

TO: Mayor and Council Members
Marlene Best, City Manager
Shawn Hagerty, City Attorney

FROM: Annette Ortiz, CMC, City Clerk

DATE: May 12, 2021

SUBJ: UPDATED COUNCIL MEETING MATERIALS – MAY 12, 2021

NEW BUSINESS:

(8) Cannabis Workshop. (City Manager – Best)

The attached correspondence relating to the above-mentioned Item is provided for your consideration of this Item.



Virginia Hall

Mayor John Minto
Santee City Council
10601 N. Magnolia Ave
Santee, CA 92071

5/12/2021

To the Santee City Council,

I am the President of the Grossmont Healthcare District (GHD) and a retired Registered Nurse. Because I will be leading a Special Meeting for the GHD and I may not make it to the City Council Meeting until after public comment, I am writing you today as a 40 year Santee Resident regarding Item 8 the Cannabis Workshop. I wish for my letter to be entered into public record.

Since there are many health and safety issues for our citizens with a Cannabis Dispensary, I have concerns and questions listed below:

1. As a society we have worked hard to get people to stop smoking cigarettes because of the health hazards. Studies about cannabis smoking show second hand smoke are worse than cigarettes, causing cancer and other health issues.
2. In Colorado, since they have legalized Cannabis, they have had an increase in the number of small children ending up in emergency rooms after overdosing on edibles. We have made laws to protect young children from guns and drowning in pools, what will we do to protect young children from getting a hold of edibles?

3. With cannabis more readily available, studies have shown that when adolescents begin smoking cannabis at an early age that they increase their odds of getting schizophrenia. How will the city deal with this?
4. How do you plan to deal with the number of illegal dispensaries/competition? Unincorporated El Cajon has one legal dispensary at the Gillespie Field, but had multiple illegal dispensaries in the unincorporated areas of El Cajon and Lakeside recently closed down by the county. When I saw an illegal dispensaries located on Greenfield within feet of my grandson's preschool and reported them, it took numerous calls and after a month they finally closed them down. The sheriffs said that it took time and lots of paper work to close down these illegal dispensaries. The El Cajon mayor said it was like playing whack a mole. You close down one and another one pops up. El Cajon City proper proudly touts they have gotten rid of all of their illegal dispensaries within the city limits.
5. How will the city choose the winning single dispensary? Or will there be multiple legal dispensaries?
6. What is the plan for people who are buying in excess? Do you limit the amount that people can buy?
7. Will those who purchase cannabis at the dispensary, who turn around and sell cannabis to friends and neighbors then face charges of dealing drugs?
8. How do you plan to account for taxes when all they deal in is cash?
9. Because of cash transactions, how will the sheriffs deal with the increase in crime and theft in and around the dispensaries?
10. What is the plan for people loitering around the dispensaries?
11. How are the sheriffs planning to prove driving while under the influence?

The city council needs to seriously consider all the problems that will come with approving a cannabis dispensary, since most of the tax dollars raised will be eaten up by the cost of dealing with all the social and legal issues.

Sincerely,

A handwritten signature in black ink that reads "Virginia Hall". The signature is written in a cursive, flowing style.

Virginia Hall

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May 12, 2021

City of Santee
City Council
10601 Magnolia Ave.
Santee, CA 92071

VIA EMAIL ONLY

**RE: May 12, 2021 City Council Meeting
Public Comment: Item No. 8 – Cannabis Workshop**

To Mayor Minto and the City Council of Santee:

Austin Legal Group submits this public comment on behalf of our client, an interested commercial cannabis applicant, and as an expert in the commercial cannabis industry, with respect to the City's "Cannabis Workshop" discussion item set to be heard in front of City Council on Wednesday, May 12, 2021. As a future Santee cannabis stakeholder, our client would like to: (1) commend the City's hard work and efforts in pursuing a commercial cannabis program; and (2) provide insight with respect to sustainable zoning and distance requirements for commercial cannabis businesses.

DISCUSSION

1. A Local Commercial Cannabis Program Would Greatly Benefit The City Of Santee.

Our client strongly supports the City's efforts in pursuing a commercial cannabis program. In November 2016, the City of Santee demonstrated a majority approval and acceptance of commercial cannabis through its local Proposition 64 results.¹ Our client appreciates and commends the City's efforts in supporting the voters' wants and intentions.

