



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Angelique Gaeta
Harry Freitas

**SUBJECT: ACTIONS RELATED TO THE
MEDICAL MARIJUANA
PROGRAM**

DATE: March 25, 2016

Approved

D. DSYL

Date

3/25/16

SUPPLEMENTAL

REASON FOR SUPPLEMENTAL

This memorandum responds to the City Council direction of December 8, 2015 for the staff to return in March 2016 with an analysis on allowing transactions/transfers with registered and licensed/permitted cultivators and manufacturers of medical marijuana products throughout the state of California and with changes to Title 20 regarding the following:

- Allow secondary/multiple locations for cultivation, manufacturing and extraction for the registered collectives (not to include retail locations);
- Allow cultivation throughout the state of California, charging collectives the staff time and expense to conduct inspections;
- Allow collectives to inhabit a single location/site for multiple separate grows;
- Remove the 50-foot restriction for cultivation and manufacturing, but keep it in place for retail dispensary locations; and
- Allow greenhouse, but not sun-grown, cultivation in appropriately zoned locations.

RECOMMENDATION

Discussion and follow-up on City Council referrals regarding the Medical Marijuana Program.

OUTCOME

Discussion of the Council's referrals related to Medical Marijuana will provide valuable input needed to refine the changes to the Medical Marijuana Program (Program).

BACKGROUND

On December 8, 2015, the City Council directed staff to return in March 2016 with an analysis on allowing transactions/transfers with registered and licensed/permitted cultivators and manufacturers of medical marijuana products throughout the state of California. The Council also directed the staff to return in March 2016 with changes to Title 20 regarding the following:

- Allow secondary/multiple locations for cultivation, manufacturing and extraction for the registered collectives (not to include retail locations);
- Allow cultivation throughout the state of California, charging collectives the staff time and expense to conduct inspections;
- Allow collectives to inhabit a single location/site for multiple separate grows;
- Remove the 50-foot restriction for cultivation and manufacturing, but keep it in place for retail dispensary locations; and
- Allow greenhouse, but not sun-grown, cultivation in appropriately zoned locations.

While all of the above actions require analysis under the California Environmental Quality Act (CEQA), some also require changes to the City's Medical Marijuana Program (Program). The City's Program is comprised of two ordinances: the Medical Marijuana Land Use Ordinance, found in Title 20 of the San José Municipal Code (Code), and the Medical Marijuana Regulatory Ordinance, found at Chapter 6.88 of Title 6 of the Code.

Changes to Title 20 must first be considered at a hearing by the Planning Commission which, in turn, requires public outreach and community engagement prior to the Planning Commission hearing. As a result, the Administration has hosted a number of meetings and has had discussions with stakeholders and groups potentially impacted by the cultivation, manufacturing, and dispensing of medical marijuana in the City, including: registered collectives and their members; cultivators and manufacturers; community-based organizations; the County Department of Environmental Health; the County Department of Agriculture; the District Attorney's Office; and the U.S. Attorney's Office.

Most recently, community/stakeholder meetings were held on March 12th and March 16th, 2016. Both of these meetings were facilitated by Assistant City Manager David Sykes. Staff from the City Manager's Office, the Planning Division of the Department of Planning, Building and Code Enforcement, and the Police Department were in attendance as well. The goal of the meetings was to share the direction Council had provided and elicit recommendations for implementation.

Approximately 30 people attended the March 12th meeting, with the majority of attendees representing San José's registered collectives and the medical marijuana industry. Other attendees included a medical marijuana patient, a representative from Voices United (an organization partly funded by the Santa Clara County Department of Alcohol and Drugs Services, Prevention Division and focused on keeping youth safe from easy access to alcohol, marijuana and other drugs), and staff from the Santa Clara County Department of Environmental Health.

Approximately 60 people attended the meeting on Wednesday, March 16th, again with a majority of attendees representing registered collectives and the medical marijuana industry. The remaining attendees were residents, patients, neighborhood-association representatives, and staff from the offices of the District Attorney, Supervisor Cindy Chavez, Councilmember Ash Kalra, the Public Defender, the County Department of Alcohol and Drug Services, Pathway Society (a non-profit, community-based organization that offers a wide range of substance abuse and counseling services to adults and families who suffer the consequences of alcohol and substance abuse), and Voices United.

