

Agenda Date: 06/18/2020

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FRESNO CITY COUNCIL



Information Packet

ITEM(S)

File ID 20-00798 (4-B) – BILL – (For introduction) Amending Section 9-3316 of the Fresno Municipal Code, relating to initial application process for cannabis retail business and commercial cannabis.

Contents of Supplement: Letter from Perfect Union

Item(s)

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

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June 16, 2020

Mayor & City Council
City of Fresno
2600 Fresno Street
Fresno, CA 93721

Mayor & City Council:

I am writing in strong support of amending the current cannabis framework to include raising labor standards for cannabis workers within the City of Fresno. Perfect Union is one of the foremost cannabis operators in the state. Our first dispensary opened in Sacramento a decade ago, and now we operate a state-of-the-art indoor cultivation facility, distribution facility, and two retail stores in that region, as well as one retail store in Marysville. We also have shops in Turlock, South Lake Tahoe, and Morro Bay that have been selected through local licensing processes and will be opening in the coming months.

We are one of the only cannabis companies in the state with an active collective bargaining agreement, which provides high-paying jobs with healthcare, paid vacation time, and other benefits to hundreds of employees. We are deeply proud of these accomplishments and have a long history of navigating various cannabis licensing processes in jurisdictions throughout the state. While competitive employee compensation packages, stable employment and training programs are part of our company culture, we strongly feel local municipalities should set high industry standards that reflect the needs of their residents.

We feel it cannot be understated that regardless of whether or not a jurisdiction allows for the legal sale of cannabis, it is still happening either by illicit operators or through outside delivery services. According to a recent BDS Analytics report, it is estimated up to 83% of cannabis sales in California are happening on the illicit market. Concurrently, the COVID-19 pandemic has created significant budgetary challenges for local governments across the state, and cannabis presents a unique opportunity to harness a new and lasting stream of revenue for the City of Fresno while reducing illicit market sales, creating jobs, and allowing access to safe and tested products. As a nascent industry, cannabis represents one of the few new unrestricted revenue sources for local jurisdictions. Licensing retail will allow the city to capture tax revenues that are currently being diverted out-of-jurisdiction by delivery companies; generating unbudgeted revenue, jobs, and improving the quality of life of your residents. Additionally, cannabis businesses have been listed as essential under the Governor's emergency order, and as a result, have seen consistently increasing sales throughout the crisis.

While licensing, job creation, and increasing tax revenues are all important, we feel that these accomplishments can be diminished if employees are not protected in the process. Through our partnership with the United Food and Commercial Workers union (UFCW), our employees have access to a joint labor management apprenticeship program as well as a 30-hour Cal OSHA cannabis specific certification to ensure compliance with life and health-preserving job-related safety and health hazards. We take workplace safety very seriously and believe that due to the prior illicit nature of the industry, many workers and their supervisors have not been trained and therefore do not have basic education or awareness of occupational health and safety issues.

Lastly, we want to commend the City of Fresno on the inclusion of a very comprehensive Social Responsibility portion of the original ordinance. Perfect Union thoroughly believes it is our duty to invest in the communities we serve. Building up our neighborhoods is part of the very fabric of our company and in order to ensure we're giving back in meaningful ways, we have a dedicated internal committee that identifies nonprofits, projects, and programs to support. For example, in the last year we have donated to various nonprofits including Albie Aware Breast Cancer Foundation, Shriners Hospital for Children, and the Developmental Disabilities Service Organization, volunteered to feed the homeless in partnership with Loaves and Fishes Shelter, and hosted donation drives for Mercy Pedalers and Solidarity of Unhoused People (SOUP).

Beyond working in the community, Perfect Union's greatest investment is in our employees and we stand firmly in our belief that jobs that pay better wages and provide better benefits are vital to keeping our economy afloat and families out of poverty. Please do not hesitate to reach out with any questions or comments at caity@perfect-union.com or 530-645-8322.

Respectfully,



Caity Maple
VP, Government Affairs & Compliance
Perfect Union