Commercial cannabis programs provide several benefits to the local community it serves. Recreational cannabis sales generate significant tax revenue. A higher tax revenue means greater funds for all City needs, including schools, public improvements, small business assistance, COVID-related resources, and more. Further, several neighboring jurisdictions have developed, or are developing, their own commercial cannabis programs, including the City of San Diego, County

¹ Vasquez, V. *Proposition 64 Analysis of San Diego County*, Table 1: Proposition 64 Vote by Municipality <http://www.trbas.com/media/media/acrobat/2017-01/69990950059060-26095921.pdf>.

of San Diego, City of La Mesa, City of Lemon Grove, City of Vista, City of Chula Vista and City of Encinitas. Without a commercial cannabis program of its own, Santee residents are forced to shop for their cannabis retail needs elsewhere ultimately redistributing Santee money to outside jurisdictions. This is also true of Santee business owners and entrepreneurs that have invested in or partnered with outside commercial cannabis businesses as they wait for the City to develop its own program.

In light of the foregoing, our client supports the City in developing its own commercial cannabis programs, and we look forward to assisting the City any way we can during this process.

2. Cannabis Businesses Should Operate Within Zones That Support Similar Business Types.

We recommend the City allow its cannabis businesses to operate within zones that support similar business types. For example, (1) allow cannabis retail stores to operate in commercial zones, such as the City's General Commercial (GC) zone that allows for a wide range of retail and commercial service activities² and certain areas of the Town Center District (TC) that allows for commercial uses³; and (2) allow cannabis cultivation, manufacturing, and distribution facilities to operate in the City's industrial and manufacturing zones, including the City's Light Industrial (IL) and General Industrial (IG) zones.⁴

Structuring the City's cannabis regulations in this way has proven most effective. This is because the overall development needs of cannabis businesses are not different from non-cannabis businesses. Cannabis retailers require storefront visibility, parking availability, and easy access from major public roads to operate successfully, while cannabis manufacturers can operate successfully with limited community visibility, reduced parking, and at a distant from major thoroughfares. When a local jurisdiction limits cannabis retail stores to industrial zones, the businesses inevitably experience major challenges in attracting customers and ultimately producing revenue.

In light of the foregoing, we respectfully recommend the City move forward with creating a regulatory scheme to allow cannabis businesses to operate within zones that support similar business types in order to support a sustainable cannabis business marketplace.

3. Sensitive Use Requirements Should Mimic The State's Requirements.

While municipalities have the discretion to set distance restrictions from sensitive uses greater than what has been provided by the state, our recommendation, based on a survey of other California jurisdictions, is that the City follow the State's sensitive use separation requirements for cannabis businesses. The State requires that all cannabis businesses not locate within a 600-foot radius of a public or private K-12 school, day care center, or youth center.⁵ The State has worked diligently to establish these standards through the balance of public health and safety and a

² Santee Municipal Code Chapter 13.12 of the Zoning Title.

³ Santee Municipal Code Chapter 13.18 of the Zoning Title.

⁴ Santee Municipal Code Chapter 13.14 of the Zoning Title.

⁵ Bus. & Prof. Code, § 26054(b).

sustainable commercial cannabis industry. In mirroring the State's regulations, Santee will create a transparent and effective program which promotes the growth of its cannabis industry while protecting the public health and safety of its residents.

CONCLUSION

In light of the foregoing, our client respectfully requests City Council (1) support the City's efforts in developing a commercial cannabis program; (2) provide direction to City Staff to develop a cannabis program that allows cannabis businesses to operate in zones that support similar business types; and (3) provide direction to City Staff to develop a cannabis program that mirrors the State's sensitive use requirements.

Sincerely,
AUSTIN LEGAL GROUP, APC


Gina M. Austin, Esq.

Good Afternoon City Council Members,

My name is Alicia Espinoza and I am a concerned parent and prevention advocate, and the coordinator for the Coalition for Drug Free Escondido. While we (Escondido) are quite a ways from Santee, in conversations shared with local prevention advocates and residents, it turns out we share some of the similar problems associated with marijuana access and use amongst minors/youth. I would like to strongly urge the City Council to consider the negative impacts that commercial marijuana dispensaries and grow sites have on residents, especially our youth and those that are struggling with mental health issues. Prior to the pandemic marijuana was already becoming a popular trend amongst youth; youth used for curiosity, but also as a coping mechanism. Access has never been a problem for adults or youth. Further, there are no policies for enforcement in place by the BCC as there are with alcohol; leading to increased access by youth and adults due to marijuana delivery services. This pandemic has enhanced many problems for our youth and families, causing many issues of instability, and increasing mental health issues. We need to really consider the negative costs and impacts that allowing dispensaries would have on our communities and look to public health and prevention strategies. Let us not repeat the same mistakes that have taken place with alcohol/tobacco; where there are liquor stores on every corner and they are easier to access than affordable fresh fruits and vegetables, where underage drinking and drunk driving are huge problems, and second-hand smoke affects those in multi-housing complexes without their choice and as a result of needing affordable housing. Thank you for all you have done to keep youth safe and allow opportunities for residents to thrive. I strongly urge that public health efforts are continued to be placed at the forefront.

