



**CITY OF OAKLAND**  
**Office of the City Administrator**

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**NUISANCE ABATEMENT • SPECIAL ACTIVITY PERMIT**

1 Frank H. Ogawa Plaza, 11<sup>th</sup> Floor • Oakland, CA 94612

Greg Minor, Assistant to the City Administrator  
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Phone: 510-238-6370  
Fax: 510-238-7084

April 8, 2019

To Whom It May Concern:

The City Administrator has adopted the enclosed findings and recommendation of the Administrative Hearing Officer approving (1) the transfer of Oakland Community Partners' dispensary permit to NOA Productions, Inc. and (2) the addition of an onsite consumption permit for the 1776 Broadway location.

Pursuant to Oakland Municipal Code (OMC) Section 5.02.100 and OMC Section 5.80.070 any person excepting to the granting of a permit may appeal this action by filing with the City Administrator a written notice of such appeal setting forth the specific grounds thereof. **The appeal must be submitted no later than 5:00 p.m. on Tuesday April 23, 2019 to the following address:**

Office of the City Administrator, attn: Special Activity Permits Division  
1 Frank H. Ogawa Plaza, 1st Floor, Room 123  
Oakland, CA 94612

The appeal must include a \$763 special activity permit appeal filing fee in accordance with the City of Oakland Master Fee Schedule. Payment shall be made out to the City of Oakland via check or money order. After receipt of a timely appeal request, the appellant will be notified of an appeal hearing before an independent hearing officer.<sup>1</sup>

Sincerely,

Greg Minor  
Assistant to the City Administrator

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<sup>1</sup> Per OMC Section 5.80.070, "The City Administrator's decision to issue or deny a permit shall be subject to an appeal by the Applicant pursuant to Section 5.02.100, except that the appeal authorized in Section 5.02.100 shall be to an independent hearing officer and not the City Council. The request for an appeal must be made in writing within fourteen (14) days of the City Administrator's decision. The decision of the independent hearing officer shall be final and conclusive."



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March 26, 2019

**FINDINGS AND RECOMMENDATION OF HEARING OFFICER IN REGARDS TO APPLICATION OF OAKLAND COMMUNITY PARTNERS (PERMITTEE/APPLICANT) TO: (1) TRANSFER OWNERSHIP OF OAKLAND MUNICIPAL CODE (OMC) CHAPTER 5.80 DISPENSARY PERMIT TO NOA PRODUCTIONS, INC.; AND (2) TO ADD A CANNABIS ONSITE CONSUMPTION PERMIT PURSUANT TO OMC SECTION 5.80.025 FOR APPLICANT'S PREMISES AT 1776 BROADWAY**

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Pursuant to Oakland Municipal Code Section 5.80.020.E, a public hearing regarding the issues presented in the above-referenced application was held on March 6, 2019 in Hearing Room 1, City Hall, 1 Frank H. Ogawa Plaza, Oakland, California.

Presented below are the Findings and Recommendation of the Hearing Officer:

**FINDINGS**

1. Oakland Community Partners (OCP) has operated a cannabis dispensary at 1776 Broadway in the City of Oakland since 2012.
2. The City of Oakland initially approved OCP as a dispensary following the federal government's raid of Oaksterdam University and related establishments in the spring of 2012. The previous permit holder requested that the City approve the transfer of the dispensary permit from Coffeeshop Blue Sky, the dispensary holder at the time, to OCP, a nonprofit corporation run by the employees of Coffeeshop Blue Sky.
3. OCP's April 12, 2012 "Resolution of the Sole Director of Oakland Community Partners" appointed Timothy Sherwood as the sole Director of the Corporation and resolved that "if for any reason Timothy Sherwood were to become unable to serve as the sole Director of the Corporation, Salwa Ibrahim would become the Director, with full power and authority to exercise such position."
4. After dealing with health issues for some time, Mr. Sherwood passed away on or about October 15, 2018.

5. In parallel with Mr. Sherwood's deteriorating health, operations and regulatory compliance at OCP have declined in recent years.
6. Pursuant to OCP's April 2012 Resolution, on October 23, 2018 OCP appointed Salwa Ibrahim as its Chief Executive Officer.
7. Ms. Ibrahim has extensive experience operating a cannabis dispensary having directed Blum, another City of Oakland permitted dispensary, for several years.
8. In January 2019 OCP applied to transfer its dispensary permit to NOA Productions, Inc. (NOA) and to add an onsite consumption permit for the 1776 Broadway location.
9. As part of its application to transfer the permit to NOA, OCP submitted NOA's articles of incorporation, bylaws, and minutes, which reflect that NOA is exclusively controlled by Ms. Ibrahim.
10. Likewise, as part of its application to add an onsite consumption permit, OCP submitted an anti-drugged driving plan, parking plan and odor mitigation plan. These plans center around catalyzing OCP's transit rich location and providing a safe space for customers and patients to consume cannabis without impacting neighboring properties.
11. A public hearing regarding OCP's application for (1) a transfer of ownership of OCP's permit to NOA and (2) adding an onsite consumption permit for the cannabis dispensary at 1776 Broadway was noticed for March 6, 2019.
12. Notice of the public hearing was timely provided to the applicant, and posted in the Oakland Tribune newspaper, on the City's bulletin board, as well as 1776 Broadway, OCP's place of business.
13. The Special Activity Permits Division received no opposition to the proposed dispensary in advance of the hearing.
14. No one attended the hearing other than the applicant and no one expressed any opposition to the proposed applications.

