

Thursday, November 4, 2021, 6:30 pm
Teleconference Meeting

AGENDA

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/83108540384>
- 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: 831 0854 0384

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:

Vacant	District 1	Frank Tucker	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Austin Stevenson	District 3	Stephanie Floyd-Johnson	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
- B. Approval of the Draft Minutes from the Special and Regular CRC Meetings on October 7, 2021.
- 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
 - 2. Revolving Loan Program for Cannabis Equity Applicants
 - 3. Local Jurisdiction Assistance Grant Program
 - 4. Develop Onsite Consumption Regulations
 - 5. Implementation Update on Current BCC and Go-Biz Grants
- D. Review of the Pending List and Additions to Next Month’s Agenda
 - *Staffing/Costing of a Department of Cannabis (since January 2021)*
 - *Follow Up Questions re Revenue Management Bureau Report (since June 2021)*
- E. Open Forum / Public Comment
- F. Announcements
 - 1. Update on Cannabis Permitting Process
 - 2. Apply to serve on CRC here:
<https://oakland.granicus.com/boards/w/8552f8c4c0e15460/boards/6697>

3. November 19th deadline for Request for Proposal (RFP) for Public Education Campaign to Support Equity-Owned Cannabis Businesses: <https://cao-94612.s3.amazonaws.com/documents/RFP-for-Public-Education-Campaign-To-Support-Equity-Owned-Cannabis-Businesses.pdf>

G. Adjournment

OAKLAND CANNABIS REGULATORY COMMISSION

RESOLUTION NO. 2021-2

ADOPT A RESOLUTION DETERMINING THAT CONDUCTING IN-PERSON MEETINGS OF THE CANNABIS REGULATORY COMMISSION AND ITS COMMITTEES 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.

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a state of emergency related to COVID-19, pursuant to Government Code Section 8625, and such declaration has not been lifted or rescinded. See <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.4.20-Coronavirus-SOE-Proclamation.pdf>; and

WHEREAS, on March 9, 2020, the City Administrator in their capacity as the Director of the Emergency Operations Center (EOC), issued a proclamation of local emergency due to the spread of COVID-19 in Oakland, and on March 12, 2020, the City Council passed Resolution No. 88075 C.M.S. ratifying the proclamation of local emergency pursuant to Oakland Municipal Code (O.M.C.) section 8.50.050(C); and

WHEREAS, City Council Resolution No. 88075 remains in full force and effect to date; and

WHEREAS, the Centers for Disease Control (CDC) recommends physical distancing of at least six (6) feet whenever possible, avoiding crowds, and avoiding spaces that do not offer fresh air from the outdoors, particularly for people who are not fully vaccinated or who are at higher risk of getting very sick from COVID-19. See <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html>; and

WHEREAS, the CDC recommends that people who live with unvaccinated people avoid activities that make physical distancing hard. See <https://www.cdc.gov/coronavirus/2019-ncov/your-health/about-covid-19/caring-for-children/families.html>; and

WHEREAS, the CDC recommends that older adults limit in-person interactions as much as possible, particularly when indoors. See <https://www.cdc.gov/aging/covid19/covid19-older-adults.html>; and

WHEREAS, the CDC, the California Department of Public Health, and the Alameda County Public Health Department all recommend that people experiencing COVID-19 symptoms stay home. See <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/steps-when-sick.html>; and

WHEREAS, persons without symptoms may be able to spread the COVID-19 virus. See <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html>; and

WHEREAS, fully vaccinated persons who become infected with the COVID-19 Delta variant can spread the virus to others. See <https://www.cdc.gov/coronavirus/2019-ncov/vaccines/fully-vaccinated.html>; and

WHEREAS, the City's public-meeting facilities are indoor facilities that do not ensure circulation of fresh / outdoor air, particularly during periods of cold and/or rainy weather, and were not designed to ensure that attendees can remain six (6) feet apart; and