Thank you for your time and attention.

Sincerely,
Alicia

Every city that has been convinced that a marijuana workshop should be the first step in consideration of permitting commercial marijuana has only served only to open themselves up to being inundated by marijuana industry profiteers and attorneys. Your city's staff, resources and time rightfully belong to the public who you have been elected to serve. Allowing the marijuana industry a foot in the door will result in your council meetings, resources and staff time to be directed toward the marijuana industry interests. Your priorities should remain focused on what is of greatest importance to the health, welfare, safety and quality of life of your residents.

Please do not allow your city to be distracted from doing the work of the people. Collaboration with the marijuana industry serves the industry's goals, not the city of Santee's. Your family and youth will pay the price for the industry's growth and "success".

Cities often misinterpret the avalanche of "support" for permitting commercial marijuana businesses because there is a failure to recognize nearly all the "support" is coming from those with an economic conflict of interest.

Thank you,

Kathleen Lippitt, MPH
Public Health Practitioner and Public Policy Advocate
Coastal Communities Drug Free Coalition



A Public Health Approach for Regulating Commercially Legalized Cannabis

APHA Policy Brief

January 19, 2021

The Alcohol, Tobacco & Other Drug (ATOD) section of the American Public Health Association (APHA) recently passed a policy statement which calls for evidence-based strategies to better protect public health and safety in emerging legal cannabis markets. This policy brief outlines policy-related actions from the ATOD APHA policy statement. This document is not meant to drive clinical decisions related to cannabis use, but rather to encourage a public health approach to policy and policy implementation when cannabis legalization occurs in states and jurisdictions. Specific details and the research references that support this content can be accessed on the APHA website [here](#).

While cannabis (also called marijuana) remains federally illegal, policies legalizing cannabis in states and territories have increased exponentially over the past decade. Cannabis is now legal for medical use in 36 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands; 15 of those states and three territories have legalized adult non-medical use of cannabis (called commercial adult use or recreational). While existing science supports some medicinal uses for cannabis and cannabinoids, there are also potential public health and safety risks. To that end, legalization policies should attempt to minimize potential risks and should adopt a public health approach to cannabis regulation. Accordingly, this policy brief calls on states, territories, tribes, and local jurisdictions that are legalizing cannabis to implement the following actionable steps:

1. Protect children, youth, and other vulnerable populations by:

- Regulating the availability of and access to cannabis products with age restrictions (limit the age of purchase to 21 years and over).
- Restricting cannabis retail stores to adults only, and implementing mandatory ID checks at all stores and dispensaries.
- Implementing zoning restrictions to prevent retail cannabis stores from locating near schools, campuses, and other child or community-based locations.
- Raising the price of cannabis through taxation, and reinvesting a majority of tax revenues in evidence-based public health and safety programs - especially those that seek to prevent youth use and protect the public from potential public health and safety risks from cannabis.
- Funding the implementation and evaluation of evidence-based prevention and education programs that denormalize cannabis use among youth.
- Developing and implementing standards for regulating characteristics of legal cannabis products that may appeal to children and youth (e.g., flavors, shapes, forms, names).
- Restricting advertising and promotion of commercial cannabis products in the broader community, particularly in venues and locations frequented by youth.
- Safeguarding pregnant and breastfeeding women through education about the potential harms related to cannabis use (which also seeks to protect developing fetuses and infants from potentially harmful effects on the developing brain).

2. Minimize harm to the public by:

- Regulating the form and characteristics of legal cannabis products, including requiring product serving sizes and considering concentration limits (e.g., capping or limiting the availability of high THC products) to reduce harms that may be related to overconsumption, accidental consumption, poisoning, or increased likelihood of cannabis use dependence.
- Linking taxes to THC content, which may discourage market trends toward products with higher THC concentration.
- Developing and implementing rigorous testing standards to prohibit contaminants such as pesticides, heavy metals, microbials, and residual solvents from cannabis products.
- Requiring cannabis product packaging that is: plain and opaque, includes a universal symbol, is child resistant, and contains minimal product branding elements.
- Requiring that all cannabis product labels include clear, legible, rotating health warnings, and that all warnings are also prominently posted in stores and provided with any permitted cannabis product delivery.
- Requiring that all cannabis product labels also include, at a minimum, disclosure of all ingredients and allergens, the percentage of THC and CBD, and the serving size.
- Restricting cannabis-related advertising and marketing to the maximum extent allowable under U.S. and state law and requiring clear, legible warning labels on any allowable cannabis advertising.
- Retaining strong smoke free indoor air rules by prohibiting indoor combustible/aerosolized cannabis use in indoor public commercial settings.
- Developing standards and using objective technology for determining cannabis-impaired operation of motor vehicles and other heavy machinery.