Over the course of two meetings, attendees had a number of questions and concerns about how the changes the Council directed would be implemented. Additionally, there were questions about how the changes and the City's Program would work with the new state Medical Marijuana Regulation and Safety Act (MMRSA). Those questions and concerns are more fully described under separate topic headings in "Attachment A" to this memorandum.

ANALYSIS

Analysis on allowing transactions/transfers with registered and licensed/permitted cultivators and manufacturers of medical marijuana throughout the State of California:

The City's Program currently requires collectives to be vertically integrated, growing and producing the medical marijuana and products they provide to patients. However, per Council direction, currently the collectives are operating under a "carryover" period which concludes on December 18, 2016 and allows registered collectives to obtain medical marijuana and medical marijuana products from third-party vendors, provided that the collectives disclose to the City information identifying each third-party vendor with whom they are doing business. To date, only a handful of the 16 registered collectives have provided such information to the City identifying a few of the vendors they do business with in the City.

In the meantime, staff has been analyzing this issue and working to determine which jurisdictions in California authorize commercial cultivation of medical marijuana or the manufacturing of medical marijuana-infused products and how those jurisdictions operate their programs. The challenge for staff has been that the regulatory landscape changes weekly, with new cities and counties considering programs to allow medical marijuana cultivation or manufacturing. For example, on January 12, 2016, the City of Richmond approved an ordinance to allow three manufacturers to locate there. On January 26, 2016, the City of Salinas approved an ordinance to allow three dispensaries, three manufacturers, and three cultivators in Salinas; however, implementation of the ordinance hinges on voter approval of a city marijuana tax in November 2016.

In addition, the cities of Berkeley and Oakland, as well as the City and County of San Francisco, have adopted some rules around manufacturing. According to staff in the City of Berkeley,

Berkeley allows medical marijuana manufacturing in any location where the same product could be manufactured if it did not contain marijuana. Berkeley's municipal code also requires that products be lab-tested for potency and contaminants before being dispensed. Both Berkeley and San Francisco have food safety guidelines for the production of edibles. Oakland's municipal code contains a section titled "Industrial cultivation of medical marijuana" that includes requirements for processing and manufacturing. In the City of Santa Cruz, manufacturing is allowed at the city's two provider associations/dispensaries. In one of the above jurisdictions, the staff indicated that local edibles manufacturers likely are renting space at commercial kitchen rental facilities and producing edibles at those sites.

At the state level, MMRSA requires lab testing, but the state has not yet created the regulations around testing. In addition, staff recently spoke with the new Chief of the state's Bureau of Medical Marijuana Control. During that conversation, the issue of uniformity of regulations throughout the state was discussed and the question was raised whether local jurisdictions would have to meet some sort of minimum qualifications before their local licenses/permits or other authorizations issued to medical marijuana operations would be recognized by the state such that the state would then issue its own license to the holder of the local license/permit or authorization. Other issues such as packaging and testing of the marijuana and marijuana products for pesticides, potency and dosage were also raised. It was acknowledged that it was important for all medical marijuana and medical marijuana products to be safe and dispensed in a manner that did not put the public's health at risk. Staff has been invited to continue its discussions with the Chief and participate in meetings where regulations around these issues will be discussed.

Changes to the City's Program as Directed by the Council

The changes directed by the Council on December 8, 2015 require CEQA review and may also require changes to Title 6 and Title 20 of the Code. To the extent the changes directed move forward for collectives that are currently registered and do not expand the zoning districts where medical marijuana collectives are currently allowed¹, the directed changes (with the exception of greenhouses) alone would likely not create new significant environmental impacts that could not be mitigated to a less-than-significant level. Further, if the changes are not part of a larger program that includes greenhouses, or the removal of sensitive-use buffers (with the exception of the council directed elimination of the 50-foot buffer, as explained below), Planning staff anticipates completing environmental clearance, public engagement, and a Planning Commission hearing and returning to the Council for final approval of such changes by October of 2016. If the package of changes moving forward does include CEQA analysis for greenhouse cultivation, additional zoning districts, or the removal of additional sensitive-use buffers, staff anticipates that CEQA clearance could take approximately a year.

¹ Zoning Districts where collectives can be located as a restricted use are: Combined Industrial Commercial (CIC), Light Industrial (LI), Downtown Primary Commercial (DC), Heavy Industrial (HI), and Industrial Park (IP). Collectives are prohibited from locating in the North San José Development Policy Boundary, the International Business Park Boundary, and the Edenvale Area Development Policy Boundary.

What follows is an update on the work staff has done on each of these issues and the critical path forward, including the direction required from the Council to fully understand the spirit of the changes staff was directed to make.

