

LARA WEISIGER

From: Cathie Bennett Warner <cathie.warner@steephill.com>
Sent: Tuesday, November 07, 2017 4:02 PM
To: LARA WEISIGER
Cc: Lois Butler; Tim Cowart
Subject: Testimony from Steep Hill for Tonite
Attachments: Timothy Cowart Testimony City of Alameda Nov 7 2017.pdf; ATT00001.htm; SteepHillLogo.jpg; ATT00002.htm

Lara, please find attached testimony from Tim Cowart, CFO of Steep Hill who will request time to present at the City of Alameda Hearing this evening. Best, Cathie



TESTIMONY BY TIMOTHY COWART
Chief Financial Officer
Steep Hill Labs, Inc.

Before the City of Alameda
November 7, 2017

Good evening. I am representing Steep Hill Labs, the largest cannabis testing laboratory in the world. We have been operating since 2008 and presently have operations in nearby Berkeley as well as within Arkansas, Alaska, Hawaii, Maryland, New Mexico, Pennsylvania, Washington State and Washington D.C. In addition to those locations, we also have global partnerships in Israel, Jamaica, and Canada. And in the coming months, I hope to be able to announce that Steep Hill will be calling the City of Alameda its new home.

Steep Hill is unlike many other organizations in the cannabis industry in that we do not grow, manufacture, distribute or sell cannabis related products. Rather we are a cannabis testing, technology, and research company that serves as an extension of regulatory bodies to enforce State regulation in order to protect medical patients and consumers.

We test cannabis to ensure that it was not grown with dangerous pesticides, that it has been processed so that it does not contain mold or mycotoxins, and the potency of the product is expressed so that patients and consumers are aware of what they are ingesting.

We do this by following good laboratory practices, using state of the art equipment, and by conducting research and development that is submitted for peer review to the science community. We also work with both State and Local Governments to help educate, test, and provide essential safety information on the topic of cannabis.

Our interest in relocating to the City of Alameda is that Steep Hill is in the process of ramping up to meet the demand of cannabis for both the patient and the adult use market. In order to meet this demand, we have identified several laboratory spaces in

the Marina Village and Harbor Bay Parkway business parks of Alameda that would accommodate our growing employee and equipment base. We are here today to request of the City Council grant special, early attention to consider our request to move to Alameda as a Cannabis Service Business so that we can meet the State of California's license review and approval process by January 1st.

Talking Points:

- We believe we are a good business match for the City of Alameda as we are a professional organization that has a record of working with State and Local Governments to ensure safety within the Cannabis industry.
- We intend to hire over 200 new employees during the course of the next year. These positions include lab technicians, lab analysts, R&D Scientists as well as software engineers, accountants, legal, sales staff, and other service related jobs.
- Our employment will continue to increase over the next five years with an anticipated total employment of approximately 400 people in the City of Alameda. These are predominantly bachelor or master degreed positions with an average wage of over \$85,000.
- In addition to our investment in staff, we will be making significant expenditures to acquire laboratory equipment. We anticipate that we will spend approximately \$10 million on new laboratory equipment next year, with an additional \$10 million over the course of the next four years thereafter.
- We intend to create a Research & Development Campus for genetics and new technologies for cannabis. This R & D center will lead to additional discoveries of the use of cannabis, create new intellectual property, and lead to further medical applications for the treatment of patients.
- We are presently reviewing three buildings in the Marina Village and Harbor Bay parkway neighborhoods. These buildings range in size from 18,000 to 40,000 square feet and we intend to negotiate terms for a long term lease of ten years.

SUMMATION

In the course of the past few months, we have had the opportunity to meet many members of the City Staff and City Council and have been overwhelmed by their in the interest in what we do. City Staff has been very helpful in assisting us to understand the benefits of moving to Alameda as well as helping us to assess various locations within

the City that would allow us to comply with the six hundred foot buffer zone around sensitive areas.

The support and interest from members of Council and Staff in what we do has not been lost on us and we would like to call the City of Alameda home for at least the next ten years. We believe we will be good neighbors to the community; we will bring additional high paying jobs to the City; and we will help assure the safety of local and State citizens who choose to use cannabis products in medical and adult use applications.

Steep Hill is a globally trusted brand for cannabis testing and research and development and we would be pleased to call the City of Alameda home our global headquarters. In the event that we can answer any additional questions about our business please feel free to ask me. In addition, I will continue to extend the invitation to the City Council and members of the community to visit our current lab in Berkeley.

