



August 5, 2019

Honorable Mayor, Council Members, City Manager, UCPD, & City Staff,

On November 27, 2018, Union City ("City") adopted Resolution No. 5421-18, awarding a Commercial Cannabis Business ("CCB") permit to Jiva Life LLC ("Jiva") for the retail & delivery sales of medical cannabis. As the industry has transformed towards normalization, the distinction between medical and recreational cannabis sales has merged. Jiva humbly requests that the City consider allowing currently permitted and licensed CCB's to establish Adult-Use ("AU") cannabis retail sales to significantly increase tax revenue, thus better serving the community.

Jiva expresses its support for the potential transition from a medical-only cannabis model to a more inclusive AU marketplace. Jiva is a diverse boutique CCB brand that is proud to be a part of the City's community fabric to provide an economic interest as a regulated service provider. Jiva showcases CCB retail merit and experience, including the ability to safely facilitate and dispense high quality sustainable cannabis products in a first-class retail space. This facility will be Union City's community cannabis center in compliance with state and local regulations. Jiva will honor and uphold the values of the City and its residents. Jiva has provided City Staff an AU Transition Memo that illustrates Jiva's vision and objective in maintaining our medical identity and compliance protocols if a transition is permitted to include AU sales.

Changing the City's current medical-only policy to include AU sales would benefit the City, local CCB's, and the residents of Union City. The most significant change for the City would be through the increased generated tax revenue that would suffer with the current medical-only model. Jiva, along with other permitted CCB's would benefit from an increased patient/customer base rather than losing them to surrounding jurisdictions which offer AU cannabis sales. From the resident's perspective, they would benefit by having safe and affordable access to cannabis within their City while cognizant that their purchases directly contribute back to the local community.

Analysis of Alameda County's CCB activity indicated that of the 14 incorporated cities, currently half prohibit CCB's (Dublin, Fremont, Newark, Pleasanton, Piedmont, Livermore, and Albany); while the other seven have regulated CCB programs in place that authorize AU and medical sales (Alameda, San Leandro, Berkeley, Emeryville, Oakland, Hayward, Unincorporated Alameda County).

The City has a competent CCB program in place, and should follow the analysis and data driven rationale to add AU sales within the current framework to expand its market share. Medical-only sales will result in confusion and additional barriers to entry for patients/customers and place Jiva at a significant business and competitive disadvantage. In accordance with the Medical Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA") and the AU Permanent Regulations enacted by the State of California Bureau of Cannabis Control ("BCC"), there are no major functional differences as the regulatory gap between medical and recreational sales has merged.

Jiva's industry experience, entrepreneurial vision, and community driven spirit will allow for a comfortable premium retail experience. A medical-first approach in a recreational AU marketplace will safely introduce consumers to the evolving, revolutionary, and socially blossoming cannabis industry. Jiva cordially suggests City Council to consider allowing AU CCB sales so that all stake holders including the City, CCB permittees, and residents can reap the full benefits of cannabis legalization in California.

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Principal & Managing Director