



November 13, 2017

Mayor Sam Liccardo and City Council
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

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The silicon valley organization

Re: Council Item 4.3 – Ordinance Amendments for Recreational Cannabis

Honorable Mayor Liccardo and Council:

On behalf of The Silicon Valley Organization (The SVO), we are writing to support the memoranda put forward by city staff, as well as the supplemental memorandum authored by Councilmembers Don Rocha, Sergio Jimenez, and Johnny Khamis. By way of background, we are the Silicon Valley's premier business advocacy organization representing 1,400+ companies that employ nearly 300,000 workers and we represent our membership as the region's largest Chamber of Commerce.

We urge Mayor and Council to support staff recommendations to allow the 16 existing, registered cannabis collectives to conduct non-medical, recreational/adult-use cannabis activities. The local cannabis industry generates an estimated \$105 million in annual revenue that supports the regional economy. During the fiscal year 2016-2017, registered cannabis collectives in San Jose have served approximately 245,000 patients and completed over 1.5 million transactions.

As the Silicon Valley's leading voice of business in the region, we believe that the cannabis industry should be recognized and legitimized through local ordinances, so that local laws are consistent and aligned with new state regulations with regard to cannabis policy. California voters have made their intent clear through Proposition 64, with nearly 57% of Santa Clara County residents voting to approve its passage; therefore, the City of San Jose should be proactive in supporting a growing business and industry.

For these reasons, we respectfully ask for your support of item 4.3 and move forward with approving recreational cannabis use in the City of San Jose. Should you have any further questions on our position, please contact Eddie Truong, Director of Public Policy & Advocacy, at 408-291-5267.

Sincerely,

Matthew R. Mahood
President & CEO