## **DISCUSSION**

### **(1) TRANSFER OF OWNERSHIP OF OMC 5.80 DISPENSARY PERMIT TO NOA**

It is unlawful to operate a cannabis dispensary in Oakland without a permit in compliance with OMC 5.02 and 5.80. OMC 5.02 governs the general issuance of business permits in the City of Oakland and OMC 5.80 outlines the requirements for cannabis dispensaries and delivery-only dispensaries. While OMC 5.80 is silent on the subject of the transfer of a dispensary permit, OMC 5.02.070 addresses restrictions around the transfer of any business permit issued by the City of Oakland as follows:

"No permit in this Chapter required shall be transferable, nor apply to any premises other than those originally specified as the location of the thing permitted, except upon written permission of the City Administrator, or other official granting such

permit, *granted upon written application by the transferor, made in the same manner as may be required in the instance of the original application for such permit.*" (emphasis added).

Accordingly, the City Administrator has discretion to approve a transfer of a dispensary permit so long as the transferor of the permit applies for the transfer in the same manner as may be required when the permit was first applied for.

Pursuant to this requirement, the City Administrator required OCP to submit a cannabis permit application in writing to the City Administrator and undergo a public noticing and hearing process similar to the process OCP underwent in 2012. This application included disclosing property owner and applicant information, security plan information, a California Environmental Quality Act Questionnaire, floor plans, an odor mitigation plan, and a community beautification plan.

Accordingly, OCP submitted supporting documentation that demonstrates the dispensary operation will continue to be in control of the same director, and OCP underwent a public noticing and public hearing process during which the City received no opposition to the proposed transfer. In addition, the proposed new permittee will be controlled by Ms. Ibrahim, an experienced dispensary operator. Consequently, OCP appears well positioned to transition into the newly regulated adult-use market and improve its operations and regulatory compliance, both of which had stagnated in recent years. In light of these factors, the hearing officer finds OCP's transfer application in compliance with the requirements of OMC 5.02 and no reason to deny the proposed transfer.

**(2) ISSUANCE OF ACANNABIS ONSITE CONSUMPTION PERMIT PURSUANT TO OMC 5.80.025 FOR APPLICANT'S PREMISES AT 1776 BROADWAY**

OMC 5.80.025 (B) provides as follows:

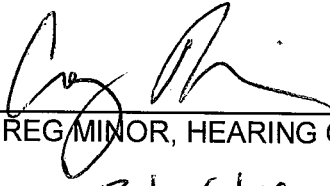
An onsite consumption permit may be issued at the discretion of the City Administrator to existing dispensaries in good standing following a public hearing conducted according to the requirements of Chapter 5.02 and based on an evaluative point system that takes into consideration the operating history and business practices of the applicant, any other factors that are deemed necessary to promote the peace, order and welfare of the public. An application for an onsite consumption permit may be denied for failure to meet the requirements of the City Building Code, City Fire Code, City Planning Code, this chapter, and/or any violation of state or local law relevant to the operation of dispensaries.

After convening the March 6, 2019 public hearing in conformance with OMC 5.02, the City Administrator evaluated OCP's onsite consumption application by taking into consideration Ms. Ibrahim and OCP's operating history, OCP's location, and OCP's onsite consumption plan. OCP's transit rich location along the City of Oakland's main commercial corridor and in front of a BART entrance affords a unique opportunity to allow patients and customers to consume cannabis without the need to subsequently drive a vehicle. Further, OCP's anti-drugged driving plan to not serve any consumption patrons that drove to the dispensary should ensure no drugged driving takes place because of onsite consumption. More generally, permitting safe consumption spaces is essential given prohibitions on public consumption and restrictions people can encounter consuming at home. Provided OCP implements its anti-drugged driving and odor mitigation plans and employs best practices for

managing an onsite consumption lounge, such as monitoring the status of those who consume and developing additional policies as needed to preserve a safe environment, OCP's onsite consumption should serve as a model for responsible consumption of cannabis.

### RECOMMENDATION

For the reasons stated above, the hearing officer recommends that the City Administrator (1) approve the transfer of Oakland Community Partners' dispensary permit to NOA Productions, Inc. and (2) approve the addition of an onsite consumption permit for the 1776 Broadway location. Said cannabis consumption shall not include any smoking, consistent with the City of Oakland's smoking ordinance, OMC 8.30. Further, NOA shall comply with any building or fire department requirements should NOA make any alterations to the dispensary's building as part of either the ownership change or onsite consumption operation.



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GREG MINOR, HEARING OFFICER

3/26/19

\_\_\_\_\_  
DATE

cc via email:  
City Administrator Sabrina Landreth  
Councilmember Gibson-McElhaney  
Officer Romero, Oakland Police Department