

Cannabis Policy Oversight Team (CPOT)

AGENDA: September 12, 2019

Rose Room, 3rd Floor- Portland City Hall
1221 SW 4th Ave, Portland, OR 97204

TIME	AGENDA ITEM	DESIRED OUTCOME
5:30 – 5:45pm	Welcome and introductions <ul style="list-style-type: none"> • Invitation to disclose conflicts of interest • Review and approve Aug meeting minutes 	Group welcomes each other and guests
5:45 – 6:00pm	Updates	Group shares updates and discusses current events
6:00 – 7:30pm	Groups separate to work on drafting recommendations report	Group develops language and content for annual report
7:30 – 8:20pm	Full group works on CPOT recommendations report together <ul style="list-style-type: none"> • Review and discuss products of group work • Finalize 2 methods for public engagement <ul style="list-style-type: none"> ○ <i>Opportunity to sync up with cannabis grant listening sessions in Oct & Nov</i> 	Group shares work and refines content for annual report
8:20 – 8:30pm	Public comment period	Group hears comments from members of the public
8:30pm	ADJOURN	

Contact cannabis@portlandoregon.gov or 503-823-2094 with questions or access needs.

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**Cannabis Policy Overnight Team (CPOT)
2019 ANNUAL CANNABIS POLICY REPORT
(WORKING DRAFT)
*Revised 09/11/19***

**Office of Community and Civic Life
Cannabis Policy Oversight Team (CPOT), Cannabis Program**

CPOT members: Tiara Darnell (Chair), Al Ochoa (Vice Chair), Tim Zimmerman (Vice Chair), Katherine Krajnak, Rachel Knox, Madeline Martinez, Daniel Rowland, Laura Valden-Vega, Stephanie Neil, John Monteleone III, Nicole Bowles

2019 Meeting Schedule: Feb. 21, Mar. 14, Apr. 11, May 9, Jun. 13, July 11, August 8

Executive statement:

Portland and Oregon need a cohesive strategy and plan for cannabis

Portland must adopt a strategic vision and clear position on cannabis and the reparative use of cannabis revenue. Policy-making agencies and bureaus are operating in silos, yet every independent action has a ripple effect. Like an ecosystem- the regulations and policies governing cannabis, and use of cannabis revenue, are intricately connected and must operate as such.

This City is in danger of squandering this rare opportunity to nurture a developing industry while at the same time supporting wealth creation in communities of color. This endeavor will fail without a cohesive strategy and overarching goal for cannabis in Portland. The absence of a clear vision and strategy has led to a lack of direction, contradicting policies, and inefficient use of City resources. Stakeholders from across the spectrum are frustrated with the patchwork of decision-making and regulatory policies that have been adopted around cannabis without data analysis or deep community involvement in development of a vision. A high-level and empowered coalition of stakeholder representatives and community leaders should be convened to guide and advise the City in development of a cohesive strategy for cannabis.

In order to make informed decisions regarding cannabis policy, economic development, public health and public safety, we must have reliable data and collaboration across City Bureaus and County agencies to regularly share and review information. The City must prioritize data competency at this highest level. Development of new policies and/or inaction regarding existing policies would be irresponsible without a clear understanding of the current situation.

We all want to live in spaces that support the ability of individuals, families and communities to thrive. Portland should set the tone for integration of the emerging cannabis business community into our existing values through pathways to community-building and networks of support. This is an opportunity for Portland to lead Oregon by example and develop and adopt of a community-driven vision and data-informed strategic plan for cannabis and social equity.

The following is a comprehensive analysis of the findings and recommendations the Cannabis Policy Oversight Team has compiled with the intention of informing improved cannabis and cannabis equity policies for the benefit of all Portlanders.

Who we are:

We are a group of Portlanders with diverse stakeholder perspectives, brought together by the Office of Community & Civic Life to explore cannabis-related public policies. Some of us are cannabis industry representatives and others possess an in-depth understanding of issues affecting and affected by the cannabis industry. Our objective is to discuss and develop policies that support equitable access and outcomes for the cannabis industry, cannabis consumers, and all City of Portland residents.