Allow secondary/multiple locations for cultivation, manufacturing and extraction for the registered collectives (not to include retail² locations):

This change requires environmental clearance under CEQA as well as amendments to both Title 6 and Title 20 of the Code.

Under the City's Program, collectives may cultivate/manufacture at their dispensing location or from an off-site cultivation/manufacturing location. If a collective decides to cultivate/manufacture off-site, the collective is limited to one such location and that location can be in the areas of San José previously designated by the Council, or in one of the neighboring counties. This change allows registered collectives to cultivate/manufacture from secondary/multiple locations. Currently, only one registered collective has an offsite cultivation/manufacturing location, and that location is located within the City of San José.

NEXT STEPS: Staff is moving forward with the presumption that while Council intended to increase the number of cultivation/manufacturing sites for the 16 registered collectives, it did not intend to increase the zoning districts where those facilities would be allowed to operate from or remove the buffers³ currently required to be kept between these operations and sensitive uses (with the exception of the 50-foot buffer). Based on the above and the concerns raised at the community meetings, staff would recommend moving forward with a CEQA analysis that doesn't include greenhouses, additional zoning districts or removal of additional sensitive-use buffers in its scope and allow each collective up to a total of two locations dedicated to cultivation/manufacturing. This would allow collectives to have two cultivation/manufacturing sites as follows: both sites could be located in San José with one of those two locations sharing the same site as the dispensing location; both sites could be in San José and separate from the collective's dispensing location; one site could be in San José separate from or at the dispensing location while the other site could be in one of the contiguous counties, subject to local and state regulation; or both sites could be outside of San José and in one of the contiguous counties. If this change is not brought forward with greenhouse cultivation, additional zoning districts or the removal of additional sensitive-use buffers, staff anticipates returning to the Council in October of 2016 for final approval.

² "Retail" and "retail sale" are used in this memorandum to reflect the Council's actual direction of December 8, 2015. Under state law and the City's Program, collectives must not operate for profit and the retail sale of marijuana is prohibited.

³ Currently, collectives cannot locate: within 1,000 feet of a public or private preschool, elementary school, secondary school, daycare center, community or recreation center, park or library; within 500 feet of a substance abuse rehabilitation center or an emergency residential shelter; within 150 feet of a place of religious assembly, adult day care center or a residential use (measured parcel line to parcel line) (including a legal non-confirming residential use); and within 50 feet of another collective (measured parcel line to parcel line).

It is important to note that MMRSA contains limits on the square footage and canopy size for cultivation facilities and on the number and types of licenses that licensees may obtain. MMRSA also requires a prospective licensee to have a local permit from their city or county in hand prior to obtaining a state license. Given that the State of California is working towards implementation of MMRSA, staff will continue to work carefully with each registered collective to review operations and facilities and the categories of state licensure the collective plans to pursue.

Allowing cultivation throughout the state of California, charging collectives the staff time and expense to conduct inspections:

This change requires environmental clearance under CEQA as well as amendments to Title 6 of the Code.

As mentioned, the City's Program requires collectives to cultivate their own medical marijuana in either San José or in one of the contiguous counties. This change allows registered collectives to cultivate medical marijuana anywhere in the state of California and then dispense that medical marijuana in San José.

Due to concerns raised at the community/stakeholder meetings around the creation of monopolies, the requests made that the medical marijuana be tested for pesticides, potency and purity, and the limited City resources, staff recommends that a collective be limited to one off-site "cultivation-only" location that could be located outside of both the City of San José and the neighboring counties, and anywhere in the state of California. At the end of one year, staff will provide a review as to the number of facilities the registered collectives have located outside the City of San José and the contiguous counties, the staff-hours required to ensure compliance with the City's Medical Marijuana regulations at those locations, and a recommendation as to whether to continue this allowance.

NEXT STEPS: Based on the above and the concerns raised at the community/stakeholder meetings, staff would recommend moving forward with a CEQA analysis and amendments to Title 6 that allow each collective up to a total of one "cultivation-only" location outside the City and the contiguous counties, and anywhere in the state of California. If this change is part of a package that does not include greenhouse cultivation, additional zoning districts, or the removal of additional sensitive-use buffers, staff anticipates returning to the Council in October of 2016 for final approval.

Allow collectives to inhabit a single location/site for multiple separate grows:

This change requires environmental clearance under CEQA and amendments to both Title 6 and Title 20 of the Code.

