrests
03X	7
18X	4
30X	4
18Y	4
19X	4
06X	3
07X	3
22X	3
32X	2
33X	2
02Y	2
20X	2
31Y	2
21X	2
21Y	2
34X	2
35X	1
31Z	1
24X	1
27Y	1

Cannabis Regulatory Commission

Citations and Arrests for Marijuana Offenses - 2019

Date: August 26, 2020

77X	1
14X	1
31X	1
24Y	1
05Y	1
26Y	1
23X	1
Total	59

Charges: HS11358(c), HS11359, HS11359(b), HS11360(a), HS11360(a)(2)

Carlos A. Gonzalez
A/Captain of Police
Criminal Investigation Division
Oakland Police Department

Date



Cannabis Regulatory Commission

TO: Cannabis Regulatory Commission

FROM: Greg Minor
Assistant to the City
Administrator

SUBJECT: September Agenda Items

DATE: August 30, 2020

ITEM E (1) Law Enforcement Items: (a) Annual Report from Oakland Police Department; (b) Shared Drive Regarding Cannabis Robberies and Burglaries; (c) Enforcement re Seshes; and (d) Cybersecurity Best Practices

At the August 13, 2020 Special CRC Meeting Member Goldsberry moved to place all law enforcement related items on the pending list on next month's agenda. Vice-Chair Long seconded the motion and it passed by consensus.

Please find attached OPD's report on Cannabis Citations and Arrests for 2019. With respect to (b) Shared Drive Regarding Cannabis Robberies and Burglaries, Member Goldsberry moved to place this item on the CRC's pending list in February 2020. With regards to (c) Enforcement re Seshes, Member Chase moved to place this on the CRC agenda in May 2020 and it was continued at both the June 4th and July 2nd meetings. Finally, Member Mercado moved to agendize (d) Cybersecurity Best Practices in July 2020.

ITEM E (2) Continued Discussion re Impact of Covid-19 on the Cannabis Industry

This item was initially discussed at the May 2020 CRC meeting and continued to the June 4th CRC. This item was continued again at the June 4th, July 2nd CRC, and August 13th meetings for the next regularly scheduled CRC meeting.

ITEM E (3) Electing Members of Ad Hoc Committee to Create Plan to Create a Department of Cannabis

At the August 13, 2020 Special CRC Meeting the CRC voted to form a subcommittee to research and create a plan to create a Department of Cannabis and voted to determine the members of the committee at the next month's CRC meeting.

ITEM F (1) Update on Cannabis Permitting Process

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

Figure 1: Application Totals

APPLICATIONS	TOTALS	PENDING
Total Complete & Incomplete Applications	1497	109
Total Complete Applications	1497	
Complete General Applications	609	
Equity Applications based on residency	763	
Equity Applications based on conviction	125	
Incubators	382	
Interested in Incubating	24	
Complete Application with property	1056	

Complete Application without property (Equity)	368	
Complete Applicants without property (General)	73	

Figure 2: Permit Applications by Category

COMPLETED APPLICATIONS BY BUSINESS TYPE	GENERAL	INCUBATOR*	INTERESTED IN INCUBATING*	EQUITY
Delivery	144	65	4	234
Cultivator (Indoor)	154	98	13	138
Cultivator (Outdoor)	5	4	0	38
Distributor	142	199	5	219
Mfg. Volatile	60	50	0	45
Mfg. Non-Volatile	96	62	2	164
Transporter	5	3	0	40
Lab Testing	3	2	0	10
GRAND TOTALS	609	383	24	888
		*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	25	42	114	
Cultivator	3	69	43	
Distributor	7	70	89	
Mfg. Volatile	5	29	6	
Mfg. Non-Volatile	20	70	82	
Transporter	0	1	5	
Lab Testing	0	2	2	
Retailers	3	1	3	
TOTALS:	63	284	344	691
*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	51	15	74	140
Cultivator (Indoor)	2	3	4	9
Cultivator (Outdoor)	0	0	0	0
Distributor	12	22	35	69
Mfg. Volatile	0	3	0	3
Mfg. Non-Volatile	2	6	23	31
Transporter	1	0	5	6
Lab Testing	0	0	0	0
GRAND TOTALS	68	50	143	261

