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November 9, 2010

VIA EMAIL AND HAND DELIVERY

Mayor Kevin Johnson  
and City Councilmembers  
City of Sacramento  
915 I Street, 5<sup>th</sup> Floor  
Sacramento, California 95814

RE: Item 16 - Ordinance Amendment: Medical Marijuana Dispensaries (M10-015)

Dear Mayor and City Councilmembers:

Our firm represents the Sacramento Alliance of Collectives ("Alliance"), an association of local medical cannabis dispensaries, with regard to the City of Sacramento's ("City") proposed ordinance in Item 16 of tonight's City Council Agenda (the "Ordinance"). We would like to thank the City and its staff for taking the time to discuss with us the specifics of the proposed Ordinance and how staff plans to interpret and implement the Ordinance if it is adopted. Based on our productive and ongoing discussions with Michelle Heppner, Brad Wasson and Gustavo Martinez, it is our understanding that special permits and dispensary permits for medical marijuana dispensaries will be implemented and processed as follows:

- (1) Dispensaries will be able to apply for a special permit and dispensary permit in the corporate name of the medical marijuana dispensary cooperative or collective. The corporation will be the applicant for any such special permit and dispensary permit.
- (2) A Dispensary can have several management members responsible for the registration, supervision and oversight of the operation of the medical marijuana dispensary.
- (3) The person submitting the original application for a special permit or dispensary permit (not subsequent renewal applications) needs to be a management member of the dispensary and the principal named on the dispensary's registration with the City, pursuant to Ordinance No. 2009-033, as of July 27, 2010.

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- (4) Renewal applications for a dispensary permit need only be submitted by a managing member of the dispensary (e.g., need not be the principal named on the dispensary's registration with the City, pursuant to Ordinance No. 2009-033, as of July 27, 2010).
- (5) The death, disability, termination or addition of a management member of a dispensary will not be a prohibited transfer, or a change of ownership or management and control of a dispensary, unless there is a change in a majority of the management members.
- (6) Pursuant to the requirements of California Labor Code section 26, no person shall be denied a dispensary permit solely on the basis that they have been convicted of a crime if they have received a certification of rehabilitation (i.e., expungement of criminal record).
- (7) Dispensaries will be allowed to expand a location they have received a special permit and dispensary permit for, so long as the expansion does not result in the dispensary exceeding 8,000 total square feet.

Based on City staff's interpretation of the Ordinance language, as outlined in part above, the Alliance removes its objections to the technical working of the Ordinance and asks for your support of the Ordinance, which is Item 16 of tonight's City Council agenda.

In 2011, the City will begin the process of adopting an ordinance to regulate cultivation of medical marijuana in the City for dispensaries. During this process the Alliance asks that the City consider creating a mechanism for the outright transfer of management and control of a medical marijuana dispensary, based on the City's existing card room transfer language. (See Sacramento Municipal Code section 5.32.170.) Further, the Alliance requests that the City consider revising its restriction in the Ordinance prohibiting employees and volunteers with criminal records (regardless of how long ago they got into trouble) from being employed by or participating in a dispensary. We believe such restrictions are overly broad and inconsistent with state law. Last, the Alliance requests that the City consider empowering its Planning Commission with the authority to waive up to three location and permit

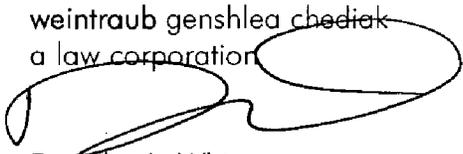
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requirements for dispensaries seeking to relocate within the City. Such flexibility and oversight will ensure that dispensaries are in locations that are consistent with the surrounding neighborhood, community and patient needs.

Again, thank you and City staff for your consideration of the Ordinance. We look forward to continuing to work with the City in a collaborative fashion, to achieve meaningful regulation of medical marijuana dispensaries and cultivation locations. Please contact Louis Gonzalez or me at (916) 558-6022 or by email at [dlwhite@weintraub.com](mailto:dlwhite@weintraub.com) if you have any questions or would like to discuss this letter in further detail.

Very truly yours,

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~~a law corporation~~

  
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I would like to thank you all for the time you have spent working on this issue. As well I would like to apologize for the time I have taken speaking in excess of my allotted time. I have had the lives and more importantly the deaths of so many thousands of seriously ill patients over the years and that had led to a certain passion for helping the patients needs and city's as well. I did not take this time out of disrespect of you or your time, but the knowledge of the pain and suffering which can be caused to patients in the worst times of their lives. I have appreciated my time and involvement in this process.

When it was announced in the Sacramento Bee in January 1997, That I was going to try and open a dispensary in Sacramento I have worked with local officials at all levels to make safe access happen. I stepped back from being an operator to work with the officials to make this happen safely and correctly as I knew from the discussions that the money was influencing your thought process of the truth of medical marijuana's need. I knew the vested interest was working against the fight so I stepped back and set to do it right. Now for doing that I seem to be punished as 40 operators registered as an illegal business and with this ordinance I don't even have a chance of operating because I listened, waited, and attempted to have my actions be legal in our city. So I am being punished for following the law?? That doesn't make rational sense and only tells people to go operate illegal businesses and hope they work things out. The Definition should be 10 patients can collectively cultivate without being a dispensary to be in compliance with the Kelley Decision about patient gardens.

Stating that you changed the ordinance to 600 feet to be in compliance with the new State law is horribly misstated at best. In the bill they tried to make the distance ban apply to many of the sensitive uses you are listed but even the city's is much longer. If you wanted to be in compliance with the State law you would only apply that distance to Schools. If you had followed the process of that law you would know that it started out with all of the sensitive uses but that got amended down to just schools! now how are you compliant if you are doing the exact things that got thrown out of the state law before it became law?? That is NOT COMPLIANCE!!

I truly believe that making the fees so high will cause undue harm to Sacramento's most seriously ill citizens. You are potentially closing very good small dispensaries which are able or more willing to help the seriously ill patients to live and survive not just sell them marijuana. These operations have operated to the letter of the attorney general's guidelines of being Non-Profit! I think a few of the owners whom might be able to pay the fees are the ones who's focus is money and not the healing or treating of serious illness. You are preventing someone like me from getting involved just to help the patients because I would have to pay the city so much it would be impossible. Your Turing this into corporate marijuana not compassionate marijuana as the State law I helped pass reads in its title. The City seems to be making money the deciding factor on our compassionate access which is absolutely wrong!With having just defined the felony as having been expunged then you should give time for compliance as some have been 10, 20, or even 30 years ago and it can take a little time to get them expunged.

We have worked extremely hard to make sure the city is least impacted by the dispensaries existence. You really should go back and listen to the comments made by stake holders at the last meeting.

Ryan Landers