



# Memorandum

**To:** CITY COUNCIL

**From:** Mayor Sam Liccardo

**Subject:** SEE BELOW

**Date:** January 15, 2019

**Approved:**

1-15-19

**SUBJECT: COUNCIL PRIORITY #27: CANNABIS MANUFACTURING,  
DISTRIBUTION, AND TESTING**

## RECOMMENDATION

1. Accept recommendations 1, 2.a., 2.b., 2.e, 2.f. from Councilmembers Peralez and Carrasco, recommendations 2.a-c. from Councilmember Esparza, and recommendation 1 from Councilmember Diep.
2. Refer recommendations 2.c, 2.d., 2.g., 2.h. from Councilmembers Peralez and Carrasco and recommendation 2 from Councilmember Diep to the Council Priority Setting Process.

## BACKGROUND

I want to thank staff for all their work developing this set of regulations that allow for an expansion of cannabis business in San José. Our City has continued to adapt quickly to the dynamic cannabis industry and regulatory framework. It is important for the City's policies and rules to change as the cannabis industry evolves and as the State continues to adopt its own rules and regulations. Recommendations from Councilmembers Peralez, Carrasco, Esparza, and Diep can be split into two categories. The first are items already being worked on because of changing State regulation, or are existing referrals from previous Council action. The second are new policy items that require more study and staff work. These should be referred to next month's Council Priority Setting process.