WHEREAS, holding in-person meetings would encourage community members to come to City facilities to participate in local government, and some of them would be at high risk of getting very sick from COVID-19 and/or would live with someone who is at high risk; and

WHEREAS, in-person meetings would tempt community members who are experiencing COVID-19 symptoms to leave their homes in order to come to City facilities and participate in local government; and

WHEREAS, attendees would use ride-share services and/or public transit to travel to in-person meetings, thereby putting them in close and prolonged contact with additional people outside of their households; and

WHEREAS, on October 7, 2021 the Cannabis Regulatory Commission adopted a resolution determining that conducting in-person meetings 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; now therefore be it:

RESOLVED: that the Cannabis Regulatory Commission finds and determines that the foregoing recitals are true and correct and hereby adopts and incorporates them into this resolution; and be it

FURTHER RESOLVED: that, based on these determinations and consistent with federal, state and local health guidance, the Cannabis Regulatory Commission renews its determination that conducting in-person meetings would pose imminent risks to the health of attendees; and be it

FURTHER RESOLVED: that the Cannabis Regulatory Commission firmly believes that the community's health and safety and the community's right to participate in local government, are both critically important, and is committed to balancing the two by continuing to use

teleconferencing to conduct public meetings, in accordance with California Government Code Section 54953(e), a provision of AB-361; and be it

FURTHER RESOLVED: that the Cannabis Regulatory Commission will renew these (or similar) findings at least every thirty (30) days in accordance with California Government Code section 54953(e) until the state of emergency related to COVID-19 has been lifted, or the Cannabis Regulatory Commission that in-person meetings no longer pose imminent risks to the health of attendees, whichever occurs first.

Thursday, October 7, 2021, 6:00 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/85271811265>
- 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: 852 7181 1265

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:

Vacant	District 1	Frank Tucker	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Austin Stevenson	District 3	Stephanie Floyd-Johnson	Mayor
Vacant	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: Minor, Long, Johnson, Tucker, Turner, Stevenson
Absent: Corder

B. 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 provided background on the item. Members of the public expressed support for either a hybrid meeting option, with both in person and teleconference, as teleconference meetings are easier to participate in than in person.

Member Floyd-Johnson made a motion to adopt the Resolution as drafted. Member Tucker seconded the motion and it passed by consensus.

C. Open Forum / Public Comment

D. Adjournment

Thursday, October 7, 2021, 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/81115757013>
- 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: 811 1575 7013

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:

Vacant	District 1	Frank Tucker	District 7
Tracey Corder	District 2	Chaney Turner	At Large
Austin Stevenson	District 3	Stephanie Floyd-Johnson	Mayor
Vacant	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: Minor, Stevenson, Turner, Floyd-Johnson, Long, Tucker
Absent: Corder

B. Approval of the Draft Minutes from the CRC Meeting on August 5, 2021.

Vice-Chair Long moved to approve the minutes as drafted. Member Floyd-Johnson seconded the motion and it passed by consensus.

C. Reports for Discussion and Possible Action

1. Establishment of Process to Certify Equity Businesses

Member Minor introduced the item then Ramon Garcia and Nina Parks presented a powerpoint presentation regarding a statewide certification program for equity businesses that features a clear identifier for equity businesses. Additional information on the project is available at equitytrade.org.

Members of the public inquired whether the program would support equity-owned delivery companies that sell products made by general applicants. Nina Parks confirmed that equity-owned delivery businesses would be included.

2. Revolving Loan Program for Cannabis Equity Applicants

Member Minor provided an overview of the revolving loan program and policy questions around loan forgiveness for the commission and City Council to consider. Members of the public emphasized how capital

intensive the regulated marketplace is and that Oakland should find a creative solution to avoid equity applicants being in debt and in a worse position.