LARA WEISIGER

From: GABA <info@gabaonline.org>
Sent: Tuesday, November 07, 2017 2:05 PM
To: Trish Spencer; Malia Vella; Marilyn Ezzy Ashcraft; Frank Matarrese; Jim Oddie
Cc: City Clerk; LARA WEISIGER; Jill Keimach; Janet Kern; City Manager
Subject: GABA Comments on 11/7/17 Regular Agenda Item 6-F (File #2017-4877)
Attachments: 11-7-17 GABA Letter to CC RE Agenda Item 6-F.pdf

Importance: High

Honorable Mayor Spencer, Vice-Mayor Vella and Councilmembers Ezzy Ashcraft, Matarrese and Oddie,

Respectfully submitted on behalf of our Board of Directors is our position letter on Ordinance 6-59.5 Permit Application, M. (Attached)

We hope you will consider our opinion during your discussion of this evening's Regular Agenda Item 6-F.

Sincerely,

Dania R. Alvarez

2017/2018 President, Greater Alameda Business Association (GABA)



Greater Alameda Business Association
P.O. BOX 2892
Alameda, CA 94501
www.gabaonline.org



November 7, 2017

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RE: 11/7/17 City Council Meeting
Regular Agenda Item 6-F / File #2017-4877
Municipal Code Article XVI (Cannabis Businesses) to Chapter VI
(Businesses, Occupations, and Industries)

Honorable Mayor Spencer, Vice-Mayor Vella, & City Councilmembers Ezzy Ashcraft, Matarrese and Oddie,

On behalf of the Greater Alameda Business Association Board of Directors, please consider our position on Ordinance 6-59.5 Permit Application, M.

The original wording was, "***For an applicant with ten (10) or more employees, the applicant must provide either a statement that the applicant will enter into, or provide a copy of a fully executed labor peace agreement as part of the application.***"

At that time, we felt strongly that the City Ordinance should abide by State Legislation AB-1686, which seeks to give guidance regarding the labor peace agreement issue, recommending that a Labor Peace Agreement only apply to cannabis businesses with twenty (20) or more employees.

The new suggested wording is two (2) or more employees. This is alarming. We believe this sets a precedent that could be detrimental to small businesses in any industry.

As we as a City and Community, are working on an Economic Development Strategic Plan, this proposal is as anti-pro economic development as you can find. As what has been stated before, this is not a Cannabis issue, this is a business issue.

We are requesting the Alameda City Council adhere to State Legislation AB-1686 regarding this Ordinance. Thank you in advance for the consideration of our opinion.

Sincerely,


Dania R. Alvarez, President

CC: City Manager, Jill Keimach
City Attorney, Janet Kern
City Clerk, Lara Weisiger

LARA WEISIGER

From: Donna Fletcher <ohprimadonna@gmail.com>
Sent: Tuesday, November 07, 2017 12:04 AM
To: LARA WEISIGER
Cc: Peter Fletcher
Subject: Cannabis ordinance issue

Hon. Mayor Trish Spencer and Members of the Alameda City Council

c/o Lara Weisiger, City Clerk
[By email]

Re: Concerns regarding proposed draft ordinance for marijuana use in Alameda.

In consideration of your draft ordinance we ask the Council to please learn from the experience of other local communities and government officials who advise that cities ***“Go slow. Start small.”***

Going slow. How can we pass an effective ordinance in Alameda when the State of California has not yet completed its own safety regulations for cannabis consumers?

The State’s website for the Bureau of Cannabis Control says that “the emergency regulations are expected to be published in November 2017.” Yet today is November 6 and there is no update indicating that the regulations are forthcoming. ***Shouldn’t Alameda’s decision-makers have the benefit of approved State regulations before finalizing City regulations?***

Starting small.

Please “start small” in Alameda so that we can learn from our own experience as well as that of other cities, what the social, economic, public health, and law enforcement consequences of commercial cannabis activity are in the City of Alameda.

We ask the Council to revise the ordinance to provide locations for 2 medical dispensaries only. Please do not approve 4 manufacturing facilities, 2 testing labs, and a cultivation site at this time. There is much to know about the impacts of wide-spread legalization of cannabis that can only be learned over time. Please allow Alameda to take a cautious and measured approach to

this uncharted territory. For now, we believe it is enough for Alameda to offer dispensaries for the convenience of those who use marijuana for medical purposes.

Respectfully submitted,

Peter and Donna Fletcher

112 Centre Court, Alameda

LARA WEISIGER

From: Marie Kane <mariekane94502@gmail.com>
Sent: Monday, November 06, 2017 8:58 PM
To: Marilyn Ezzy Ashcraft; Frank Matarrese; Malia Vella
Cc: LARA WEISIGER
Subject: Marijuana

Dear Marilyn, Frank and Malia,

Thank you for your caution in the institution of recreational marijuana dispensaries and manufacture in Alameda. I attended the Council Meeting packed with those who wished to profit and users. I admired your standing up for our children and city amid the packed room.

Thank you,
Marie Kane

Sent from my iPhone

LARA WEISIGER

From: Diane Molter <diane.molter2@gmail.com>
Sent: Monday, November 06, 2017 3:31 PM
To: LARA WEISIGER
Subject: Marijuana Manufacturing Plant

Importance: High

Honorable Mayor Spencer and City Council Members:

I understand that the City Council will be considering possible locations for marijuana manufacturing plants. Please do not consider the Harbor Bay Business Park or any other location on Bay Farm island for such a manufacturing plant. I have been a resident of Bay Farm Island for 35 years and would not want a marijuana manufacturing plant in my neighborhood.