3. Prioritize equity, social justice and ameliorating harms caused to populations disproportionately impacted by prior drug policy approaches by:

- Developing and implementing policies and regulations that address social inequity and the harms caused by disproportionate drug related arrests of minority, vulnerable, and marginalized populations.
- Systematizing expungement and/or resentencing for cannabis-related criminal records.
- Funding and monitoring the mechanisms to expunge cannabis-related records, decrease arrests, and support re-entry and community development.
- Allocating resources that support and promote health equity to communities disproportionately impacted by prior drug policies.
- Designing regulations with density caps to avoid having cannabis commerce concentrated in low-income neighborhoods, thereby perpetuating inequitable treatment of disproportionately impacted populations.
- Monitoring and assessing public health effectiveness and disproportionate impacts of cannabis regulations implemented in other states and countries that have legalized cannabis.

4. Monitoring patterns of cannabis use and related public health and safety outcomes by:

- Funding and supporting data monitoring efforts across a range of data collection systems and sources both before and after policy changes occur to ensure that policies do not negatively impact public health and safety, and that public health approaches are targeted, measurable, and effective in impacting behavior change and health outcomes.
- Funding and supporting research into the health effects of cannabis use, including policy-based research that seeks to characterize a range of public health and safety effects following the adoption and implementation of certain policy approaches.

For more information on the APHA Policy or this brief please contact

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Before You Commit to Marijuana Commercialization:

“Everybody’s doing it!” – It will generate much needed income: The Marijuana Industry lie

- Since 2016 when Prop 64 passed in CA, only 20% of jurisdictions have chosen to allow marijuana commercialization.
- Still, only 77 (approx.) of around 270 Colorado towns and cities have some form of pot sales. That’s just 28.5%

<https://mjbizdaily.com/california-marijuana-advocates-drumming-up-support-for-proposed-statewide-ballot-measure/>

- **San Diego County:** 18 cities in SD County only half allow some level of commercial marijuana, however;
 - Lemon Grove voter initiative passed by only 6 votes (2016)
 - La Mesa voter initiative passed by 87 votes (2016)
- In discussions on the potential tax revenue, states must also consider the costs. Leading cost drivers continue to be law enforcement (combatting exploding underground markets), drugged driving deaths, car crashes, workforce issues, and mental and other health issues. One study in Colorado, conducted by the Centennial Institute, found with every dollar in marijuana tax revenue, \$4.50 must be spent to mitigate the costs.
- Even as marijuana markets grow, research shows tax revenue quickly tapers off (Pew Trusts, 2019).
- Revenue projections are unreliable. As states seek to fill budget gaps, researchers advise against using marijuana tax revenue to fill long-term holes (Pew Trusts, 2019).

State	Percent of Budget*
Colorado	0.90%
California	0.47%
Washington	0.33%
Alaska	0.20%
Oregon	0.13%
Nevada	0.04%

- While the marijuana tax revenue in California still fails to meet its target, industry proponents are pushing legislators to reduce taxes (LA Times, 2020).

Youth Access & Use:

Association Between Marijuana Use Trajectories and Educational and Occupational Success in Young Adults (Prevention Science 2019)

Chronic users and increasers, reported lower levels of educational attainment, lower occupational prestige, lower income, greater debt, and more difficulty paying for medical necessities.

<https://link.springer.com/content/pdf/10.1007/s11121-018-0904-7.pdf>

New Study: Marijuana Legalization Associated with Increased Youth Use in California (Feb. 16, 2021)

According to a **new study** published in the *Journal of Studies on Alcohol and Drugs*, youth who live in California may be more likely to use marijuana since the implementation of marijuana legalization in 2016. The study looked at data from more than three million 7th, 9th, and 11th graders and found significant increases in lifetime and past-month marijuana use among almost all demographics. The researchers concluded that the increases in marijuana use among youth were attributed to legalization and that these policies could make it easier for young people to obtain the drug. For that reason, the researchers stated that states that have legalized marijuana must implement stricter regulations to control the availability of marijuana to young people and invest in stronger prevention programs.