Chair Turner then made a motion to freeze collections on delinquent equity applicants until the City Council evaluates the program. Member Stevenson seconded the motion. Vice-Chair Long then made a friendly amendment for the CRC to recommend that the City Council halt collections of delinquent equity applicants. Chair Turner seconded the motion. Member Floyd-Johnson voted in favor, however, Member Turner had left the meeting so there was no quorum to pass the motion.

3. Local Jurisdiction Assistance Grant Program

Member Minor provided an overview of the current proposal. Member Floyd-Johnson emphasized having performance measures to ensure permitting is expedited. Member Stevenson moved to continue the rest of the agenda to the next meeting due to the lack of quorum.

4. Develop Onsite Consumption Regulations

5. Implementation Update on Current BCC and Go-Biz Grants

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

- *Staffing/Costing of a Department of Cannabis (since January 2021)*
- *Follow Up Questions re Revenue Management Bureau Report (since June 2021)*

E. Open Forum / Public Comment

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



Cannabis Regulatory Commission

TO: Cannabis Regulatory Commission

FROM: Greg Minor
Assistant to the City
Administrator

SUBJECT: November 2021 Agenda Items

DATE: October 31, 2021

ITEM C (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

Recently passed Assembly Bill (AB) 361 requires boards and commission to renew findings that conducting in-person meetings would present imminent health risks and to elect to continue conducting meetings via teleconference. The CRC adopted an initial resolution to this effect at a Special Meeting on October 7, 2021 and attached to this agenda is Resolution 2021-2 renewing these findings.

ITEM C (2) Revolving Loan Program for Cannabis Equity Applicants

Chair Turner has requested an informational report on the City's loan program for cannabis equity applicants. This item was discussed at the October 2021 CRC meeting but not action was taken due to lack of quorum.

Below please find background on the program, statistics, as well as outstanding policy questions for the commission and public's review.

A. Loan Program Background

When the City of Oakland created its cannabis equity program in 2017, the Oakland City Council adopted a Resolution dedicating the initial \$3 million in new cannabis tax revenue towards a no-interest revolving loan program to provide equity applicants an ongoing source of capital to support their businesses. After collecting this revenue and selecting a consultant to co-design and implement the loan program, the City of Oakland launched the loan program in November 2018. The program features a tiered-based structure to incentivize and support cannabis equity applicants to establish compliant cannabis businesses. Thanks to state grants in 2020 and 2021 from the Bureau of Cannabis Control and the Governor's Office of Business and Economic Development (Go-Biz) the City has added grant programs and added additional funds towards the loan program. When asked in a 2021 survey whether they preferred to receive capital in the form of grants, no-interest revolving loans, or both, a majority of equity applicants replied that they would prefer access to both (See Question 29: <https://cao-94612.s3.amazonaws.com/documents/Equity-Survey-Data-May-19-2021.pdf>).

In May 2020 the City launched a loan modification program to assist equity loan borrowers who have become delinquent on their loans. The loan modification program extends the term of loans by 12 months and reduces initial repayments as equity entrepreneurs get their businesses back on track. The goal of the loan modification program is to both acknowledge the financial challenges involved in starting a cannabis business in the regulated marketplace and to ensure that ongoing loan funding is available to equity applicants through loan repayments.

B. Loan Program Statistics To Date

As of October 28, 2021 the City has lent \$3,903,000 to 61 unique borrowers, 23 of whom were repeat borrowers, for an average of \$63,984 per borrower. In terms of grants, the City has funded \$1,916,000 in grants to 45 unique grantees, for an average amount of \$42,578 per grant.

In terms of loan demographics:

OAKLAND EQUITY LOANS		
% of Total	Total #	Race
81.97%	50	AfAm
6.56%	4	Hispanic
3.28%	2	White
1.64%	1	Native American
1.64%	1	Vietnamese
4.92%	3	Dual
100.00%	61	Total
% of Total	Total #	Gender
31.15%	19	Female
68.85%	42	Male
100.00%	61	Total
* Categorized by listed race even if dual/other		
also specified.		