Core assumptions:

- Bureau and City leadership are committed to adopting City policies, programs and regulations that support equitable access to participate in the cannabis industry, so that communities and community members who have experienced the greatest harm due to prohibition and unfair enforcement of cannabis laws can share in the wealth and power generated by this new industry.
- Recommendations and actions resulting from recommendations will require investments of time and resources from the City
- Impacted communities and stakeholders will play a key role in solution-finding, program and policy development, and decision-making
- The City's processes around cannabis regulation and policy-development will be trauma-informed and honor the long history of race-based inequity, and the inter-generational impact of the criminalization of cannabis

Definitions we use in our work:

Equity- A flexible measure of “fairness” that allows for equivalency while not demanding sameness

Social equity- Equitable access to livelihood, education and resources; full participation in the political and cultural life of the community and self-determination in meeting fundamental needs

Community driven- Ideas and solutions are developed and determined by the community who will be served

Reparative- Serving to make amends for a past harm or wrong

Wealth- Wealth is that which can be inherited across generations which enables future generations the capacity to generate more wealth. Knowledge, skills, history, and material property (like a house or business) can be inherited.

Power- Power is that which enables a person or group to control their present and future life and the lives of people in their communities.

Competency- The combination of knowledge, skills and abilities that contribute to one's ability to do something successfully

Sustainability- The ability of something to be maintained at a certain level for as long as is wanted

Two articles, an audit, and a video that will help you better understand the history and current issues around cannabis policy:

- **American Civil Liberties Union Report: The War on Marijuana in Black and White-**
<https://www.aclu.org/report/report-war-marijuana-black-and-white?redirect=criminal-law-reform/war-marijuana-black-and-white>
- **Forbes Magazine- The Hidden Costs Of The Cannabis Business-**
<https://www.forbes.com/sites/nickkovacevich/2019/02/01/the-hidden-costs-of-the-cannabis-business/#45933817da3d>
- **Portland City Auditor's Report on the Cannabis Tax-**
<https://www.portlandoregon.gov/auditservices/article/730292>
- **Prof. Akwasi Owusu-Bempah at TEDxToronto-**
<https://www.youtube.com/watch?v=3zhuo3aizOY>

Our process

The first two quarters of 2019 were dedicated to completing required on-boarding for City advisory groups and discussing current priority items. We identified the need for the City to prioritize social equity activities and to revisit outdated policies that may be creating unnecessary barriers to entry. We then identified an initial set of priority areas for policy work and invited information and education from City staff and external partners about current state and opportunities for policy-development. The group also identified a high need for communication, connection and networking around cannabis social equity work and informed policy-making. We then shared a rough draft of our recommendations with community groups and members of the public through in-person engagement (CPOT meetings and community conversations) and an online invitation to provide us with feedback. Community feedback was discussed and included in this report. See Attachment A for community feedback that d

Community participation

TBD

Cannabis Policy Oversight Team Members

Tiara Darnell (Chair)

Tiara Darnell is a freelance writer, podcaster, videographer, and Oregon's Budtender of the Year, 2017. Her work has appeared in *EstroHaze*, *Willamette Week*, and *Travel Portland*. She currently produces the "potcast" High, Good People, a podcast that explores the relationships between people of color and cannabis in the new age of legalization.

Al Ochoa (Vice Chair)

Al began his career with Cura Cannabis Solutions in September 2015 starting out as the Director of Retail Operations after spending 20 years in the commercial insurance industry. Eventually transitioning to his current role as Director of Licensing & Corporate Relations in early 2016, Al currently oversees the Company's licensing and permitting needs in multiple jurisdictions as well as directs the Company's regulatory, governmental and community affairs and manages the Company's insurance and risk management programs. Al has been a devout advocate of the plant and the industry for many years and has volunteered his time in the past to the Minority Cannabis Cabinet and Cannabis Tax Allocation Steering Committee in the City of Portland.