"The apparent increase in marijuana use among California adolescents after recreational marijuana legalization for adult use in 2016 is surprising given the steady downward trend in marijuana use during years before legalization," says lead researcher Mallie J. Paschall, Ph.D., senior research scientist at the Prevention Research Center of the Pacific Institute for Research and Evaluation in Berkeley, Calif.

Paschall and colleagues analyzed data from over three million 7th, 9th, and 11th graders who participated in the California Healthy Kids Survey from 2010-2011 through 2018-2019 school years. The adolescents provided information on their grade, sex, ethnicity, race and lifetime and past-30-day marijuana use.

The researchers observed significant increases in the prevalence of lifetime and past-30-day marijuana use among nearly all demographic groups from 2017-2018 to 2018-2019 school years, after legalization of adult recreational use: an 18% increase in the likelihood of lifetime use and a 23% increase in past-30-day use. These numbers may reflect greater use of vaping products, and the overall increase was even more likely among those in demographic groups with historically lower rates of marijuana use. <https://www.prnewswire.com/news-releases/teens-may-be-more-likely-to-use-marijuana-after-legalization-for-adult-recreational-use-301227489.html>

New Study: Youth Marijuana Addiction Rate Double Rate of Alcohol & Other Substance Use Disorders (April 8, 2021)

An [explosive study published](#) in the journal JAMA Pediatrics and conducted by prominent researchers at the National Institutes of Health (NIH), including the head of the National Institute on Drug Abuse, found that teenage marijuana users (aged 12-17) have double the prevalence of a use disorder (addiction) than nicotine, alcohol, and, in most categories of users, even prescription drug misusers. The addiction rate was as high as 20% among those who had used more than three years, and double the rate of alcohol in all categories.

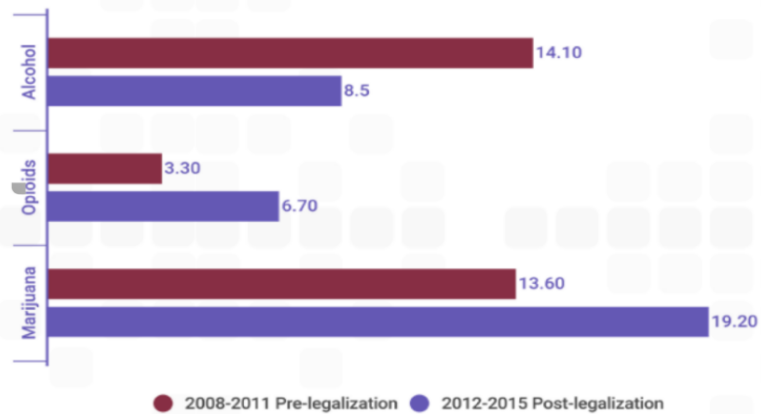
Marijuana addiction rates among lifetime users was 10.7% among those who used less than a year; 14.6% among those who used 1-2 years; 16.8% among those who used 2-3 years; and 20.1% among those who used more than three years. Out of twenty categories of users across five non-marijuana drugs, the only addiction rate that comes close is the 11% rate among teenage prescription drug misusers who used less than a year. Marijuana addiction rates were higher than all prescription drug misusers for those who used more than a year.

The release of this study comes at a crucial time, as lawmakers in five states (New Hampshire, Hawaii, Maryland, Wyoming, and North Dakota) have all rejected efforts to legalize the substance in recent days.

New Report: California Regulations Fail to Protect Youth From Marijuana Industry *JAMA Netw Open*. 2020;3(6):e208393. doi:10.1001/jamanetworkopen.2020.8393

Mental Health: <https://learnaboutsam.org/the-issues/marijuana-mental-health/>

**AVERAGE TOXICOLOGY OF SUICIDES AMONG ADOLESCENTS AGES 10-19 YEARS OLD
(WITH KNOWN TOXICOLOGY)**



SOURCE: Colorado Department of Public Health and Environment (CDPHE), Colorado Violent Death Reporting System

Cannabis Use and Risk of Prescription Opioid Use Disorder in the United States

[Mark Olsson¹](#), [Melanie M Wall¹](#), [Shang-Min Liu¹](#), [Carlos Blanco¹](#)

Abstract

Objective: The authors sought to determine whether cannabis use is associated with a change in the risk of incident nonmedical prescription opioid use and opioid use disorder at 3-year follow-up.

