



**CITY OF OAKLAND**  
**Economic and Workforce Development**

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**SPECIAL ACTIVITY PERMITS**

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April 5, 2022

**FINDINGS AND RECOMMENDATION OF HEARING OFFICER ON APPLICATION OF OAKLYFE LLC DBA NUG FOR A CANNABIS ONSITE CONSUMPTION PERMIT AT 1600 BROADWAY, OAKLAND, CA 94612**

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A public hearing on the above application was held on February 22, 2022 via Zoom. Presented below are the findings and recommendation of the Hearing Officer:

**FINDINGS**

1. Oaklyfe, dba NUG, has operated the cannabis dispensary Purple Heart at 1600 Broadway Street for since 2021.
2. On December 1, 2021 submitted an application for an onsite consumption permit pursuant to Oakland Municipal Code (OMC) 5.80.025. Oaklyfe's application included (i) a diagram displaying the proposed onsite consumption area and (ii) an onsite consumption policy.
3. Oaklyfe's onsite consumption policy outlines responsibilities for its employees in ensuring safe consumption of cannabis. Specifically, the policy prescribes hours of operation, security requirements, areas where consumption will be permitted, time limits for customers, as well as incentives to encourage public transportation and ride share.
4. Due to COVID-19 Shelter in Place Restrictions prohibiting in-person gatherings, a public hearing on this matter was scheduled via Zoom on February 22, 2022.
5. Notice of the public hearing was timely provided to neighboring property owners within 300 feet, the applicant, and posted on the premises.
6. Prior to the public hearing, the Special Activity Permits Division received two emails opposition to the proposed onsite consumption permit. One email expressed concerns about onsite consumption leading to drugged driving and the other raised concerns regarding how people were already consuming cannabis on Oakland

streets, the dispensary's proximity to children, and general crime in downtown Oakland.

7. At the public hearing Ky Hang and John Oram presented on behalf of the Oaklyfe. They described how their dispensary consists of approximately 4,500 square feet in the basement of the building and that the onsite consumption lounge will utilize around 600 square feet. Moreover, they added that all access points to the dispensary are secured by a private security company and that their store currently receives a few hundred customers a day without drawing much attention, in part due to their good neighbor policy, which includes prohibited any consumption in front of their store.
8. Mr. Oram underscored that people deserve a safe place to consume cannabis. Along those lines, Mr. Oram specified that Oaklyfe will improve the ventilation in the designated consumption area and staff will observe how much customers consume and educate consumers about not driving.
9. One public speaker, Beth Arce, expressed concerns about whether allowing onsite consumption would exacerbate public safety issues in the area.
10. Mr. Oram replied by underscoring Oaklyfe's security and onsite consumption policies and offered to connect directly with Ms. Arce to address any of her concerns related to the operation of the dispensary.

## DISCUSSION

OMC 5.80.025 authorizes the City Administrator to issue an onsite consumption permit to existing dispensaries in good standing after taking into consideration the operating history and business practices of the applicant and any other factors necessary to promote the peace, order and welfare of the public.

Oaklyfe has operated a dispensary at 1600 Broadway for close to a year without raising any concerns and Oaklyfe has outlined a plan for ensuring customers consuming onsite do not raise any public safety issues through drugged driving or excessive consumption. Furthermore, during the public hearing Oaklyfe demonstrated a willingness to establish positive relationships with neighbors and proactively address issues before they arise.

In terms of the emails opposing the issuance of an onsite consumption permit and their concerns regarding public intoxication, crime and drugged driving, the proposed onsite consumption will take place indoors and thus offer a space for cannabis consumption away from youth or public view. Furthermore, the hearing officer is not aware of any data, nor was anything presented at the public hearing, substantiating the claim that cannabis consumption will cause those consuming cannabis to commit crimes and thereby increase crime in the downtown. Finally, 1600 Broadway is in the heart of downtown with numerous public transit and ride share options. The combination of a transit-rich location and Oaklyfe's anti-drugged driving policies addresses this concern.

RECOMMENDATION

For the reasons stated above, the hearing officer recommends that the City Administrator conditionally approve a cannabis onsite consumption permit to Oaklyfe, doing business as NUG, at 1600 Broadway. The issuance of the onsite consumption permit shall be contingent upon approvals of the building and fire departments for the tenant improvements related to improving ventilation systems in the area of the consumption lounge. Finally, all onsite consumption must comply with the City of Oakland's smoking ordinance, OMC 8.30.



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GREG MINOR, HEARING OFFICER

April 5, 2022

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DATE