Currently, the City's Program does not allow for multiple collectives to share a single cultivation site. This change allows registered collectives to share the space and expense of a single cultivation site.

NEXT STEPS: Based on the feedback staff received at the community/stakeholder meetings, staff recommends moving forward with this change in a package that does not include greenhouses, additional zoning districts, or the removal of additional sensitive-use buffers which, in turn, would allow this change to move efficiently and expeditiously through the required reviews. However, in light of the concerns raised at the community/stakeholder meetings around the potential for cross-contamination between cultivation sites and the challenges of tracking the marijuana from seed to the time it is dispensed, staff recommends that no more than two collectives be allowed to share a cultivation site, each collective must keep its crop separate from the other collective, the site not be used as a dispensing location, and the site be closed to the public. Staff also recommends Title 6 be updated to specifically require security plans and that cultivation plans be submitted that would address shared operations, security for each individual portion of the shared site, and other factors unique to a shared site. Staff anticipates bringing this change back to Council in October of 2016.

In addition, staff will seek clarification from the state regarding how the staff will regard shared cultivation sites under MMRSA licensing limitations to explore how the City regulations will work with the state regulations.

Remove the 50-foot buffer restriction for cultivation and manufacturing, but keep it in place for retail dispensary locations:

This change requires environmental clearance under CEQA and a change to Title 20 of the Code.

The City's Program requires a 50-foot buffer be maintained between collective sites, including their dispensing, cultivation and manufacturing locations. This change would remove that buffer for cultivation and manufacturing locations only and allow registered collectives to locate these particular operations immediately adjacent to one another. Dispensing locations which are open to the public would still be required to maintain a 50-foot distance between each other.

While a concern was raised at the community/stakeholder meetings with the impact of removing this buffer and the potential for overconcentration of medical marijuana operations, given that cultivation and manufacturing facilities are not allowed to be open to the public, staff does not see an issue with its removal. Moreover, because these facilities are not open to the public, there is little concern that this change would result in an increase in foot or vehicular traffic. In addition, it may be beneficial to have these operations adjacent to each other for the mere increase in security that allowing adjacent locations may offer because each location is required to have its own on-site security 24 hours a day, 7 days a week.

NEXT STEPS: Following CEQA review, staff will bring this change forward to the Planning Commission and the Council. Staff anticipates returning to the Council with this item, if not

packaged with greenhouses, additional zoning districts or the removal of additional sensitive-use buffers, in October of 2016.

Allowing for greenhouse, but not sun-grown, cultivation of marijuana in appropriately zoned locations in the City:

This change requires environmental clearance under CEQA and amendments to both Title 6 and Title 20 of the Code.

Currently, the City's Program limits cultivation to indoors and prohibits outdoor cultivation of any kind. This change would allow cultivation outdoors provided it occurs in a greenhouse.

As mentioned above, CEQA clearance for greenhouse cultivation could take approximately a year. Marijuana is a crop with distinct odors, and as Colorado has experienced, the odors from unfiltered greenhouse operations can carry some distance. The City's registered collectives currently cultivate and process marijuana indoors with air scrubbers to reduce impacts to neighbors. The air scrubbers are reviewed as part of the process to register with the City of San José as a collective. As part of its CEQA review, the City will need to contract and work with environmental consultants, to include specific technical analysts and an odor consultant.

Throughout California and in other states, greenhouse cultivation of medical marijuana is most often seen in rural areas, not urban centers. In fact, at the community/stakeholder meetings, some stakeholders stated that constructing greenhouses in the currently allowed zoning districts would be challenging and requested that the City allow greenhouse cultivation in A-Agricultural Zoning Districts.

In San José, A-Agricultural Zoning Districts are not all "agricultural" in nature. A-Agricultural Zoning Districts are scattered throughout the City, partially because this zoning district sometimes serves as a "default" zoning district for pre-zoned property annexed from the County and for many Planned Development (PD) Zoning Districts prior to the PD being implemented by a PD Permit. Prior to allowing medical marijuana to be grown in greenhouses in A-Agricultural Zoning Districts, the City would likely need to do a more extensive environmental analysis of potentially significant environmental impacts including but not limited to odor and land-use compatibility impacts from the use.

In addition to the environmental and land-use compatibility issues, concerns were raised at the community/stakeholder meetings about the material used in the construction of the structure itself, the size of the structure that would be allowed, the number of greenhouse structures that would be allowed per parcel, and the footprint the greenhouses could occupy. Finally, staff has concerns about the safety and security of greenhouses as well as the potential visibility of the marijuana plants growing inside and their attraction to youth.

