



City of Isleton Cannabis Equity Assessment
October 13, 2022

Abstract: The City of Isleton Cannabis Equity Assessment provides a data-informed look at the impacts of cannabis criminalization and poverty on the Isleton community. The assessment includes policy recommendations to guide the creation of a local cannabis equity program. The program will assist community members that experienced harm from decades of cannabis criminalization and poverty to participate in Isleton’s legal cannabis industry.



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Section 1. Cannabis Equity and Executive Summary

Nine times out of ten, before legalization, you bought your weed from a Black or brown person. And now that it's legalized, you're probably not buying it from a Black or brown person. What happened?

-Oakland cannabis entrepreneur (Hillsman)

Black and Hispanic people experienced disproportionate impacts from cannabis criminalization and the War on Drugs (see Section 3) as well as higher rates of poverty (see Section 4). While Black and Hispanic people were most likely to be impacted by decades of cannabis criminalization in California, these groups are now least likely to be represented in the State's legal cannabis industry. Over 80% of cannabis businesses nationwide are white-owned; similarly, of the top 14 largest cannabis companies, about 70% of executives are white men (McVey et al.; Berke).

To address these inequities, in 2018, the state of California enacted SB 1294, commonly referred to as the California Cannabis Equity Act. The purpose of the act was to ensure that persons most harmed by cannabis criminalization and poverty be offered assistance to enter the multibillion dollar cannabis industry as entrepreneurs or as employees with high quality, well-paying jobs.

According to SB 1294:

Cannabis prohibition had a devastating impact on communities across California and across the United States. Persons convicted of a cannabis offense and their families suffer the long-term consequences of prohibition. These individuals have a more difficult time entering the newly created adult-use cannabis industry due, in part, to a lack of access to capital, business space, technical support, and regulatory compliance assistance.

During the era of cannabis prohibition in California, the burdens of arrests, convictions, and long-term collateral consequences arising from a conviction fell disproportionately on Black and Latinx people, even though people of all races used and sold cannabis at nearly identical rates. The California Department of Justice data shows that from 2006 to 2015, inclusive, Black Californians were two times more likely to be arrested for cannabis misdemeanors and five times more likely to be arrested for cannabis felonies than white Californians. During the same period, Latino Californians were 35 percent more likely to be arrested for cannabis crimes than white Californians. The collateral consequences associated with cannabis law violations, coupled with generational poverty and a lack of access to resources, make it extraordinarily difficult for persons with convictions to enter the newly regulated industry....

It is the intent of the Legislature in enacting this act that the cannabis industry be representative of the state's population, and that barriers to entering the industry are reduced through support to localities that have created local equity programs in their jurisdictions. (California Legislative Information, section 2)

To accomplish this goal, the Act lays the groundwork for cities and counties to establish local equity programs to help reduce barriers to entry in the legal cannabis industry. These programs allow those most harmed by cannabis criminalization have a more equitable opportunity to participate in the industry. SB 1294 created a fund for local jurisdictions which have created cannabis equity programs to apply for funding to assist local cannabis entrepreneurs who have been harmed by cannabis criminalization or disadvantaged by poverty enter into and successfully operate in the state's regulated cannabis marketplace. The purpose of this assessment is to help the City of Isleton identify the impacts of cannabis criminalization and the War on Drugs as the City develops its cannabis equity plan.

The California Center for Rural Policy (CCRP) at Cal Poly Humboldt worked with the City of Isleton to create a Cannabis Equity Assessment (CEA) to:

- Provide a data-informed look at the historical impact of cannabis criminalization and poverty on the community.
- Provide policy recommendations to guide the city as they develop a local equity plan to help former disenfranchised community members successfully gain access to the economic opportunities in the legal cannabis industry.
- Make recommendations for future research that will help assure that there is equity and diversity in the city's emerging cannabis industry.

In order to accomplish these objectives, CCRP partnered with Isleton stakeholders to create this CEA. As the state of California navigates the transition to a legal cannabis market, the City of Isleton is committed to equity as a key consideration in its local cannabis industry.

Isleton's local cannabis equity program should focus on assisting smaller scale cannabis entrepreneurs supporting the city's long-term economic vitality. It is the intent of the equity plan to provide assistance to communities impacted by cannabis criminalization, so they are able to overcome barriers preventing equitable entry into the legal cannabis industry.