Method: The authors used logistic regression models to assess prospective associations between cannabis use at wave 1 (2001-2002) and nonmedical prescription opioid use and prescription opioid use disorder at wave 2 (2004-2005) of the National Epidemiologic Survey on Alcohol and Related Conditions. Corresponding analyses were performed among adults with moderate or more severe pain and with nonmedical opioid use at wave 1. Cannabis and prescription opioid use were measured with a structured interview (the Alcohol Use Disorder and Associated Disabilities Interview Schedule-DSM-IV version). Other covariates included age, sex, race/ethnicity, anxiety or mood disorders, family history of drug, alcohol, and behavioral problems, and, in opioid use disorder analyses, nonmedical opioid use.

Results: In logistic regression models, cannabis use at wave 1 was associated with increased incident nonmedical prescription opioid use (odds ratio=5.78, 95% CI=4.23-7.90) and opioid use disorder (odds ratio=7.76, 95% CI=4.95-12.16) at wave 2. These associations remained significant after adjustment for

background characteristics (nonmedical opioid use: adjusted odds ratio=2.62, 95% CI=1.86-3.69; opioid use disorder: adjusted odds ratio=2.18, 95% CI=1.14-4.14). Among adults with pain at wave 1, cannabis use was also associated with increased incident nonmedical opioid use (adjusted odds ratio=2.99, 95% CI=1.63-5.47) at wave 2; it was also associated with increased incident prescription opioid use disorder, although the association fell short of significance (adjusted odds ratio=2.14, 95% CI=0.95-4.83). Among adults with nonmedical opioid use at wave 1, cannabis use was also associated with an increase in nonmedical opioid use (adjusted odds ratio=3.13, 95% CI=1.19-8.23).

Conclusions: Cannabis use appears to increase rather than decrease the risk of developing nonmedical prescription opioid use and opioid use disorder.

<https://pubmed.ncbi.nlm.nih.gov/28946762/>

2019 Colorado Health Department Report

- **400% increase** in marijuana poisonings of children 0-9 years of age
- **23,009 homes with children are not storing marijuana products safely.**
- **32,800 homes where children 1-14 years of age are exposed to second-hand marijuana smoke.**

CDPHE, 2019

Lancet 2019 Population-Level Study Conclusions

5x

- **Regular high potency marijuana users are 5 times more likely to develop psychosis.**
- **Compared to 3 times more likely for regular users of lower potency marijuana of the past.**

High THC levels

High Reading Level:

Marijuana potency, as detected in confiscated samples, has steadily increased over the past few decades.² In the early 1990s, the average THC content in confiscated cannabis samples was roughly 3.7 percent for marijuana and 7.5 percent for sinsemilla (a higher potency marijuana from specially tended female plants). In 2013, it was 9.6 percent for marijuana and 16 percent for sinsemilla.²⁸ Also, newly popular methods of smoking or eating THC-rich hash oil extracted from the marijuana plant (a practice called "dabbing") may deliver very high levels of THC to the user. The average marijuana extract contains over 50 percent THC, with some samples exceeding 80 percent.



Legal vs Illegal Operators:

<https://www.kpbs.org/news/2020/may/06/coronavirus-san-diego-legal-cannabis-industry/>

One of the main reasons why California ended its prohibition on pot was to raise revenue for local governments. As recently as a few months ago, the city of San Diego was counting on growth in its cannabis business tax revenues to help close a budget deficit. After the pandemic shut down much of the local economy, that deficit has grown to roughly \$300 million and cannabis tax revenues are uncertain.

Most cannabis industry professionals interviewed for this story agreed the current situation is a setback for the state's transition to a legal, regulated market. Even before the pandemic, licensed pot shops struggled to compete with illicit operators, who typically don't pay all their required taxes.

Lincoln Fish is CEO of [Outco](#), a medical cannabis cultivation, manufacturing and retail business in the unincorporated county. He said he is not expecting a crackdown on the black market anytime soon.

"Business had been relatively steady (before the pandemic) and we were hearing more and more about projected additional enforcement on illegal operations," Fish said. "Then COVID hit, and all that discussion went away."

Goyal agreed and added that cannabis consumers may be more tempted than ever to shrug off the distinction between legal and illegal outlets.

"Especially right now where there's so much uncertainty economically if something's cheaper you're not going to ask a lot of questions," he said.

NOTE: Outco (Outliers) operates in the unincorporated space between Santee and El Cajon.

Cannabis Industry Is Becoming A Bigger Player In Local Politics

Friday, April 30, 2021 By [Katy Stegall](#)



PHOTO BY [CLAIRE TRAGESER](#) Above: Edible marijuana gummies are displayed in a dispensary, Dec. 6, 2019.

