

Thursday, September 3, 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:
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- 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):

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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

Present: Martin, Corder, Goldsberry, Mercado, Chase, Turner, Floyd-Johnson, Long, Minor
Absent: Tucker

B. Open Forum / Public Comment

There were no speakers during Open Forum.

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)*

Member Goldsberry moved to continue item E (2) to next meeting and to broaden the topic to include how the City can support cannabis businesses that are impacted by either COVID-19 or the string of burglaries on cannabis businesses in late May and early June 2020. Member Mercado seconded the motion and the motion passed with Members Long and Minor abstaining.

Chair Martin moved for the CRC to request the following information from the City’s Revenue Management Bureau in their upcoming report:

- 1. How many cannabis businesses paid taxes in 2019 and 2020?*
- 2. How many cannabis businesses grossed annual receipts of less than \$500k, \$500k to \$1.5million, \$1.5million to \$5million, and more than \$5million?*

3. *What percentage of cannabis businesses paid their taxes in full vs. by payment plan in 2019 and 2020, and what percentage change has there been?*
4. *What percentage of cannabis businesses were/are delinquent on their taxes in 2019 and 2020, and what percentage change has there been?*
5. *How much tax revenue did the City project from cannabis businesses in 2020 and what is the difference with the actual tax revenue received?*
6. *How many cannabis businesses have applied for the equity tax rebate?*
7. *What types of tax rebates have been applied for?*
8. *What was the grand sum of all the tax rebates?*
9. *How many of the cannabis tax paying businesses were equity vs. general applicants in 2019 and 2020?*

Vice-Chair Long seconded the motion and it passed by consensus.

Chair Martin then made a motion to form a subcommittee that will work on updating the CRC's bylaws for consideration at the November CRC meeting. Member Corder seconded the motion and it passed with no objection.

Chair Martin made an additional motion to schedule a special meeting in December for a retreat with an outside facilitator to build cohesion, introduce all new members of the CRC, and include a training on public ethics. Member Goldsberry seconded the motion and it passed with no objection.

Member Mercado then moved to ask the Revenue Management Bureau to include 2018 tax data in their report as well. Vice-Chair Long seconded the motion and it passed with no objection.

Chair Martin then moved to assign the updates to the bylaws to the existing subcommittee working on the updated assessment of the equity program and the 2019 annual report. Vice-Chair Long seconded the motion and it passed with no objection.

Chair Martin then encouraged CRC members to come prepared with motions to future CRC meetings.

D. Approval of the Draft Minutes from the Special CRC meeting on August 13, 2020

Member Floyd-Johnson moved to continue approval of the August minutes to next month after staff reviews how Member Tucker voted under the second paragraph of the minutes under the Draft Annual CRC Report for 2019. Vice-Chair Long seconded the motion and it passed with no objection.

E. Reports for Discussion and Possible Action

1. Law Enforcement Items:

a. Annual Report from Oakland Police Department;

Captain Carlos Gonzalez with the Oakland Police Department (OPD)'s Criminal Investigations Division (CID) and Officer John Romero presented the 2019 annual report.

Member Floyd-Johnson commented that it may be time to expand the scope of the report to include crimes against cannabis businesses. Officer Romero shared that OPD is in the process of tracking these crimes and working with the IT department to be able to track these crimes.

Member Goldsberry asked why anyone is being arrested for possession of less than an ounce. Officer Romero replied that it usually for minors. Member Goldsberry noted that while overall cannabis citations and arrests are down and many included other offenses, twenty people were still arrested for just cannabis offenses.

Chair Martin asked about cannabis being a low-law enforcement priority and how that is applied. Member Minor provided background on the City Attorney's Office 2005 analysis of the definition of "private adult cannabis offense" in Measure Z's lowest law-enforcement priority.

Member Mercado asked about public health impact of unpermitted cannabis uses and the impact of Covid-19 on OPD's operations.

Chair Martin then moved to request the fiscal impact of OPD's 2019 cannabis enforcement. Member Goldsberry seconded the motion and it passed with no objections.

Member Corder then made a motion to request OPD's protocol for unpermitted dispensaries. Member Turner seconded the motion and it passed by consensus.

Member Goldsberry then asked if the CRC an explore how to bring more people within the regulated cannabis market. Member Floyd-Johnson then moved to place on the pending list the topic of ways to transition those in the unregulated cannabis market to the regulated market. Member Goldsberry seconded the motion and it passed with no objections.

- 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.

Vice-Chair Long and Member Turner expressed interest in being members of this subcommittee. Vice-Chair Long then moved to appoint herself and Member Turner to the ad hoc subcommittee to create a plan to create a department of cannabis. Member Floyd-Johnson seconded the motion and it passed with no objection.

- F. Announcements
 1. Update on Cannabis Permitting Process

Chair Martin moved to refer the cannabis permitting statistics to the equity assessment subcommittee to make it more readable. Member Floyd-Johnson seconded the motion and it passed by consensus.

- G. Adjournment