2024 ADDENDUM

TO ADMINISTRATIVE REGULATIONS AND PERFORMANCE STANDARDS FOR CITY OF OAKLAND CANNABIS OPERATORS

Last Updated April 29, 2024

I. Introduction

On December 5, 2023 the Oakland City Council adopted Ordinance No. 13775 C.M.S., which amended Oakland Municipal Code (OMC) 5.80 and 5.81 to allow an Equity Applicant to transfer their local authorization status or permit to a General Applicant one year after receipt of a cannabis permit or three years after submitting a cannabis permit application, whichever occurs first. This amendment is in addition to the City of Oakland's (City's) default business permit regulations found in OMC 5.020.70 which already allow Equity Applicants to transfer their permits to other Equity Applicants after notifying the City by submitting an updated cannabis permit application. Furthermore, Ordinance No. 13775 C.M.S. authorized the City Administrator to develop regulations to implement the transfer approval process. Accordingly, below please find the City's regulations on transfer approvals; please note that to the extent there is any conflict between this addendum and <u>the City's current Cannabis Operator</u> *Regulations*, namely Section G. Transfer of Permits, this addendum supersedes the existing Cannabis Operator Regulations.

II. Transfer Approval Process

- The City of Oakland may approve the transfer of an Equity Applicant's cannabis permit or local authorization status to a General Applicant after the transferor and transferee complete the following:
 - a. Submit a complete transfer request form to the Special Activity Permits Division. The completed form shall include the name and contact information of the proposed transferee, the terms the transaction between the transferor and transferee, and a completed LiveScan background check for transferee's board members, partners and managers.
 - b. If the transferor's business has a physical address, provide proof of current compliance with the Oakland Fire Code as demonstrated via a Fire Inspection Report from the Oakland Fire Department from within the last thirty (30) days.
 - c. Provide a current business tax certificate for the business entity that will hold the permit or local authorization status. If the business entity is different than the prior entity that held the permit or local authorization status, the transferor must pay any outstanding City taxes.
 - d. Confirm that either one year has passed since the transferor received their cannabis permit or three years have passed since they submitted their cannabis permit application.
- Other than equity ownership commitments, transferees that obtain dispensary permits that were selected through a competitive (scored) process must satisfy all commitments made by the transferor in their initial dispensary permit application, such as

commitments to sell equity products, purchase products from Oakland equity distributors and cultivators, and local hiring.

3. If the transferor has an outstanding loan from the City of Oakland, the loan must be repaid in full prior to the City approving a transfer.