Figure 5: Withdrawn Applications

WITHDRAWN APPLICATIONS	GENERAL	INCUBATOR	EQUITY	TOTALS
Delivery	9	18	30	57
Cultivator (Indoor)	3	13	32	48
Cultivator (Outdoor)	14	11	10	35
Distributor	2	27	32	61
Mfg. Volatile	2	11	17	30
Mfg. Non-Volatile	5	10	18	33
Transporter	5	1	15	21
Lab Testing		2	3	5
TOTALS	40	93	157	290

Figure 6: Revoked Local Authorization

REVOKED LOCAL AUTHORIZATION	GENERAL	INCUBATOR	EQUITY	TOTALS
Delivery	1	6	6	13
Cultivator (Indoor)	1	9	2	12
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	3	27	13	43

Figure 7: Graph of Cannabis Permit Applications Received Since 2017

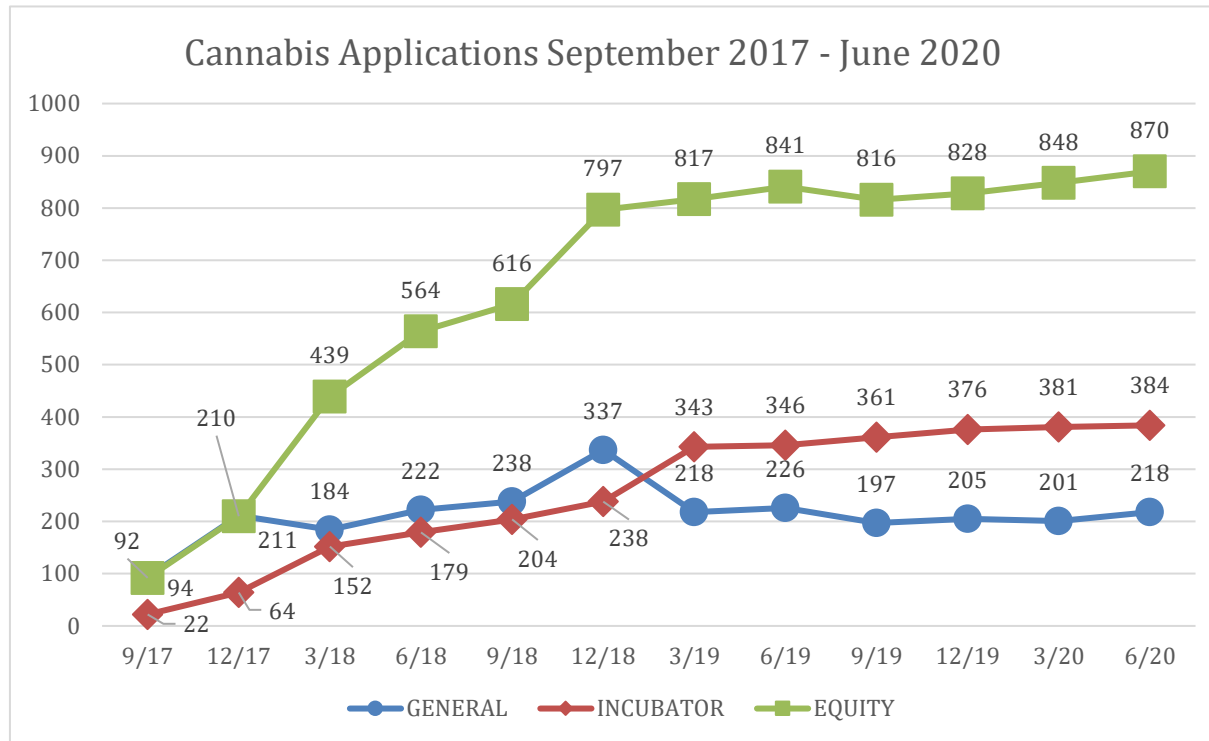


Figure 8: Graph of Cannabis Permits Issued Since 2017