In terms of loan repayments, as of August 2021, approximately 60 percent of all borrowers were in compliance, including twelve percent that have entered into loan modifications. Another thirty-four percent of borrowers were out of compliance; however, half of these borrowers were only one or two payments behind. Then seven percent of borrowers have fallen so far out of compliance and not pursued a loan modification that they have been forwarded to collections.

C. Policy Questions Around Loan Forgiveness

Some have inquired about the possibility of loan forgiveness for delinquent borrowers. This could only happen if the City Council adopts a Resolution forgiving equity applicants the funds they have not repaid.

There are many policy considerations involved in potentially forgiving the loans of delinquent equity applicants. Unlike grants, loans are not taxable, and the same dollar(s) can be recirculated to multiple equity applicants. Accordingly, below are some policy questions the City Council would need to consider when deciding whether and how to forgive loan repayments.

- How will the City compensate for the reduction in capital for equity applicants in the future if no repayments are made?
- Why should delinquent borrowers not repay loans when others have?
- Are equity loan recipients prepared to assume the tax liability that will take place if their loans are forgiven?
- If an equity applicant is forgiven unpaid loans, should they be eligible for future City loans or grants? Should they have to wait a period of time, such as seven years similar to bankruptcy, before being eligible for future City funds?
- Should there be any eligibility criteria before an equity applicant can have their loans forgiven?
- Should delinquent borrowers be required to try a loan modification before having their unpaid repayments forgiven?

More information on the City's cannabis loan and grant programs is available here: <https://www.elevateimpactoakland.com/>

ITEM C (3) Local Jurisdiction Assistance Grant Program

As part of the recently adopted State of California Budget, the Governor signed Senate Bill (SB) 129, which includes the Local Jurisdiction Assistance Program that will provide a total of \$100 million over three years to local jurisdictions with commercial cannabis licensees needing the greatest assistance in transitioning from a provisional license to an annual license. The State of California identified local jurisdictions eligible for funding based on the number of provisional licenses, legacy applicants, and provisional licensees with greater California Environmental Quality Act (CEQA) compliance requirements, with jurisdictions with existing equity programs allocated with additional funding. Accordingly, the City of Oakland is eligible for a total of \$9,905,020 over a three-year period under the Local Jurisdiction Assistance Program.

Eligible uses of funds include the following:

- (a) Local government review, technical support, and certification for application requirements.
- (b) Local government or other professional preparation of environmental documents in compliance with CEQA for permits, licenses, or other authorizations to engage in commercial cannabis activity.

- (c) Mitigation measures related to environmental compliance, including water conservation and protection measures.
- (d) Other uses that further the intent of the program as determined by the Department of Cannabis Control.

Table One is a summary of staff's current proposal. This draft incorporates feedback at the August CRC Meeting; specifically rather than funding overtime for a police officer to serve as a backup to ensure no delay in security inspections, this proposal recommends funding overtime for non-sworn municipal code enforcement officers to serve as a backup for security inspections. After the three-year grant period, staff can evaluate transitioning security inspections from a police officer to non-sworn staff full time. The deadline for the City to submit its grant application is November 15th and more information on the grant program is available here: https://cannabis.ca.gov/wp-content/uploads/sites/2/2021/09/Local-Assistance-Grant_Guidelines.pdf

This item was most recently discussed at the regular October CRC meeting but no action taken due to lack of quorum. Staff welcomes additional public input and feedback as the City finalizes its proposal.