Tim Zimmerman (Vice Chair)

Co-owner of Indoor Cultivation Systems, a Portland cannabis production facility in the heart of the city and co-owner of Discovery Cannabis on the Oregon Coast. Tim participated as a producer in the Oregon Medical Marijuana program prior to transitioning to producing cannabis for the recreational market. Tim was a founding member of the Oregon Cannabis Association and served on their Board of Directors. Mr. Zimmerman has a wealth of knowledge with regards to the cannabis industry and volunteers with several organizations around Portland. His goal is to use his expertise to help facilitate access for grassroots entrepreneurs to participate in the cannabis industry.

Katherine Krajnak

As an entrepreneurship project manager at Prosper Portland, the city of Portland's economic development agency, Katherine co-manages and facilitates the Inclusive Business Resource Network (IBRN), a \$3 million portfolio of 16 service providers and resources dedicated to building an inclusive business environment in Portland. The IBRN meets regularly as a Community of Practice to develop tools and interventions that address economic justice for business owners of color and other underrepresented entrepreneurs. Katherine also manages the City-funded contract with Nu Leaf Project, which uses City of Portland cannabis tax revenues to provide technical assistance and grants to entrepreneurs of color in the cannabis business.

Rachel Knox

Dr. Rachel Knox, MD, MBA is an Endocannabinologist and Cannabinoid Medicine Specialist who co-founded the American Cannabinoid Clinics and ADVENT Academy. She currently serves as Chair for the Oregon Cannabis Commission and Medical Chair for the Minority Cannabis Business Association.

Madeline Martinez

Madeline Martinez is a board member of the National Organization for the Reform of Marijuana Laws (NORML) and co-founder and chair of the NORML Women's Alliance. In 2009, Martinez opened the first private cannabis consumption lounge in Portland, Oregon USA, the World-Famous Cannabis Café.

Daniel Rowland

Daniel is the Director of Operations for Fleschner Construction. Fleschner Construction has been an industry partner since 2014 delivering High Quality Project Management and support to Cannabis business owners. Daniel has been working with code authorities, cannabis clients and vendors to deliver dispensaries, extraction laboratories, greenhouses, and indoor grow facilities in the greater Portland Metro area.

Laura Valden-Vega

Laura is the co-owner and operator of Green State of Mind, a national media award winning cannabis company that was started in Portland in 2014. They received their recreational license in 2017 and the company has since expanded into multiple markets, collaborated with premiere industry brands and consulted on business viability and brand creation. Laura has a law degree from George Washington University and sits on the board of NuLeaf, a Portland non-profit providing funding and entrepreneurial up-skilling for cannabis businesses owned by people of color.

Stephanie Neil

In 2016, after successfully publishing a video interview about the restrictive banking laws the legal Oregon cannabis industry faces with Senator Merkley, Representative Earl Blumenauer, and Tyson Haworth in The Huffington Post, OregonLive, and Time, Stephanie Neil joined Oregon's Finest, one of the first medical and recreational retail dispensaries in Portland. Stephanie proudly became the first Sustainability Coordinator in Oregon's cannabis industry in 2017. With over 20 years of management experience in craft hospitality industries, she has excelled at leadership, and oversees corporate administration, HR, employee benefits, compliance with rules and regulations, sustainability initiatives, and third-party certifications as Director of HR & Compliance/Pearl Store Manager.

John Monteleone III

Fidus Family Farms transitioned from licensed production and sales through Oregon's Medical Marijuana program to Oregon's recreational cannabis program. John developed and leads Fidus in its organic, sustainable, small batch craft cannabis production and sales. Fidus Family Farms and Fidus PDX operates within the City of Portland.

Nicole Bowles

Dr. Bowles graduated with her Ph.D. from Rockefeller University and went on to earn a master's in clinical epidemiology from Weill Cornell Medical College as a Health Disparities and Community Engagement Research Fellow. Broadly her research focuses on the interplay between stress, endogenous circadian rhythms, and cannabinoid signaling in humans.