Thank you for your consideration on this issue.

Sincerely,

Diane M. Molter
Resident of Bay Farm Island

LARA WEISIGER

From: Linda Asbury <linda@westalamedabusiness.com>
Sent: Monday, November 06, 2017 1:10 PM
To: LARA WEISIGER; Jill Keimach; Janet Kern
Subject: Article XVI - Cannabis Businesses - Labor Peace Agreement

November 6, 2017 - sent to Lara Weisiger to forward to Council.

Mayor Spencer, Vice Mayor Vella, Councilmembers Matarese, Oddie, Ezzy Ashcraft

RE: Peace Labor Agreement

Article XVI – Cannibis Businesses

On behalf of the West Alameda Business Association Board of Directors, please consider our position on the Ordinance 6-59.5 Permit Application, M. The original wording was for an applicant with ten (10) or more employees, the applicant must provide either a statement that the applicant will enter into, or provide a copy of a fully executed labor peace agreement as part of the application. At that time we felt strongly that the City Ordinance should abide by the State Ab-1686 which requires cannabis businesses with twenty (20) or more employees enter into a LBA. The new suggested wording is two (2) or more employees, which is alarming.

We believe this sets a precedent that could be detrimental to small businesses. As we as a City and Community, are working on an Economic Development Strategic Plan, this proposal is as anti-pro economic development as you can find. It also would put Alameda at a disadvantage when Cannabis operators are looking where to locate their business.

As what has been stated before this is not a Cannabis issue, this is a business issue. We are requesting the Alameda City Council adhere to the state requirements. Thank you in advance for the consideration of our opinion.

Sincerely,

Linda Asbury

CC: City Manager Jill Keimach; City Attorney, Janet Kern; Lara Weisiger, City Clerk.

Linda Asbury
Executive Director
West Alameda Business Association
linda@westalamedabusiness.com
408.888.6747

LARA WEISIGER

From: Patricia Gannon <pg3187@gmail.com>
Sent: Monday, November 06, 2017 11:00 AM
To: Jim Oddie; Marilyn Ezzy Ashcraft; Trish Spencer; Malia Vella;
Fmataresse@alamedaca.gov
Subject: Marijuana

November 6, 2017

Honorable Trish Spencer, Mayor of Alameda Honorable City Council Members

Dear Mayor Spencer and City Council Members:

I have not read the entire draft ordinance on cannabis. But I believe the City is moving much too fast on this issue. Yes, cannabis is legal, but the Council should proceed slowly. I have no strong objection to one or possibly two, dispensaries for medical marijuana.

And I believe that testing labs are critical to the safety of the product being sold. We definitely do not need 4 cannabis manufacturing plants in Alameda.

Please do not approve this draft ordinance as written; it needs a lot more work.

Thank you.

Patricia M. Gannpn
1019 Tobago Lane
Alameda 94502
pg3187@gmail.com

LARA WEISIGER

From: Patricia Gannon <pg3187@gmail.com>
Sent: Saturday, November 04, 2017 12:59 PM
To: Jim Oddie; Marilyn Ezzy Ashcraft; Trish Spencer; Malia Vella
Subject: Marijuana Dispensaries in Alameda

November 4, 2017

Honorable Trish Spencer. Mayor, City of Alameda

> Members of the City Council

>

> Dear Mayor Spencer and City Council Members:

>

> I would like to share with you my concerns about marijuana coming to

> Alameda. Yes, it is legal but it needs to be carefully regulated.

> First of all, any dispensaries need to be at least 1,000 feet from any

> school. And it must be purchased at a dispensary and not bought

> on-line. There have been a flurry of packages stolen from front

> porches recently and it simply would be too easy for minors to acquire

> marijuana from packages left on doorsteps, especially at their own

> homes..

>

> Another safety issue is that of drivers, bikers and even pedestrians

> intent on looking at their devices, being distracted even without

> being under the influence of marijuana. Marijuana could well

> exacerbate that problem,.The Highway Patrol has stated that while

> drivers can be tested for being under the influence of alcohol, such

> is not the case for marijuana. With the increase in traffic in

> Alameda it is even more imperative that drivers be more alert not only

> for other cars but for bicyclists who may ignore traffic signals and

> pedestrians who frequently jaywalk and are often more focused on their

> devices than traffic, even in parking lots.

>

> In summaray I urge the City to go slowly in implementing its policies

> on marijuana. Just because it is legal does not mean that the City

> cannot work with the Police in developing its regulatory procedures.

I also encourage the city to focus on medical marijuana so that people with medical issues can obtain what they need locally.

>

> Thank you.

>

> Patricia M. Gannon

> pg3187@gmail.com

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