Table One

INITIAL DRAFT LOCAL JURISDICTION ASSISTANCE GRANT BUDGET		
PROPOSED USE	COST IN YEAR ONE	COST OVER THREE YEARS
Loans/Grants to Equity Applicants	\$1,301,406	\$3,904,218
Special Activity Permit Technician	\$124,305	\$372,915
Planning CEQA Review	\$9,237	\$27,710
Program Analyst for Processing Loans/Grants	\$150,000	\$450,000
Process Coordinator II in Building Bureau	\$175,696	\$527,088
Overtime for Civil Engineers to Review Plans	\$591,075	\$1,773,224
Overtime for Code Enforcement	\$78,115.80	\$234,347
Hazardous Materials Inspector II	\$193,546	\$580,638
Overtime for Fire Plan Engineers to Review Plans	\$73,760	\$221,280
Overtime for Municipal Code Enforcement Officers for Security Inspections	\$50,000	\$150,000
Annual CPTED Training for Municipal Code Enforcement Officers	\$1,200	\$3,600
Establishing Accela Module for Cannabis Permit Tracking	\$250,000	\$250,000
Maintaining Accela Module	\$60,000	\$180,000
Consultant TBD to Administer Loan/Grant Programs	\$160,000	\$480,000
Consultant TBD to Provide Legal Assistance to Equity Applicants	\$125,000	\$375,000
Consultant TBD to Provide Technical Assistance to Equity Applicants	\$125,000	\$375,000
TOTAL	\$3,468,340	\$9,905,020

ITEM C (4) Develop Onsite Consumption Regulations

The CRC has discussed the creation of an additional cannabis consumption lounge where cannabis deliveries take place for multiple months. The City of Oakland currently offers an onsite-consumption permit but it only applies to existing dispensaries in good standing). In February staff provided draft language for an onsite consumption lounge and the CRC moved to continue this item to April and to prioritize equity applicants for onsite consumption licenses.

Below is draft language for the CRC and public's review and feedback (new language in underline). The language below is intentionally broad; staff welcomes feedback on how to narrow the requirement for obtaining an onsite consumption permit where appropriate.

DRAFT LANGUAGE

5.80.025 - Onsite consumption permit

A. A dispensary must obtain a secondary onsite consumption permit in order for cannabis to be consumed on the premises of the dispensary.

1. Any consumption of cannabis in or on a commercial or industrial property in the City of Oakland is prohibited without an onsite consumption permit. Onsite consumption permits issued to non-dispensaries shall only be granted if the location meets the same location restrictions as those that apply to dispensaries. At least half of all onsite consumption permits issued under this Subsection shall be issued to equity applicants.

2. A general applicant seeking an onsite consumption permit under Subsection (A)(1) shall have permitting priority over all other general applicants seeking a permit under this Subsection if the general applicant serves as an incubator by satisfying the following:

i. Providing free real estate or rent for a minimum of three years to an equity applicant who has exclusive access to at least one thousand (1,000) square feet to conduct their business operations.

ii. Providing any City required security measures, including camera systems, safes, and alarm systems.

iii. The equity incubatee must obtain their cannabis permit and/or local authorization for a state license before the general incubator receives their onsite consumption permit and/or local authorization for a state license.

3. Subsection (A)(1)-(2) shall sunset two years after its adoption unless extended further by the Oakland City Council.

B. An onsite consumption permit may be issued at the discretion of the City Administrator to existing dispensaries in good standing or to applicants under OMC 5.80.025(A)(1) 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, and 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 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.

C. The City Administrator shall establish conditions of approval for each onsite consumption permit, including but not limited to a parking plan, ventilation plan, anti-drugged driving plan, and set hours of operation. Set hours of operation may only be adjusted by submitting a written request to and obtaining approval from the City Administrator's Office.

D. The permit shall be subject to suspension or revocation in accordance with [Section 5.80.070](#), and the owner/operator shall be liable for excessive police costs related to enforcement.

E. The application fee and annual fee for the onsite consumption permit shall be specified in the City's Master Fee Schedule.

F. All onsite consumption permits shall be special business permits and shall be issued for a term of one year. No property interest, vested right, or entitlement to receive a future license to operate a cannabis business shall ever inure to the benefit of such permit holder as such permits are revocable at any time with or without cause by the City Administrator subject to [Section 5.80.070](#).