[stakeholder visual aid]

General public
Employees
Health care providers
Patients
Parents
Educators
Employers
Business owners
Community groups
Public safety
Public health
Media
Environmental partners
Investors
Customers
Students
Contractors and suppliers
Public sector employees

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OUR GUIDING PRINCIPLES:

Social equity

Portland must adopt a strategic vision and clear position on cannabis and the reparative use of cannabis revenue. Social equity was not in mind when cannabis legalization policy was initially passed at the local and state levels. Consequently, small cannabis businesses and cannabis business owners of color have struggled to establish and maintain a foothold in Portland's cannabis industry. Revenue from cannabis must be used to rectify the damage caused by the war on drugs as well as the disadvantaged economic positions of black, brown and other communities of color. This reparative work is of the utmost importance to this committee and should be done thoughtfully and strategically. City policies around cannabis and use of cannabis tax revenue could and should be having a greater impact on a grassroots level in the communities that have the greatest level of need.

Research

Resources must be set aside to comprehensively collect, track and analyze local data to understand the national, statewide, regional, societal, environmental, economic, and health impacts of legalization of recreational cannabis. The burgeoning cannabis industry is often viewed as a great opportunity to enrich the economy without preemptively considering means to reduce potential harms (e.g., exposure to high potency cannabis products by novice users). Additionally, signs that big businesses are capturing the cannabis market have been present since the initiation of Oregon's recreational legal market. If Portland wants to develop and maintain a robust craft cannabis industry, then efforts must be made to understand what our communities and small businesses need to thrive.

Competency

Systems involving health, economic development and regulation need tools and education on cannabis to adequately incorporate this medicine and industry into our community. As a result of this deficiency, cannabis businesses, medical patients and cannabis consumer face discrimination because there is a vacuum in education and information in these adjacent sectors. What is more, this advisory body is part of a cannabis policy ecosystem that includes these sectors and multiple state agencies. As policy advisors, and as community members, we have seen firsthand how the lack of communication and coordination across these agencies can negatively impact Portlanders. Many who regulate, work alongside, serve, and engage with the cannabis industry still lack basic cannabis competency training and are often making decisions without clear guidance.

Sustainability

The current regulatory framework of cannabis must prioritize sustainability. Total sustainability is the combination of environmental, social, human, and economic sustainability. A collaborative effort between the cannabis industry, community members and government agencies (state and local) long-term systems approach is needed for cannabis to establish goals, policies, and guidance to ensure that the impacts of this emerging industry are more beneficial than burdensome to our communities and natural resources. The existing policies and guidance for Cannabis policy and regulation were not designed to maintain and scale a robust and efficient cannabis economy.

2019 CANNABIS POLICY RECOMMENDATIONS

Social Equity

Recommendation 1

Immediately improve the transparency in tax allocation decisions and outcomes

In 2016, Portlanders voted on and approved Ballot Measure 26-180 to implement a local sales tax on recreational cannabis sales within the City of Portland. The 3% sales tax was promoted to the public as monies that would benefit and support individuals and cannabis businesses owners that were adversely affected by cannabis prohibition.

Unfortunately, starting with the 2017-2018 budget cycle, the vast majority of the taxes collected have been used for police and transportation programs with only a small portion earmarked for the Social Equity Program. Furthermore, the City, particularly the Police Bureau and PBOT, has not been transparent or accountable on how it has used the tax revenues. While these uses are allowed under the ballot measure, the necessary stakeholders, such as community members, cannabis businesses, or others affected by past cannabis policies, were not involved in the annual budget decisions.

3 THINGS THE CITY CAN DO ABOUT IT:

- Allocate set percentages to each of the 3 categories with a heavy focus on the Social Equity Grant Program – Should require at least 50% for the Social Equity Program
- Cap, or limit to one-time allocation, the allocations for Public Safety, particularly funds earmarked for Police Bureau and PBOT.
- Form and adequately staff a permanent Cannabis Tax Allocation Steering Committee (similar to what was convened initially in 2017) consisting of community members and agency stakeholders as well as representation from CPOT and Civic Life that regularly reports to Council and is held to the standards of public meetings law.