1.1 Key Findings

- Isleton’s economy was severely impacted by the Great Recession (2007-2009) and the city’s efforts to improve economic conditions by permitting a medical cannabis cultivation firm were brought to an end by state and federal regulators (see Section 3.2).
- Economic conditions in Isleton have improved in recent years; however, Isleton remains a low income area (see Section 4).
- A higher proportion of Isleton’s population identifies as Hispanic compared to the state (43.7% compared to 39.4% statewide).
- Isleton’s veteran population is twice that of the state average (see Section 2).
- Educational attainment in Isleton is well below the state average (see Section 4).
- Isleton’s existing cannabis industry has become a major part of the city’s economy (see Sections 2, 4 and 6).
- Between 1985 and 2008, Isleton experienced a per capita cannabis arrest rate that was over three times the state average (see Section 3.3).
- Isleton’s Black population experienced a severely disproportionate frequency of cannabis arrests (see Section 3.3) from 1998 to 2008. County-level data indicates that this trend continues.
- Between 1985 and 2008, Isleton experienced a per capita drug arrest rate nearly twice as high as the statewide rate (see Section 3.3). Cannabis arrests were a key contributor to Isleton’s disproportionate drug arrest rate.
- The Hispanic community in Sacramento County experienced a higher felony drug arrest rate than the white community from the 1990s through 2010. The Black community in Sacramento County continues to experience exceptionally high drug arrest rates.
- Black and Hispanic felony drug arrests from 1980 to 2020 in Sacramento County are skewed toward minors and young adults, relative to white arrestees. Black and Hispanic minors arrested for a felony drug offense are far less likely to be released to a parent or guardian without charges than a white arrestee (see Section 3.3).

1.2 Recommendations and Considerations

The findings in this report can be used to inform the creation of Isleton’s cannabis equity plan. This is a brief summary of the recommendations. A complete detailed set of recommendations is presented in Section 7.

- The past effects of the War on Drugs as well as decades of poverty were particularly acute for the citizens of Isleton. Consider including past residency in Isleton (prior to legalization in 2016) as an eligibility factor for Isleton’s cannabis equity plan.

- Consider a past non-violent drug offense as an eligibility factor to help applicants overcome setbacks incurred as a result of a drug arrest or conviction.
- Consider a past non-violent drug offense of a close family member as an eligibility factor to help applicants overcome setbacks incurred as a result of a family member's drug arrest or conviction.
- Since educational attainment is low in Isleton, consider including educational opportunities, such as workshops, as a benefit of the cannabis equity plan.
- Consider income as an eligibility factor and consider including fee waivers and other financial benefits to help equity entrepreneurs overcome financial barriers.

Section 2. Overview of Isleton

The City of Isleton (population of 794¹) is located in the Sacramento San Joaquin-River Delta. The city was incorporated in 1923, when at the time it was a thriving agricultural and canning center, shipping goods to market along the Sacramento River. After World War II, the canneries began to decline as rail and highway transport reduced the significance of Isleton's proximity to the river. The last of Isleton's five canneries closed in 1966.

The city once had large Chinese and Japanese populations, many of whom worked in agriculture and construction, though now Asian households constitute less than 5% of the population. Beginning during the Great Depression and through the 1950s the population fell from over 2,000 to nearly its current level, correlating with the decline in the city's industries. The internment of Japanese Americans during World War II further contributed to a decline of the city's large Japanese population (City of Isleton).

The local economy continues to have a significant agricultural sector (see Section 4). However in recent decades, tourism has also become a more viable industry, with events like the Crawdad Festival² attracting visitors into the rural community. Isleton's charming downtown provides amenities for visitors, and the City's winding river delta is home to many recreational activities. The City's largely blue collar population skews older, and the vast majority of Isleton's residents commute outside the city for work, with many traveling as far as the Bay Area or the City of Sacramento.

All information provided in this section will be explored in greater detail throughout the rest of the assessment.

Demographics

Isleton's largest Census ethnic categories are white (47.2% compared³ with 36.6% in CA) and Hispanic (43.7% compared⁴ with 39.4% in CA). Since the 2000 Census, the Hispanic population increased significantly from 26.9% to 43.7% of the population in 2020, whereas during the same period, the Hispanic population statewide increased from 32.4% to 39.4%. The Asian population, though once a large component of Isleton's population, is 4.9% of the population compared with 15.4% statewide. Just 1.64% of the population is Black compared to the statewide average of 6.4%. The proportion of the population that is foreign-born (19.2%) is less than the statewide

¹ Census table P1

² For decades until 2009 the Crawdad Festival drew tens of thousands of visitors to the area.

³ Census table P1

⁴ Census table P2

average⁵; however, the percentage of Isleton’s foreign born population without United States citizenship status is much higher than the statewide average.

Isleton’s population skews older⁶. The median age in Isleton is 44.3 compared to the state median of 36.7⁷, and over one-fifth of the city’s population is over the age of 65.