ITEM C (5) Implementation Update on Current BCC and Go-Biz Grants

The City of Oakland has received three state grants thus far to support its cannabis equity program: in the spring of 2020 the City received a grant of approximately \$1,650,000 from the Bureau of Cannabis Control; in the summer of 2020 the City received a \$6,576,705 grant from the Governor's Office of Business and Economic Development (Go-Biz); then in the summer of 2021 the City received a \$2,434,712.51 from Go-Biz. Tables 2-4 provide an overview of the uses of each of these grants and the subsequent narrative offers an update on the various programs funded through state grants.

Table 2: 2020-2021 BCC Grant

Category	Amount	Status
Grants to Operators	\$850,000	Dispersed
Commercial Kitchens	\$250,000	Dispersed
Commercial Kitchens OR Events Featuring Equity Businesses	\$200,000	Dispersed
Workforce Development	\$200,000	Dispersed
Program Analyst Position	\$150,000	Dispersed
TOTAL BCC FUNDING	\$1,650,000	

Table 3: 2020-2021 Go-Biz Grant

Category	Amount	Status
Grants to Operators for All Eligible Expenses	\$1,510,239	Approximately \$234k Remaining
No Interest Revolving Loans to Operators for All Eligible Expenses	\$960,239	Dispersed
No Interest Loans to Purchase Property	\$2,010,239	Funds to Purchase Property Dispersed; Approximately \$200k Remaining
Utilization of Shared-Use Manufacturing Facilities	\$50,000	Dispersed
Workforce Development	\$800,000	Approximately \$230k Remaining
Loan and Grant Administration	\$350,000	Dispersed
Technical Assistance	\$250,000	Dispersed
Legal Assistance	\$165,000	Dispersed
City Staff Costs Administering Equity Program	\$480,987	Dispersed
TOTAL GO-BIZ FUNDING	\$6,576,704	

Table 4: 2021-2022 Go-Biz Grant

Category	Amount	Status
Grants and/or No-Interest Revolving Loans to Operators for All Eligible Expenses	\$1,448,475.41	Approximately \$1.1 Million Remaining
Grants to Utilize Shared-Use Manufacturing Facilities	\$500,000	Approximately \$166,666 Remaining
Loan and Grant Administration	\$160,000	Not Yet Dispersed
Technical Assistance	\$121,500	Not Yet Dispersed
Legal Assistance	\$121,500	Not Yet Dispersed
Portion of City Administrator Analyst Position	\$83,237.10	Not Yet Dispersed
TOTAL GO-BIZ FUNDING	\$2,434,712.51	

In the summer of 2020, the Special Activity Permits Division launched a BCC and Go-Biz funded grant program for equity operators for all eligible expenses that is administered along with the no-interest loan program by 4Front Partners, dba Elevate Impact. At the recommendation of the CRC, staff and Elevate Impact have held monthly meetings with equity operators the Tuesday after the CRC meeting to provide any updates regarding the program and maintain an ongoing feedback loop. Every week staff and Elevate Impact monitor the programs and analyze what adjustments are needed to effectively disburse funds. More information on the loan and grant programs is available at www.elevateimpactoakland.com and the agendas for monthly loan and grant meetings with statistics regarding the loan and grant programs is available here: <https://www.oaklandca.gov/boards-commissions/cannabis-regulatory-commission/meetings>.

In September 2020 staff launched two shared-use manufacturing facilities funded by the BCC grant. The two teams managing the kitchens have selected 15 manufacturers to use the sites and obtained all necessary approvals for the locations. Now operators are utilizing the shared-use facilities. More information is available here: <https://www.oaklandca.gov/services/shared-use-manufacturing-facilities>

Next, in late October 2020 staff launched a workforce development grant program providing equity operators with grants of up to \$50,000 to recruit, train, or retain equity employees. Staff reviewed and approved all 27 applications received in 2020 and is working with the workforce grant applicants to get them under contract in order to disperse funds. To date, twenty-four of the workforce grant

applicants have received funding, 17 of which have received their entire grant amount and seven of which have received the first half of their grant. Three grantees' contract documents are still being finalized. More information is available here:

<https://www.oaklandca.gov/services/workforce-development-grant-program>

Finally, on November 20, 2020 staff released a Request for Proposals (RFP) for the approximately \$2 million that is available to equity operators to purchase property(ies) that support multiple equity operators. The City received 18 applications for Phase One of the RFP. A panel of City staff from the Departments of Race and Equity, Economic and Workforce Development and the City Administrator's Office reviewed and scored the applications, resulting in five applicants moving forward to the last phase of the RFP. The top five applicants submitted their Phase Two responses on March 12th with a letter of intent to purchase a property and a detailed budget. Staff inspected the proposed locations, held follow up meetings with applicants, and on April 30th provided the top two applicants a conditional commitment letter for the purchase of a shared-use manufacturing facility that will both support the equity applicants involved in the RFP process and equity applicants that can utilize the space each year. In late August staff entered into a loan agreement with the team of equity applicants to purchase the property and the team of equity applicants closed on the property in September. Staff anticipates a press release with more information on the project will be available later this month. More information is available here: <https://www.oaklandca.gov/services/purchasing-property-program>

ITEM F (1) Update on Cannabis Permitting Process

Below please find cannabis permitting statistics for the CRC's review, including additional categories as well as application and permit trend graphs. The Special Activity Permits Division is currently in a staffing transition and reviewing previous permit statistics, which appear to have included permit renewals along with initial permits in prior versions of Figure 4. Staff has corrected the permit numbers in Figure 4 and is working on providing an updated Figure 8 to reflect permit trends since 2017.

Figure 1: Application Totals

APPLICATIONS	TOTALS	PENDING
Total Complete & Incomplete Applications	1646	138
Total Complete Applications	1646	
Complete General Applications	702	
Equity Applications based on residency	811	
Equity Applications based on conviction	133	
Incubators	383	
Interested in Incubating	28	
Complete Application with property	1156	
Complete Application without property (Equity)	396	
Complete Applicants without property (General)	94	

Figure 2: Permit Applications by Category

COMPLETED APPLICATIONS BY BUSINESS TYPE	GENERAL	INCUBATOR*	INTERESTED IN INCUBATING*	EQUITY
Delivery	170	67	4	247
Cultivator (Indoor)	211	121	17	162
Cultivator (Outdoor)	6	5	0	37
Distributor	153	90	4	231
Mfg. Volatile	55	40	0	46
Mfg. Non-Volatile	99	55	2	171
Transporter	6	4	0	40
Lab Testing	2	1	0	10
GRAND TOTALS	702	383	27	944

*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	41	48	122	
Cultivator	12	78	43	
Distributor	11	74	102	
Mfg. Volatile	5	29	6	
Mfg. Non-Volatile	22	71	103	
Transporter	1	2	5	
Lab Testing	0	2	2	
Retailers	3	1	3	
TOTALS:	95	305	386	786

*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	5	6
Delivery	48	16	72	136
Cultivator (Indoor)	0	4	5	9
Cultivator (Outdoor)	0	0	0	0
Distributor	13	19	39	71
Mfg. Volatile	0	4	1	5
Mfg. Non-Volatile	7	10	35	52
Transporter	3	0	3	6
Lab Testing	0	0	0	0
GRAND TOTALS	71	55	160	286

Figure 5: Withdrawn Applications

WITHDRAWN APPLICATIONS	GENERAL	INCUBATOR	EQUITY	TOTALS
Delivery	10	24	46	80
Cultivator (Indoor)	3	16	35	54
Cultivator (Outdoor)	14	11	11	36
Distributor	3	38	43	84
Mfg. Volatile	2	14	20	36
Mfg. Non-Volatile	6	19	28	53
Transporter	5	1	15	21
Lab Testing		2	3	5
TOTALS	43	125	201	369

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

