

CITY OF OAKLAND ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT

SPECIAL ACTIVITY PERMITS DIVISION 1 Frank H. Ogawa Plaza, 11th Floor • Oakland, CA 94612

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March 16, 2022

55733 SLOCA Partnership 5701 San Leandro Oakland, CA 94621

Via email: 5733 San Leandro Property Owners and Cannabis Permit Applicants

ADVISORY:

Commercial Cannabis Activity and Non-Work/Live Uses Prohibited on Second Floor of 5733 San Leandro

Dear Green Sage and Cannabis Tenants of 5733 San Leandro:

This letter is to advise you that no cannabis commercial cannabis activity nor residential uses are permitted on the second floor of 5733 San Leandro ("premises").

Cannabis Uses Not Allowed In Upstairs Units

5733 San Leandro, also known as the Cannery, is located in an (IG) General Industrial zone and is the home of one of the City of Oakland's first permitted work/live spaces, which has allowed artists to utilize the Cannery's second floor lofts since the 1970s. In 2018, the City Council specifically amended the City of Oakland's cannabis ordinances to protect existing work/live spaces by prohibiting the issuance of cannabis permits in spaces that were used for work/live. Specifically, OMC Chapters 5.80 and 5.81 provide in relevant part as follows:

No permit or local authorization shall be issued under OMC Chapters 5.80 or 5.81 to a cannabis applicant at premises where either:

- 1. Work/Live use existed as of March 6, 2018; or
- Residential use existed as of March 6, 2018.
 In both the foregoing, this applies irrespective of any subsequent reconfiguration of the premises.

The City has gathered information indicating that such cannabis commercial activity may be occurring on the premises. Green Sage and/or all cannabis tenants must cease all such unlawful uses of the second floor of 5733 San Leandro immediately or risk suspension or revocation of any applicable City of Oakland commercial cannabis activity permits, as well as administrative or civil actions.

The City's work/live restrictions on cannabis permitting have made national news multiple times so this information should be very familiar to Green Sage

(https://www.nytimes.com/2018/03/30/us/california-today-oakland-artists-cannabis.html) (https://sf.curbed.com/2018/8/16/17704302/green-sage-cannery-garage-eviction).

Residential Only Uses Not Allowed Onsite

While work/live uses are allowed in IG zones, residential uses are prohibited, see OMC Section 17.73.030. To qualify as work/live, the use must satisfy all the requirements of OMC 17.73.040, including but not limited to, maintaining at least one tenant that operates a business within that unit and the tenant must possess a valid and active City of Oakland business tax certificate to operate a business out of that unit. Accordingly, it is against the law for a first-floor cannabis tenant to sleep in an upstairs unit, or store equipment in an upstairs unit, as these uses do not qualify as work/live and residential uses are prohibited in IG zones.

<u>Upstairs Are Preserved For Work/Live</u>

For the reasons outlined above, no cannabis or residential uses are allowed on the second floor of the Cannery. These restrictions allow for work/live uses to persevere amidst an affordable housing crisis in the Bay Area. Please do your part to ensure the second floor is utilized legally and for the intended purpose of work/live.

At your earliest convenience please contact Municipal Code Enforcement Officer Ricardo Salas at rsalas@oaklandca.gov to schedule a site visit to confirm that all cannabis and residential uses on the second floor of 5733 San Leandro have ceased.

Thank you in advance for your cooperation.

Sincerely,

Greg Minor

Assistant to the City Administrator