NEXT STEPS: In light of the above, staff recommends moving forward with a separate CEQA analysis on greenhouse cultivation using the current zoning districts and sensitive-use buffers. Staff anticipates returning to the Council regarding this change in the spring of 2017.

CONCLUSION

The Program changes directed by the Council and described above are subject to technical analysis under CEQA. If there are no significant impacts that are identified in an Initial Study for a proposed scope of changes to the Code and the existing Program framework with the current zoning districts and sensitive-use buffers remain, the proposed Code changes could be brought back to Council by October 2016. If greenhouse cultivation, additional zoning districts, or the removal of additional sensitive-use buffers are added to the scope of the project, the estimated timeframe for staff to return to Council is spring of 2017.

EVALUATION AND FOLLOW-UP

This report addresses the direction Council gave staff on December 8, 2015 and the policy work and outreach done to date towards implementation of that direction.

PUBLIC OUTREACH

Public information meetings were held at City Hall on Saturday, March 12, 2016 and Wednesday, March 16, 2016. Notifications about these meetings were sent to the City Manager's medical marijuana email list, neighborhood associations registered with the City, and the Neighborhoods Commission. The meetings were also posted on Next Door.

COORDINATION

This memo was coordinated with the Department of Planning, Building and Code Enforcement, the Police Department and the City Attorney's Office.

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/s/
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For questions, please contact Assistant to the City Manager Angelique Gaeta at (408) 535-8253 or Senior Executive Analyst Michelle McGurk at (408) 535-8254.

ATTACHMENT A

Community / Stakeholder Meetings Summary

Analysis on allowing transactions/transfers with registered and licensed/permitted cultivators and manufacturers of medical marijuana products throughout the state of California:

Questions were raised about ensuring the safety of the medical marijuana and medical marijuana infused products obtained from third parties that were not part of the 16 collectives registered with the City and from third parties outside of San José. Some said that all medical marijuana and medical marijuana infused products need to be regulated for potency and purity, and tested for pesticides, mold, and other contaminants. An example was provided of regulations in place in Berkeley (which, unlike most California cities, has a Department of Health Services). Concerns were then raised about the costs of testing for those things.

Some attendees expressed a need for clarity on who collectives can transact business with and what process San José will use to confirm that third-parties are registered, licensed, or permitted in the jurisdiction in which they are located.

Some attendees said that outside cultivators and manufacturers should pay taxes when they do business in San José, as is the case in nearby cities like Berkeley and Oakland. Others stated that wholesale transactions should not be taxed, while retail transfers should be.

One attendee requested that San José's registered collectives be allowed to share/transfer the medical marijuana they cultivate and the medical marijuana infused products they produce with licensed *dispensaries* in other parts of the state, as well as with cultivators and manufacturers.

One attendee commented that the City should leave the carryover in place until 2018 when state program comes on line.

Some attendees asked that the City revisit the issue of medical marijuana concentrates and concentrate production to allow medical marijuana products that are made using butane and other volatile solvents to be produced and dispensed in San José.

A number of attendees raised concerns about youth access to medical marijuana and medical marijuana infused products, especially edibles.

The issue of the secure transportation of medical marijuana between cultivator or manufacturer and registered collective was raised as well.

Allow secondary/multiple locations for cultivation, manufacturing and extraction for the registered collectives (not to include retail locations):

At the both meetings, attendees wanted to understand how many secondary locations would be allowed per registered collective. A suggestion was made that the City start by allowing one additional site for each currently registered collective, then check back in time to allow more, if

needed. This approach would allow for equal competition among the 16 registered collectives rather than favoring the larger and well-financed collectives. Other attendees commented that there shouldn't be a limit on the number of cultivation or manufacturing sites because these are not intended to be facilities that are open to the public.

There was a request that the City revisit the allowed zoning districts and sensitive-use buffers to differentiate between dispensary and manufacturing and cultivation sites. The attendee suggested the City should remove or review the other sensitive use setbacks for cultivation and manufacturing because these types of facilities would not be open to the public.

One attendee suggested a cap on the number of additional sites allowed. Another said there should be no cap and no buffers between sensitive uses.