April, specifically 4/20, is the month for celebrating cannabis. But people in San Diego's pot industry also had a lot to cheer about in November, when voters ushered in a Democratic majority on the county Board of Supervisors for the first time in more than a generation.

And they partied again in January when the [new majority reversed a ban on cannabis businesses](#) in the county's unincorporated areas. The vote came after years of work by cannabis advocates to both get this law changed and become players in local politics.

Industry insiders have established political action committees, including the Association of Cannabis Professionals and CA Coastal Pacific, that in San Diego have donated mostly to Democrats. They hope the candidates they support will focus on increasing the number of dispensary permits and approval for cannabis lounges countywide and in individual cities.

All told, the industry has contributed \$315,000 to local candidates and Democratic Party since 2018.

Here's a breakdown:

-Association of Cannabis Professionals and CA Coastal Pacific gave \$48,000 to the San Diego County Democratic Party

-Ghost Management LLC, who represents the cannabis delivery service WeedMaps, gave \$28,000 to the San Diego County Democratic Party

-Ghost Management LLC gave \$40,000 to a committee supporting Toni Atkins

-Association of Cannabis Professionals gave \$25,000 to oppose Republican Supervisor Kristin Gaspar, who was running for reelection against Democrat Terra Lawson Remer

-Association of Cannabis Professionals gave \$22,000 to support Democratic Supervisor Nathan Fletcher

Cannabis cash also went to the state Assembly campaigns of Lorena Gonzalez and Shirley Weber; Todd Gloria's Assembly and mayoral campaigns; and Dave Myers' unsuccessful campaign for San Diego County Sheriff. The only [Republican to get cannabis money was Oceanside City Councilmember Jerry Kern](#) when he ran for County Supervisor against Jim Desmond.

To be clear, this spending is not on the same level as other big political contributors. For example, the San Diego Chamber of Commerce PAC spent at least \$1,598,000 in the 2018 and 2020 election cycles; and the San Diego Police Officers Association PAC spent at least \$507,000. But political watchers said they expect the cannabis industry's influence to grow.

"There are other major players and cannabis could become one of those players in San Diego politics," said UC San Diego politics professor Thad Kousser.

Kousser also said the fight for adult-use cannabis is now being waged at the local level rather than statewide. This means local political contributions are more important.

“Now the question is about where can you put a dispensary, where can you do agricultural production?” he said. “And that’s a land-use policy.”

Land is a precious commodity within the cannabis industry. The limited amount of licenses available to buy is one barrier most potential businesses face. Cities only permit a small number of cannabis businesses to operate at a time. The licenses are not cheap — Chula Vista is the most expensive with an initial \$55,000 and up to another \$47,000 in other additional big charges.

Tough rules

Cannabis attorneys say historically, the rules have been so restrictive in San Diego County that they try to steer their clients elsewhere.

“Time and time again, I tell these people, there are no opportunities right now in the San Diego area,” said Ed Wicker, an attorney who guides pot entrepreneurs through the permitting process. “How do you feel about going out to Desert Hot Springs or California City? It’s disheartening. Why can’t they have a lawful business that is something they could manage, close at home? San Diego governments are missing out on the revenue here and it’s been a dearth of business opportunities.”

Wicker said he’s excited to see what the Board of Supervisors does with cannabis in the coming months. The policy proposal they approved earlier this year provided the framework for supervisors to make a strong ordinance on cannabis, which could increase the number of businesses in unincorporated land.

Marijuana bud at the OutCo Labs growing facility, May 9, 2019.

Fletcher proposed a similar set of policies before but was outvoted by a Republican majority of supervisors in 2018. Fletcher said the county needed to catch up to modern times.

“The county of San Diego is one of the only governing entities that had this outright ban on cannabis products,” he said. “Not just recreational adult use, but medicinal. And that’s just inconsistent with the science, with the data, with what’s in the interest of public safety, and frankly, what we think is right.”

But Fletcher said he did not push these policy proposals because of his cannabis donors.

“I campaigned as an advocate for a safe, regulated and legal cannabis market,” he said. “It makes sense that voters who agree with that would vote for me. And it makes sense that individuals who agree with that might support my campaign, just like any other issue that we confront. But the reason we’re doing this is because it’s the right thing to do.”

Fletcher said one of the consultants who helped draft the policies was Dallin Young, a local cannabis advocate and lobbyist. Young and Fletcher go back a ways — Young was the field director for Fletcher’s mayoral run in 2013.