Income, Poverty, and Housing

Isleton is an exceptionally low income area — the median household income in Isleton (\$34,500) is less than half than the state average⁸ (\$78,672) and the per capita income (\$25,684) is well below the state average (\$38,576)⁹. The current poverty rate is only slightly higher than the statewide rate; however, in years prior, this rate was much higher, peaking in 2016 when the poverty rate was nearly 33%, far beyond the statewide poverty rate (13.8%) at the time.

While the resumption of a large housing development promises an increase in housing supply, housing affordability is a challenge for the community (see Section 4.2).

Veteran Status

At the time of the 2000 Census, 109 veterans called Isleton home, 33 of whom had served during the Vietnam era. At that time, there were almost twice as many veterans per capita in Isleton than the state average (13.2% versus 7.6% statewide)¹⁰. Similarly, 4.0% of the Isleton population at that time served during the Vietnam era compared to 2.4% statewide. More recently, though subject to greater statistical variation, we see a similar pattern in the 2020 American Community Survey data. As of 2020, Isleton’s relative veteran population is over twice that of the statewide population (10.4% versus 5.0% statewide), and of these veterans, 42.2% served during the Vietnam era¹¹.

Veteran populations are particularly afflicted with post-traumatic stress disorder (PTSD), and PTSD is associated with greater risk of substance abuse disorder (Gradus). Cannabis use disorder in particular is common among veterans (9.1%) and especially common among veterans with PTSD (12.1%) (Browne et al.). Vietnam veterans were particularly significant consumers of cannabis and other drugs. Studies indicate that a majority of Vietnam veterans in 1970 had used cannabis while in Vietnam, and for some veterans, cannabis use or use of other drugs lead to addiction. Circa 1970 - 1971, one-fifth of Army veterans were addicted to a drug during deployment (Stanton).

⁵ Census table DP02

⁶ Census table S0101

⁷ Census table DP05

⁸ Census table S1901

⁹ Census table DP03

¹⁰ Census table P040

¹¹ Census table S2101

Youth Cannabis Use

Isleton middle and high school students attend school in the neighboring city Rio Vista as Isleton does not have a middle or high school of its own. In the River Delta School District that serves Isleton, rates of cannabis use are slightly higher than statewide rates.

Education

Rates of higher educational attainments in Isleton are exceptionally low compared to statewide averages. The available data from the ACS indicates that only about 4% of the population 25 year and older hold a bachelor's degree or higher, compared to the state average of 32.9%¹². As discussed in Section 4, college degree attainment is negatively correlated with cannabis use.

Existing Cannabis Industry

Isleton's cannabis industry is significant in relation to the size of the city. There are nine current licensed cannabis firms in the city— one firm for every 88 citizens. Low labor costs, relatively affordable real estate, a relatively non-restrictive regulatory environment, and the city's proximity to large population centers have created opportunities for cannabis firms to succeed, and it is the goal of the city to ensure that all Isletonians have an equitable opportunity to share in these market opportunities.

¹² Census table S15010

Section 3. Equity Analysis

3.1 Methodology

The goals of *The City of Isleton Cannabis Equity Assessment* (CEA) are to:

- Provide a data-informed look at the historical impacts of poverty and cannabis criminalization on the community.
- Provide policy recommendations to guide the city to develop a Local Equity Plan and program components which will help former disenfranchised community members successfully enter the legal cannabis workforce.
- Make recommendations for future research that will help assure that there is equity and diversity in the City's local emerging cannabis industry.

To achieve these goals we analyze data from the following sources:

- The Decennial Census and American Community Survey from the US Census Bureau
- Arrest data drawn from the Sacramento County Sheriff arrest database
- Arrest data drawn from the FBI Crime Data Explorer website
- Arrest data from the California Department of Justice

3.2 Impacts of Cannabis Criminalization and History of Cannabis Policy in Isleton, Sacramento County, and California

Federal War on Drugs and Impact on Communities of Color

In 1970, the year before President Nixon declared drug abuse 'public enemy number one,' the US state and federal prison population was less than 200,000. Two decades later in 1990, the prison population had ballooned to over 700,000 - about 400,000 of whom were serving time for non-violent offenses. By 2000, the prison population had reached 1.6 million (The Sentencing Project). It is perhaps unclear whether Nixon's intended 'public enemy number one' was drug abuse or the drug user. As one Nixon aid recalled:

We knew we couldn't make it illegal to be either against the war or black, but by getting the public to associate the hippies with marijuana and blacks with heroin, and then criminalizing both heavily, we could disrupt those communities. We could arrest their leaders, raid their homes, break up their meetings, and vilify them night after night on the evening news. (Baum)

