



# MEETING OF THE MEDICAL CANNABIS COMMISSION

City Hall  
2180 Milvia Street  
Redwood Room (Sixth Floor)

Thursday, March 2, 2017  
2:00 PM

## DRAFT ACTION MINUTES

### I. Call to Order – 2:03 pm

#### A. Roll Call and Ex Parte Communications Disclosures

Commissioners present: Lampach, Pappas, Rice, Cable, Brewster, Carlisle, Ferguson-Riffe (arrived 2:05 pm).

Absent: Cooper (excused).

Staff Present: Secretary Elizabeth Greene, Assistant Planner Sydney Stephenson

Ex Parte Communications: None.

#### B. Changes to Order of Agenda

Motion to move the Order of Agenda such as A, D, B, C, E (Lampach/Pappas). The motion carried 7-0-0-1. (Ayes: Lampach, Pappas, Rice, Cable, Brewster, Ferguson-Riffe, Carlisle. Noes: None. Abstain: None. Absent: Cooper.)

### II. Public Comment

None.

### III. Approval of February 2, 2017 Minutes

Motion/second to approve the amended minutes (Lampach/Pappas). The motion carried 7-0-0-1. (Ayes: Lampach, Pappas, Rice, Cable, Brewster, Ferguson-Riffe, Carlisle. Noes: None. Abstain: None. Absent: Cooper.)

### IV. Planning Staff Report

Secretary Greene made the following announcements:

- Commissioner Cooper has been excused from this meeting.
- Introduced new Commissioner Cecily Brewster, appointed by Councilmember Bartlett.
- Delivery-only dispensaries discussion will go back to Planning Commission on March 15<sup>th</sup>.

### V. Chairperson's Report

Chair Lampach made the following announcements:

- Commissioner Ferguson-Riffe received award for her restaurant in the Friday February 17<sup>th</sup> newspaper.

- There are new changes to the procedures of the MCC meetings. First there will be an introduction to the item, then the Commission may ask clarification questions, then public comment, and then discussion by the Commission.

## **VI. Subcommittee Report**

Commission Pappas gave report. Subcommittee answered questions that the staff requested. They discussed whether crimes should be different than Chapter 12.23, security for drivers, definition of delivery-only dispensaries to include services and other related products, and selection process of delivery-only dispensaries.

## **VII. Discussion and Action Items**

### **A. Discuss Delivery-only Dispensaries and selection process.**

Chair Lampach introduced David Hua, co-founder of Meadow, a platform for delivery-only dispensaries. David Hua presented his information about Meadow and his knowledge about how other jurisdictions are handling delivery-only dispensaries.

Meadow is a cannabis technology company that created a software that help dispensaries manage inventory, sales, and deliveries. Delivery dispensaries give the ability to deliver in areas that don't allow storefronts. The software allows the dispensary to track its drivers and most deliveries arrive in about 36 minutes. In San Jose, drivers must be badged by the police department, drivers cannot carry weapons, and drivers can only have \$3,000 worth of medical cannabis product in their trunk. With Meadow, each driver has a smartphone with the Meadow app and GIS, the products are stored in lock box in the trunk, driver has a backpack to take to door for delivery, and drivers do not go inside the destination. With Meadow, orders have to be made through a dispensaries and then the dispatcher will contact a driver and a label can be made in the trunk of a driver, but the software still tracks every step of the order. Drivers are required to check the license of the client with the address of the order. Meadow has only had a couple of instances where there were snatch-and-grabs, but no violent situations. In San Jose, most of the start locations of delivery-only dispensaries are located in industrial areas or commercial areas that are outside the main downtown areas. In regards to security, drivers have secure storage boxes in their trunks. In regards to traffic, delivery-only dispensaries do not increase traffic in areas, they can be compared to pizza delivery businesses. In regards to odors, the products are typically already packaged and therefore, delivery will cause little or no odors, compared to cultivation and manufacturing of the products. With Meadow, all clients must sign up online and provide their medical cannabis documents. Cities with delivery-only dispensaries require the following for their applications for a license: location of operation, type of vehicles, insurance, security plan, training programs, and best practices. In San Francisco, delivery-only dispensaries are required to get approval from Health Department and then a Use Permit with a Public Hearing. In some cities multiple delivery-only dispensaries can operate out of one location.

Public Comment: Five Public Comments. The comments mentioned concern about collecting taxes, costs and number of permits, odor control, and if the State will have a limit for delivery-only dispensaries.

**D. Discuss how to present information to the Planning Commission and the Council.**

Public Comment: One public comment mentioned that they presented at the February 15<sup>th</sup> Planning Commission meeting and that it appeared that the Planning Commission was concerned about pushing out other businesses in the M District.

The Commission agreed to encourage a lot of people to attend the March 15<sup>th</sup> Planning Commission meeting. The Commission also discussed that they should talk with their Councilmembers and the Planning Commissioners who have the same Councilmember and suggest that they contact the MCC when they have any questions regarding Medical Cannabis. The Commission requested that a list of Planning Commissioners that report to the same Councilmember of the MCC Commissioners.

**B. Recommendation for Planning Commission regarding number of cultivation facilities.**

Staff presented the attachments for this item, 23E.72.040 language and Staff Report from December 16, 2015 Planning Commission meeting.

Public Comment: One public comment praised Commissioner's Item VIII.B information on cultivation facts and asked if cultivation could be considered a manufacturing use.

The Commission agreed that there should be no numeric limit of cultivation facilities. The Commission requested staff to research whether the number 6 recommended facilities of cultivation or cultivation licenses. Commissioner Rice noted that the removal of numeric limit of cultivation sites was passed as a Consent Item at City Council on February 23, 2016. The Commission also noted that the existing Manufacturing uses are already protected in the M Districts. The MCC agreed to send a revised version of Item VIII.B to the March 15<sup>th</sup> Planning Commission meeting.

Motion/second to recommend no changes to the current cultivation ordinance and application process that was recommended to City Council. (Lampach/Rice). The motion carried 7-0-0-1. (Ayes: Lampach, Pappas, Rice, Cable, Brewster, Ferguson-Riffe, Carlisle. Noes: None. Abstain: None. Absent: Cooper.

**C. Review and vote on proposed changes to Chapter 12.25 (Cultivation).**

Staff introduced revised language of 12.25 (cultivation) related to energy use.

Public comments: One public comment expressed concern that there should be different options for mitigating energy use for cultivation businesses.

Motion/second to approve the proposed revised language to Chapter 12.25 (Lampach/Pappas). The motion carried 6-1-0-1. (Ayes: Lampach, Pappas, Rice, Brewster, Ferguson-Riffe, Carlisle. Noes: Cable. Abstain: None. Absent: Cooper.)

**E. Vote on representative(s) to attend March 15<sup>th</sup> Planning Commission meeting.**

Chair Lampach will be the representative speaking at the March 15<sup>th</sup> Planning Commission meeting.

Public Comment: No public comments.

**X. Adjournment**

Motion to adjourn at 4:03.

One late item was distributed at the meeting:

- a. Mari Vlastos: Delivery dispensary issue.

Commissioners in attendance: 7 of 8

Members of the public in attendance: Approximately 22

Public speakers: 8

Length of meeting: 2 hours

APPROVED: \_\_\_\_\_

Elizabeth Greene

Medical Cannabis Commission Secretary