State & Federal Considerations:

Recommendation 2

Develop and adopt a comprehensive social equity framework which includes coordinated support for those formerly incarcerated due to cannabis

There is a growing body of information that can and should be used to inform Portland's position, language, regulations and policy-making. State governments and local municipalities have a duty to utilize available information in policy-making and to ensure that cannabis policies exist within a framework that prioritizes restorative practices, reparative justice and thriving communities. Other states and municipalities have used the lessons learned by the early legalization states to develop thoughtful

and effective policies that prioritize support for small businesses and reparative use of cannabis revenue. Now is the time for Portland to lead in revision of cannabis policies to ensure success for its restorative efforts and prevent further inhibiting the success of small businesses.

3 THINGS THE CITY CAN DO ABOUT IT:

- Adopt a City ordinance that defines and outlines that City's commitment to policies and resource allocation for cannabis related social equity programs and activities (see: Minority Cannabis Business Association's social equity ordinance)
- Prioritize social equity specific uses for cannabis tax revenue and community re-investment, for both the local and state cannabis tax revenue
- Strengthen and expand the Cannabis Program's Social Equity fee reduction program in cannabis licensing

State & Federal Considerations:

Recommendation 3

Support compassionate giving of cannabis by legal businesses

Compassionate giving is the term used for providing access to cannabis for medicinal use to people who cannot afford it. Cannabis businesses across the nation are finding ways to ensure that people who need cannabis to help manage a health condition can get the medicine they need (e.g., donating proceeds, discounts to veterans, etc.). People who receive veteran's health benefits and those in federally subsidized healthcare programs have a harder time getting prescriptions for and paying for cannabis to treat their health conditions. The City can be doing more to support businesses in improving access to cannabis for monitored and registered patients that need it.

3 THINGS THE CITY CAN DO ABOUT IT:

- Explore alternatives with OLCC to address the patient requirement for compassionate giving
- Create incentives for businesses that engage in compassionate giving (e.g., licensing fee reductions, fee waivers, etc.)
- Collaborate with state and local public health to develop education, resources for businesses that are considering a compassionate giving program

State & Federal Considerations:

Recommendation 4

Prioritize coordinated support for re-entry housing for those formerly incarcerated due to cannabis

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Partner with mental health and other re-entry services to identify additional opportunities to support individuals, families and organizations with the re-entry process
- Prioritize and develop City contracts for expungement services and workforce development programs with documented outcomes of success for participants

State & Federal Considerations:

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Research

Recommendation 1

Immediately prioritize data collection and analysis and initiate a data audit of all currently available data

Resources must be set aside to comprehensively collect, track and analyze local data to understand the national, statewide, regional, societal, environmental, economic, and health impacts of legalization of recreational cannabis...

3 THINGS THE CITY CAN DO ABOUT IT:

- Dedicate resources (e.g. contract, software, purchase database, FTE) to improving the existing data systems of collection and conducting analysis to identify trends
- With Council direction and directive, convene a multi-Bureau, multi-agency group required to share and to identify available cannabis-related data and gaps and develop collection and monitoring project
- Expand footprint of Cannabis Market Study: Demographics, sustainability, etc. Include stakeholder groups in providing input into answers to be sought

State & Federal Considerations:

Recommendation 2

Work with public health and public safety to better identify, define and increase public sector competency around measures of impairment

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

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State & Federal Considerations:

Competency

Recommendation 1

Use current and emerging local and national data to refine health and public safety policy around cannabis regulation and education

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Require that CPOT receive regular reports from and collaborate with Portland Police Bureau and Multnomah County Health Department on cannabis-related data
- Research / recommend anti-discrimination laws and policies, as they relate to patient access, health care policies (State and Federal), etc.
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State & Federal Considerations:

Recommendation 2

Support and plan for legalization of temporary and permanent locations to allow for social consumption of cannabis

Lack of social consumption laws promote disregard of the laws that exist around public consumption. Without legal locations for public consumption of cannabis, those who don't own their homes hold the greatest risk when using cannabis. This group includes tourists, patients in subsidized living facilities, and those in public housing. If we want to prevent diversion and reduce barriers to access, it's imperative that we give our cannabis ecotourism industry, consumers, and patients a safe and legal place for the adults to consume.