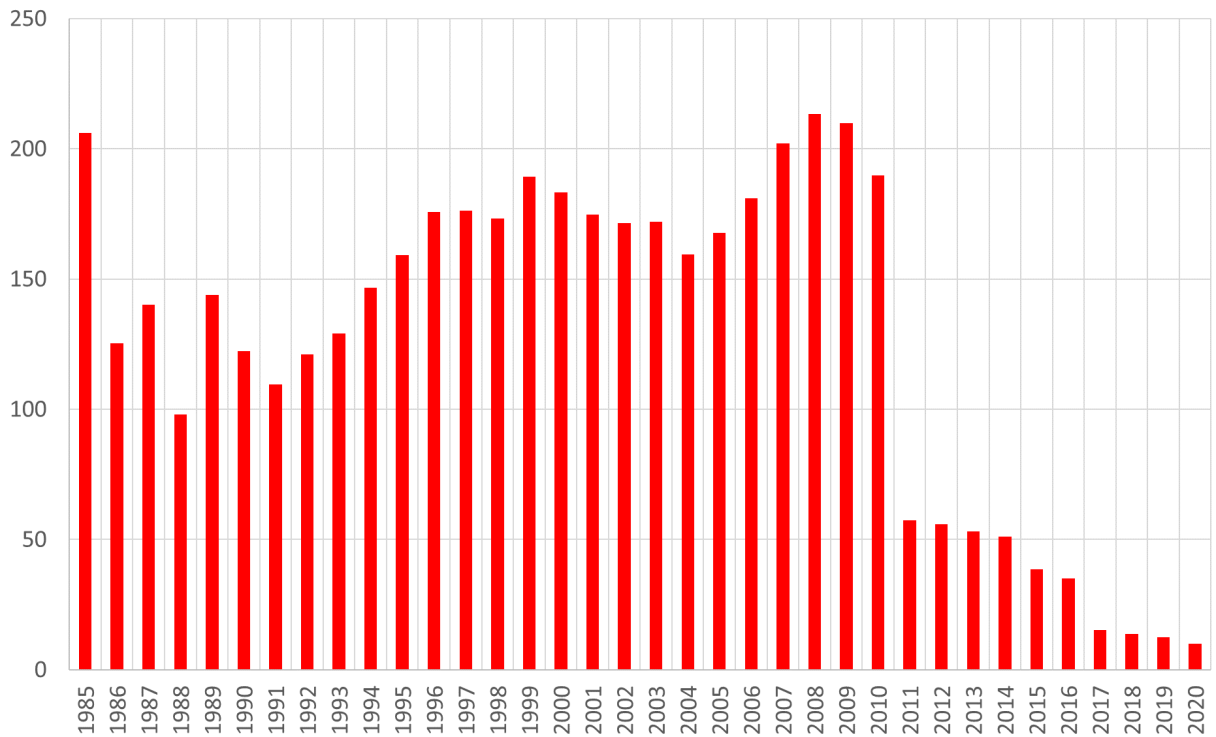
Regardless of intent, the War on Drugs succeeded in disrupting communities, especially communities of color. However, this effect remained relatively mild until the Reagan Administration in the early 1980s, when policies, such as the 1986 Anti-Drug Abuse Act, severely increased penalties for drug offenses, including simple possession (United States Congress). Increased federal enforcement, policies such mandatory minimums, and an arbitrary distinction between powdered and crack cocaine all contributed to an explosion in arrests and incarceration rates that overwhelmingly impacted Black and Hispanic populations. Sacramento County had an experience typical of the era. By 1990, the Black felony drug arrests per 100,000 individuals was nearly 2,300 whereas for white people the drug arrest rate was 270 per 100,000 individuals. During the same period, the Hispanic people in Sacramento County were arrested for felony drug offenses at over twice the rate of white individuals (see Section 3.3).

California Cannabis Arrests and Reforms

During the counterculture movement of the 1960s and 1970s the state experienced an extraordinary rise in cannabis arrests. By 1974, annual cannabis arrests increased 20 fold from the early 1960s to 103,097, most of which were felony arrests (Gieringer). The next year, legislators passed the Moscone Act which eliminated prison time for minor cannabis offenses. The year after that, annual cannabis arrests fell to about 50,000 and felony arrests to about 20,000 (California Norml).

By the late 1980s, cannabis arrests in California were once again on the rise (*fig. 3.1 below*), and it was not until the California legislature reduced the penalty for an ounce or less of cannabis to an infraction in 2010 that the long-run rising trend in cannabis arrests ended. In 2010, Senate Bill 1449 reduced the penalty of marijuana possession of less than an ounce of cannabis from a misdemeanor to an infraction resulting in a small fine without any jail time. In 2011, cannabis possession arrests statewide dropped precipitously. In the decade ending in 2010, Isleton experienced an extraordinary per capita cannabis arrest rate (see Section 3.3).

