



Kriss Worthington

Councilmember, City of Berkeley, District 7
 2180 Milvia Street, 5th Floor, Berkeley, CA 94704
 PHONE 510-981-7170, FAX 510-981-7177,
 EMAIL kworthington@ci.berkeley.ca.us

ACTION CALENDAR

November 28, 2017

To: Honorable Mayor and Members of the City Council
 From: Councilmember Kriss Worthington, Mayor Arreguin, and Councilmembers Ben Bartlett and Cheryl Davila

Subject: Adopt an Ordinance to Amend BMC 12.27 to Allow Existing Berkeley Licensed Medical Cannabis businesses into the new state adult use regulation and taxation system

RECOMMENDATION:

- 1) Temporary Authorization to allow existing Berkeley cannabis businesses to apply for state cannabis permits to expand their existing medical cannabis activities to include adult use. Temporary permission will expire once Berkeley establishes comprehensive policies.
- 2) Adopt first reading of an Ordinance to amend BMC 12.27 to allow existing Berkeley licensed medical cannabis businesses into the new state adult use regulation and taxation system.

BACKGROUND

Officially recognized cannabis businesses with Berkeley business licenses have acted responsibly and played by the rules. They have paid their taxes and paid their dues. The new state of California law establishes long overdue statewide standards. We want to build on Berkeley's established cannabis infrastructure to allow local businesses to flourish and not be left behind by the new state landscape.

FINANCIAL IMPLICATIONS: Likely increased cannabis tax revenue

CONTACT PERSON: Councilmember Kriss Worthington 510-981-7170

Attachment: Proposed Ordinance

ORDINANCE NO. -N.S.

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That Berkeley Municipal Code 12.27.050 provision C, subsection 7 is added to read as follows:

“BMC 12.27.050 Operating Standards.”

“C. Dispensing

7. Medical cannabis dispensaries are authorized to conduct adult-use cannabis sales, notwithstanding Section 12.26.035, if they meet the following requirements:

- a. Compliance with all requirements set forth in Sections 12.26 and 12.27 of the Berkeley Municipal Code
- b. Obtainment of State licenses (temporary) for both Medical and Adult Use commercial sales
- c. Obtainment of a City of Berkeley Temporary License. Temporary Licenses Adult Use Cannabis licenses are valid until such time as the City of Berkeley adopts comprehensive Cannabis regulations in compliance with State law.”

Section 2. That Berkeley Municipal Code 12.27.130 provision F is added to read as follows:

“BMC 12.27.130 Operating Standards for All Collectives.”

“F. The seven duly registered residential collectives, Cannabis Manufacturing and Processing businesses, and Manufacturing and Wholesale of Cannabis product businesses with valid cannabis business licenses are authorized to conduct adult-use cannabis operations exactly to the extent they can do for medical cannabis, if they meet following requirements:

- a. Compliance with all requirements set forth in their existing business license
- b. Obtainment of State licenses (temporary) for both Medical and Adult Use commercial sales
- c. Obtainment of a City of Berkeley Temporary License. Temporary Adult Use Cannabis licenses are valid until such time as the City of Berkeley adopts comprehensive Cannabis regulations in compliance with State law.”

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of Council Chambers, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.