Allow cultivation throughout the state of California, charging collectives the staff time and expense to conduct inspections:

Statements were made at both meetings that the City will need testing and standards for product safety to ensure that the same quality standards would occur at registered collectives' facilities outside San José as is required within the City. A lobbyist for the industry commented that the intention of this item was that the City inspect offsite facilities located throughout the state and make sure the offsite facilities meet San José standards.

Allow collectives to inhabit a single location/site for multiple separate grows:

Concerns were raised about how a property might be shared by multiple collectives to prevent cross-contamination of the crops and whether the City would establish criteria around this issue or if the City was going to let businesses who were sharing sites develop their own Standard Operating Procedures between themselves. A question was raised about how allowing this would interplay with the cultivation limits under MMRSA.

One attendee expressed concerns that expanding capacity for the registered collectives (rather than opening registration to additional players) would create monopolies in San José. Another attendee asked if the City would consider allowing shared manufacturing sites as well, either by the registered collectives or by independent medical marijuana product manufacturers.

Remove the 50-foot restriction for cultivation and manufacturing, but keep it in place for retail dispensary locations:

One attendee questioned why the buffer was being removed and stated that 50 feet is not that large of a buffer to begin with. Another attendee raised the concern that eliminating the buffer could lead to overconcentration of medical marijuana establishments operating in San Jose. Some representatives of registered collectives said this change is better for the market and requested that the City remove or review the other sensitive use setbacks for cultivation and manufacturing, as well.

Allow greenhouse, but not sun-grown, cultivation in appropriately zoned locations:

Several representatives of the registered collectives stated that greenhouses could lower the costs of cultivation and encouraged the City to reach out to greenhouse manufacturers working in the industry to learn more about the issue. Some collectives were concerned that the City would require additional security features, such as concrete-tilt up walls, which would render the greenhouse “a building with a glass roof.” Questions were raised about the size/footprint/square footage of greenhouse that would be allowed and how many greenhouse structures would be allowed on each parcel.

One person raised concerns with humidity inside greenhouses, which can lead to mold and may not work with the air scrubbers the City requires at indoor cultivation sites.

A number of representatives from the industry encouraged the City to keep greenhouse locations confidential due to security concerns. They also requested that the City look at allowing medical marijuana greenhouses in the City’s A-Agricultural Zoning District, rather than the Industrial Zoning Districts where collectives and offsite cultivation/manufacturing facilities are currently allowed. They also requested the City encourage the County of Santa Clara to lift its ban on cultivation because agricultural land is less expensive and more plentiful in the southern portion of the County.

The City of Palm Springs was cited as an example of a jurisdiction allowing greenhouses. The City was also encouraged to review plant-canopy limits in MMRSA.

Another attendee suggested charging a fee to registered collectives that have an excess number of break-ins at their greenhouse location.

Another attendee suggested the City create a specific definition and requirement in the Municipal Code for marijuana greenhouses (vs. plant nurseries growing flowers) due to security issues, attractiveness of the sites to youth, and potential for odors.

A number of attendees from the community raised concerns with the odor coming from greenhouses and how that would be controlled.

Other Issues Raised At the Community Meeting:

While the meetings focused on how the City would implement the Council’s direction on the topics listed above, attendees at both meetings brought up a number of other issues during the discussion. Those issues are listed here.

- The industry needs to be consulted on the creation of a Division of Medical Marijuana Control.
- The Annual Operating Fee is too high and needs to be revisited.
- The City needs to enforce against illegal operations.
- The City should expand locations beyond the current zoning districts.
- The City should allow medical marijuana distributors to locate in San José.

- The changes directed by the City Council are suspicious and it seems like the City is setting up a monopoly.
- Concentrates and waxes necessitate allowing manufacturing here in San José.
- The City should allow stand-alone manufacturers and cultivators to operate in San Jose.
- If stand-alone manufacturers and cultivators are allowed in San Jose, what sort of Registration and Zoning process will the City require?
- Manufacturers want to be licensed in San José.
- The City needs to work on definitions to ensure consistency with state law.
- Manufacturers should be taxed and charged a fee.
- The City should require the collectives to communicate with each other to address “smurfing” (patients going from collective to collective to make purchases).
- Collectives should be allowed to transition to a for-profit model.
- What happens in San José if recreational marijuana is legalized?
- What is the City going to do about packaging requirements?
- Will the City be re-opening registration?
- Will the City allow the registered collectives to do delivery?
- The City should revisit the number of storefronts per registered collective and allow more locations in other parts of the City.
- The City should increase community engagement. Perhaps have a monthly update at the Neighborhoods Commission.