Figure 3.1
*California Cannabis Arrests per 100,000 Population*¹³



California Medical Cannabis Era

In 1996, California passed Proposition 215 legalizing cannabis for medical use, and in 2004 the legislature passed Senate Bill 420 which gave local jurisdictions the authority to regulate medical cannabis. These laws, along with conflicting federal laws and edicts, created an ambiguous legal landscape for local jurisdictions and cannabis entrepreneurs to navigate. During this era, in the early 2010s, the City of Isleton embraced medical cannabis production as a means to revitalize the city’s economy.

Isleton Seeks to Develop Cannabis Industry for Economic Revitalization

Isleton was hit hard by the Great Recession (2007 - 2009). In 2010, the unemployment rate in Isleton exceeded 21% (compared to the state rate of 12.9%), putting the city’s unemployment rate on par with Depression-era national unemployment rates (see Section 4). While unemployment rates (including Isleton’s) began a gradual decline, the poverty rate in Isleton began an upward march reaching 33.2% in 2016 (see Section 4). In 2009, the city’s famed Crawdad Festival came to an end when the city could no longer afford to support the festival and

¹³ FBI Crime Data Explorer

sold the naming rights. For decades, the festival had brought tens of thousands of visitors (and customers) to the city annually. Isleton's economic conditions worsened when, following the collapse of the United States housing market, the construction of a large real estate development called the Village on the Delta at the north end of the city had been suspended, and with it the City's hopes for increased property tax revenues from newcomers seeking lower cost living and a change of pace. Like other municipalities reeling from the fiscal impacts of the Great Recession, Isleton looked to the cannabis industry and related tax revenues as a solution to its fiscal and economic challenges.

In 2011, in the fog of often conflicting Proposition 215 era federal edicts and state cannabis policies and regulations, Isleton struck a deal with a cannabis entrepreneur- Delta Allied Growers- to develop a large medical cannabis cultivation operation at the disused north end of town which had recently been the site of the Village on the Delta housing development (Hecht & Stanton). The city was promised the greater of \$25,000 per month in tax revenue or 3% of the firm's revenues, and the firm estimated that they would hire approximately 50 workers, a significant labor force with respect to the city's population of about 800 (Kalb; Hecht).

The deal was seen as a solution to the fiscal problems faced by the city, and as a means to continue and improve vital services to the city including expanding its police force which had just one or two officers in the early 2010s (Stanton). The firm had begun development when the City was called before a Sacramento County grand jury investigating the City's approval of the medical cannabis facility (Hecht & Stanton). A month later Delta Allied Growers and the City both received letters from a US attorney warning of criminal prosecution if development continued, ending the project and Isleton's plan for improved economic and fiscal conditions (Fagan).

In January 2012, the city was forced to suspend police services due to inability to pay worker's compensation insurance, and later that year the police department was disbanded due in part to the City's fiscal problems (Alcala). Isleton's law enforcement services were transferred to the Sacramento County Sheriff.

By 2012, economic conditions in the city had disintegrated. The unemployment rate was eight percentage points higher than the state average, and the poverty rate began an upward march peaking at nearly 33% in 2016.

Legal Commercial Cannabis Era

In 2016, California established a legal framework to regulate and monitor cannabis dispensaries with the passage of the Medical Marijuana Regulation and Safety Act (MMRSA), later renamed the Medical Cannabis Regulation and Safety Act (MCRSA). On November 8, 2016, California

voters passed Proposition 64: the Adult Use of Marijuana Act (AUMA). Proposition 64 legalized the distribution, sale, and possession of cannabis and decriminalized the possession, use, cultivation and sale of adult-use cannabis. It also provided for the expungement of low-level marijuana offenses and authorized training for cannabis careers, grants, and loans. The Proposition gave local jurisdictions the right to prohibit or regulate commercial cannabis production. As of 2022, 26 of 58 California counties continue to prohibit all forms of commercial cannabis as do 38% of California cities (Department of Cannabis Control). Sacramento County continues to prohibit all forms of commercial cannabis, whereas Sacramento City and Isleton both allow and regulate commercial cannabis¹⁴.

Following Proposition 64, by 2017 statewide cannabis arrests had declined by 56.3% (see fig. 3.1 previously), and to sources utilized for this report there has not been a cannabis arrest by the Sacramento County Sheriff Department in Isleton since 2016.

Isleton passed an ordinance in June 2018 allowing for commercial cannabis in the city (see Appendix). Isleton, like many California cities, embraced the newly legal cannabis industry as an opportunity to improve the economic and fiscal conditions in the city, and adopted a comparatively nonrestrictive policy toward cannabis firms showing interest in doing business in Isleton (Christian). The city attracted a significant amount of cannabis industry, and Isleton now has nine cannabis permitted firms— one firm for every 88 citizens. The city issues permits for retail (both storefront and delivery), distribution, manufacturing, cultivation, and testing, whereas Sacramento county and some neighboring jurisdictions maintain prohibition or more restrictive cannabis policies (see Section 5).