3 THINGS THE CITY CAN DO ABOUT IT:

- Advocate at the State for City position and letter of support for state legislation permitting social consumption
- Create a framework and memo for social consumption of cannabis in Portland, where the City will not enforce if certain requirements are met (see: social consumption frameworks in other jurisdictions, states)
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State & Federal Considerations:

Recommendation 3

Redefine and recharacterize legal cannabis throughout the regulatory system

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Identify need for cannabis competency for specific bureaus, offices, and departments including law enforcement, housing, public health, building permitting, revenue, health care, and others; recommend training for lawmakers, city employees on cannabis and cannabis-related issues; resources and funds to increase knowledge about cannabis throughout government and other systems
- Review and make recommendations on City, State policies on cannabis use and testing by city employees / contractors, and all other public and private employees
- PBOT: Street frontage improvement deferral for cannabis and other small businesses

State & Federal Considerations:

Recommendation 4

Prioritize workforce training and education for those interested in working within the cannabis industry

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Cannabis competency= training for those to understand the potency of cannabis. Education on the effects and its science for anybody who touches the plant or plant companies. Education for all.
- An incentive to encourage a continuing education program to start on the bottom, a track program. Exposure and education such as a paid internship
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State & Federal Considerations:

Recommendation 5

Ensure employees are informed of their workplace rights (related to cannabis and also for those working inside the cannabis industry)

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Advocated for City position and letter of opposition sent to US Dept. of Immigrations defending rights of non-citizens to work in legal cannabis businesses without jeopardizing their citizenship status
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State & Federal Considerations:

Recommendation 6

Utilize resources to lead conversations and/or connections and ensure the City is setting the tone for informed and engaged community discussions around cannabis

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Promotion of City, CPOT and Cannabis Grant work through media, social media and
- Participation by City, CPOT and other cannabis-connected programs in conferences locally and nationally
- Partner with local community organizations, public safety and public health to seek funding and develop a comprehensive youth education strategy

State & Federal Considerations:

Sustainability

Recommendation 1

Immediately pursue development of City-wide environmental sustainability standards for cannabis businesses and allocation of resources to provide support in meeting them

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

- Dedicate resources to develop sustainability recommendations for City-level production, composting and packaging requirements, including hemp-based packaging, glass-based uniform packaging that can be re-used and local resources for recycling
- Develop City credits or fee-reductions and combine incentives Energy use / credits / requirements for energy use, insulation, runoff for cannabis businesses; efficiency audits and credits from PGE, Energy Star, UL Listing, or others
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State & Federal Considerations:

Recommendation 2

Prioritize pathways and policies to support survival of small and local businesses

The Portland cannabis industry has quickly become too expensive for a small business entrepreneur to participate in. The legalization of cannabis was promoted to create opportunities for Oregonians to participate in the new market. Portlanders were excited about the opportunity to participate in this new and lucrative industry. Instead, the local market and industry, cultivated over decades by Oregonians, has been stripped of its entrepreneurial spirit and the financial benefits of cannabis-related business ownership are quickly being shifted out of our local communities.

3 THINGS THE CITY CAN DO ABOUT IT:

- Tiered license fees for businesses based on percentage of local ownership
- Eliminate or create flexibility in the 1000' buffer between cannabis businesses in the city of Portland that has artificially reduced the number of affordable, qualifying commercial locations
- Rent control for the cannabis industry

A list of reasons:

- These groups are generally out of state investors.
- Many of these groups are vertically integrated and suppl

State & Federal Considerations:

Recommendation 3

Encourage and support cannabis tourism in Portland

[NEED WHY STATEMENT]

3 THINGS THE CITY CAN DO ABOUT IT:

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State & Federal Considerations:

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CONCLUSION
[NEED CONTENT]

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