Young, who is now vice-chair of San Diego’s Cannabis Chamber of Commerce, said more dispensary licenses in San Diego and surrounding cities are essential.

“We have 36 licenses in the city of San Diego and 40 cannabis production facilities which encapsulate manufacturing, cultivation, and distribution,” he said. “If you allow for more licenses to be available, then you allow for more diversity in the marketplace because you deflate the value of those licenses.”

The next battle

San Diego County also limits where people can consume cannabis, Young said. He and other cannabis advocates will next push to allow lounges.

Lounges will allow veterans to consume cannabis — right now, they can’t if they live or work on federal property or subsidized housing. They also are places where tourists consume cannabis since it is illegal to smoke in most public places, including hotels, Young said.

Other cannabis advocates are starting to plan for a future beyond policy debates.

Lincoln Fish, CEO of the local cannabis business OutCo Labs, also put money into local elections and, like Young, has been a prominent consultant for the supervisors on cannabis policy. He wants the stigma and the “reefer madness” to finally burn out.

“Cannabis should be everywhere and it should be accessible. If we can do that, then we can focus on what’s important: how can cannabis do more to help this cause, this issue, this disease,” Fish said. “How can cannabis be used to help with autism in kids and epilepsy and all of these things that we aren’t really studying that we should. That’s what I want to see happen.”

<https://www.kpbs.org/news/2021/apr/30/cannabis-advocates-voice-high-hopes-regions-future/>

PRINCIPLES FOR PROTECTING YOUTH, PUBLIC HEALTH & EQUITY IN CANNABIS REGULATION

The war on drugs has resulted in large scale unjust incarceration and other harmful social impacts. At the same time, legalizing cannabis without robust regulation and promoting the growth of an unfettered for-profit industry threatens our developing youth and public health, and risks further exacerbating social, economic, and health disparities. As a society, we have a collective responsibility to prevent or mitigate such harms. Where legalization is occurring, we can better accomplish this by putting in place strong guardrails and policies that protect youth, promote public health, and advance social equity. These should include:

PROTECT CHILDREN & YOUTH



- Eliminate the Cannabis Kids Menu. Prohibit any products, packaging or marketing that is attractive to children or youth, such as cannabis-infused beverages, flavored products intended for inhalation, flavored wrappers, and products that resemble candy.
- Limit the number of retail outlets to fewer than 1 per 15,000 people.
- Require buffer zones between retail outlets and schools (including colleges), public libraries, and other youth-serving facilities.

PROMOTE EQUITY & MITIGATE HARMS FROM THE WAR ON DRUGS



- Decriminalize cannabis possession, reduce cannabis-related incarceration and automatically expunge past criminal convictions for non-violent cannabis-related crimes (e.g. CA, IL).
- Capture most or all tax revenue for substance abuse prevention and treatment, mitigating negative social impacts of the war on drugs, and public education campaigns.
- Prioritize equity in licensing applicants and hiring requirements (e.g. residents of communities impacted by high drug incarceration rates, people with past cannabis convictions).

AVERT THE EMERGENCE OF A NEW TOBACCO-LIKE INDUSTRY



- Favor public or nonprofit monopoly models to allow legal access without creating a profit-driven market (Quebec cannabis model or state alcohol monopoly models).
- Preserve local control so communities can innovate and learn.
- Prohibit conflicts of interest in regulatory bodies, advisory commissions, and for regulators and prescribers.

PROTECT PUBLIC HEALTH



- Assure that not driving increased consumption is a system goal.
- Place public health authorities in leadership roles.
- Require prominent health warnings in stores and provide safer use information to consumers.
- Inform vulnerable groups of the risks of use, such as low birth weight when used during pregnancy, psychosis and schizophrenia and other mental health effects, traffic incidents and immigration risks.
- Extend smoke-free air restrictions to consistently prohibit smoking and vaping cannabis indoors in workplaces, multi-unit housing and in public outdoors spaces.

LIMIT DANGEROUS PRODUCT DIVERSIFICATION & MARKETING



- Limit THC content, require stocking of lower THC products, and standardized 5 mg THC doses of concentrates.
- Prohibit the use of flavor additives and limit marketing of flavor names known to attract kids.
- Limit aggressive cannabis marketing, especially when visible to youth and children.
- Require warning labels on any advertising & prominent pictorial warnings on packages.
- Prohibit therapeutic or health claims for cannabis products.
- Use a specialized business model for retailers (no food or other product sales).

Download complete model ordinances for retailing, marketing and taxation at www.gettingitrightfromthestart.org.

For more information, email apadon@phi.org.



Advancing Public Health & Equity in Cannabis Policy