In the late 2010s, the city began to experience revitalization. Formerly vacant properties are now renovated and occupied, and the City is developing plans for new festivals to attract tourists (Yoon-Hendricks). Isleton has experienced a precipitous decline in poverty since 2016, and the unemployment rate, once much higher than the state average, is now below the state average (see Section 4.1). A City official shared that the legal cannabis industry in Isleton now employs about 50 to 60 workers, a significant number of jobs compared to the City's labor force of roughly 260¹⁵.

One may wonder whether some of this revitalization could have come earlier had Isleton been permitted to develop its medical cannabis industry in the early 2010.

¹⁴ Proposition 64 passed with 57% of the vote statewide and 73.6% in Santa Cruz County. MRCSA and AUMA were integrated as MAUCRSA (Medicinal and Adult-Use Cannabis Regulation and Safety Act) in 2018.

¹⁵ ACS Table DP03

3.3 Cannabis, Drug Arrest Rates and Racial Disproportionality in The City of Isleton, Sacramento County, California, and the United States

To assess the impacts of criminalization of cannabis and the War on Drugs, we analyze two dimensions. Firstly, we assess whether Isleton as a whole experienced an exceptional impact of the War on Drugs relative to the state and other jurisdictions, and secondly we assess whether communities within Isleton experienced a disproportionate impact of the War on Drugs relative to the Isleton community as a whole.

Cannabis and Drug Arrest Data

To assess the impact of cannabis and other drug criminalization in Isleton, we utilize the arrest data sources in Figure 3.2 below. No single data source, to the knowledge of CCRP, provides a comprehensive overview of the effects of cannabis criminalization and the War on Drugs on the Isleton community. Thus, to account for limitations in each data source, this report utilizes multiple complementary data sources.

The Isleton Police Department (IPD) reported arrests inconsistently to the FBI resulting in multiple years of missing data. IPD lost its police department in 2012 and stopped reporting arrests after 2008. Additionally, FBI-sourced arrest data do not distinguish Hispanic as a separate ethnicity, so these data cannot be used to assess the impact on Isleton's significant Hispanic population. However, these data are useful for assessing the relative level of cannabis and drug arrests in Isleton compared to other jurisdictions as well as assessing the impact on the Black community in Isleton.

Since 2012, Isleton has been under the jurisdiction of the Sacramento County Sheriff (SCS)¹⁶. Two separate SCS data sources are used in this report. The first dataset is sourced directly from the SCS—these data do not include information about drug arrestees. However, because they are at the city-level, they can be used to assess the relative level of cannabis and other drug arrests for the City of Isleton as a whole.

The other sheriff data set is sourced from the FBI. These data are at the county-level, but they provide information about the cannabis and other drug arrestees including race. However, like the FBI-sourced Isleton PD arrests, they do not distinguish Hispanic as a separate ethnicity.

Lastly, California Department of Justice Monthly Arrest and Citation Register (MACR) provides data on felony drug arrests and law enforcement disposition for Sacramento County from 1990 to

¹⁶ The SCS reports arrests made in Isleton as far back as January 2007.

2020. While these data are at the county level and do not distinguish between cannabis and other felony drug offenses, they do distinguish Hispanic as a separate ethnicity, allowing CCRP to assess the impacts of the War on Drugs on the Hispanic population.

Additional data are drawn from the US Census Bureau as well as FBI-sourced arrest data for the Rio Vista Police Department.

Figure 3.2

Description of Data Sources

Data Source	Purpose	Limitations
<p>Isleton PD Arrests: FBI-sourced cannabis and other drug possession and sales arrest time-series data reported by the Isleton Police Department from 1985 to 2008</p>	<p>Assess the relative level of cannabis and other drug arrests in Isleton from 1985 to 2008.</p> <p>Assess the impact of cannabis and other drug arrests on Isleton’s Black community.</p>	<p>Missing years Inconsistent reporting No data after 2008</p>
<p>Isleton Sheriff Arrests: SCS-sourced drug and cannabis arrests occurring in Isleton reported by the SCS from 2007 to 2018</p>	<p>Assess the relative level of cannabis arrests in Isleton from 2007 to 2018.</p>	<p>These data do not provide information about the arrestee.</p> <p>No data before 2007</p>
<p>Countywide Sheriff Arrests: FBI-sourced cannabis and other drug possession and sales arrest time-series data reported by SCS from 1985 to 2020</p>	<p>Assess the impact of cannabis and other drug arrests on Black community.</p>	<p>County-level data</p> <p>Do not distinguish Hispanic as a separate ethnicity.</p>
<p>MACR Arrest Data: California Department of Justice Monthly Arrest and Citation Register (MACR) data. Felony drug arrests and law enforcement disposition for Sacramento County from 1990 to 2020</p>	<p>Assess the impact of war on drugs on Black and Hispanic population.</p>	<p>County-level data</p> <p>Do not distinguish between felony cannabis arrests and other drug arrests.</p>

Isleton Cannabis Arrest Rates

To inform our analysis of arrest rates, it is useful to analyze cannabis use rates (*fig. 3.3 below*). At the national level, employment, sex, educational attainment, and to a lesser extent race/ethnicity are all related to cannabis use rates (Substance Abuse and Mental Health Services Administration).

Although non-Hispanic Black people report slightly higher cannabis use rates than white, non-Hispanic people, this small difference does not explain the wide arrest disparities between Black and white individuals we observe below. Hispanic individuals, despite being overrepresented in state and federal prisons as well as federal, state and local arrest data¹⁷, report lower-than-average cannabis use rates.

Sex and educational attainment are also a factor in cannabis use. Men are almost twice as likely to report cannabis use in the past month than women, and those with a four-year college degree are less likely to use cannabis than those without.

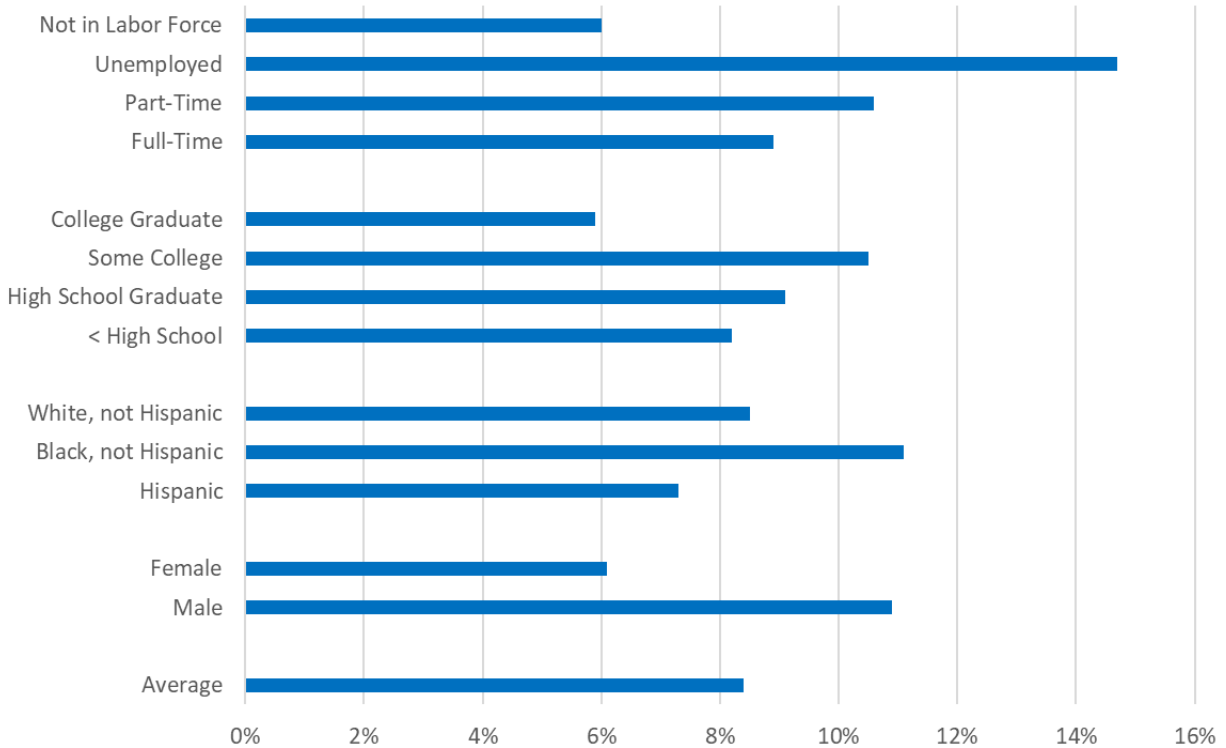
Unemployment is a key factor in cannabis use, where unemployed individuals are more than twice as likely to report cannabis use than those with a full-time job. Although the nature of any cause-and-effect relationship between unemployment and cannabis use is unclear, some scholarship provides evidence that causality goes both ways, with unemployment contributing to cannabis use and cannabis use contributing to unemployment (Boden et al.). It is therefore reasonable to expect that cannabis use may rise during periods of high unemployment.

In a community such as Isleton, with levels of educational attainment much lower than the state average (see Section 4) and unemployment rates that (at least in the recent past) are much higher than the state average, we expect to see higher rates of cannabis use. A greater prevalence of cannabis use and sales would create more opportunities for law enforcement to detect cannabis possession or sales and therefore produce a consequent rise in cannabis arrest rates.

¹⁷ As discussed below.

Figure 3.3

Percent of United States Adults Reporting Cannabis Use in Past Month (2015)



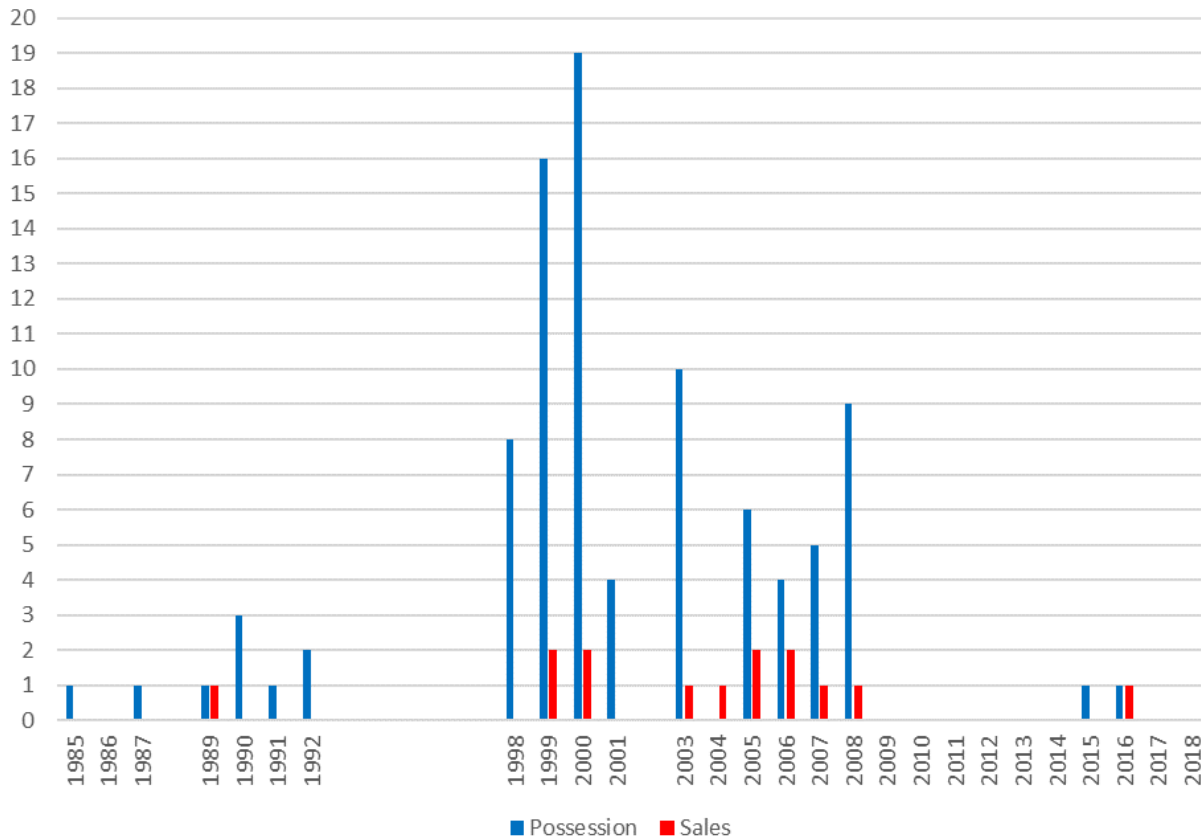
The Impact of Cannabis Criminalization on the Isleton Community as a Whole

To assess the impact of cannabis criminalization on the Isleton community relative to other jurisdictions, we use Isleton PD arrest data and SCS-sourced arrest data for the community of Isleton (see fig. 3.2 above).

Figure 3.4 below illustrates cannabis arrests reported by IPD from 1985 to 2008 and from the SCS database from 2009 to 2018. Isleton PD reported arrest data to the FBI inconsistently¹⁸ as indicated in the gaps occurring between 1985 and 2008 in Figure 3.4. These data indicate a pattern similar to that of many other jurisdictions during this era — a rise in arrests beginning in the mid-to-late 1990s and persisting through the 2000s.

¹⁸ Missing Isleton PD years: 1988, 1993, 1994, 1996, 1997, and 2002. Isleton PD existed until 2012, but did not report arrests after 2008. The SCS reports arrests for 2007 to present. There are no SCS reported arrests for cannabis in 2007 and 2008, thus for years 1985 through 2008 the data reported are from Isleton PD. For 2009 on, data are from the SCS arrest database.

Figure 3.4
Isleton Cannabis Arrests



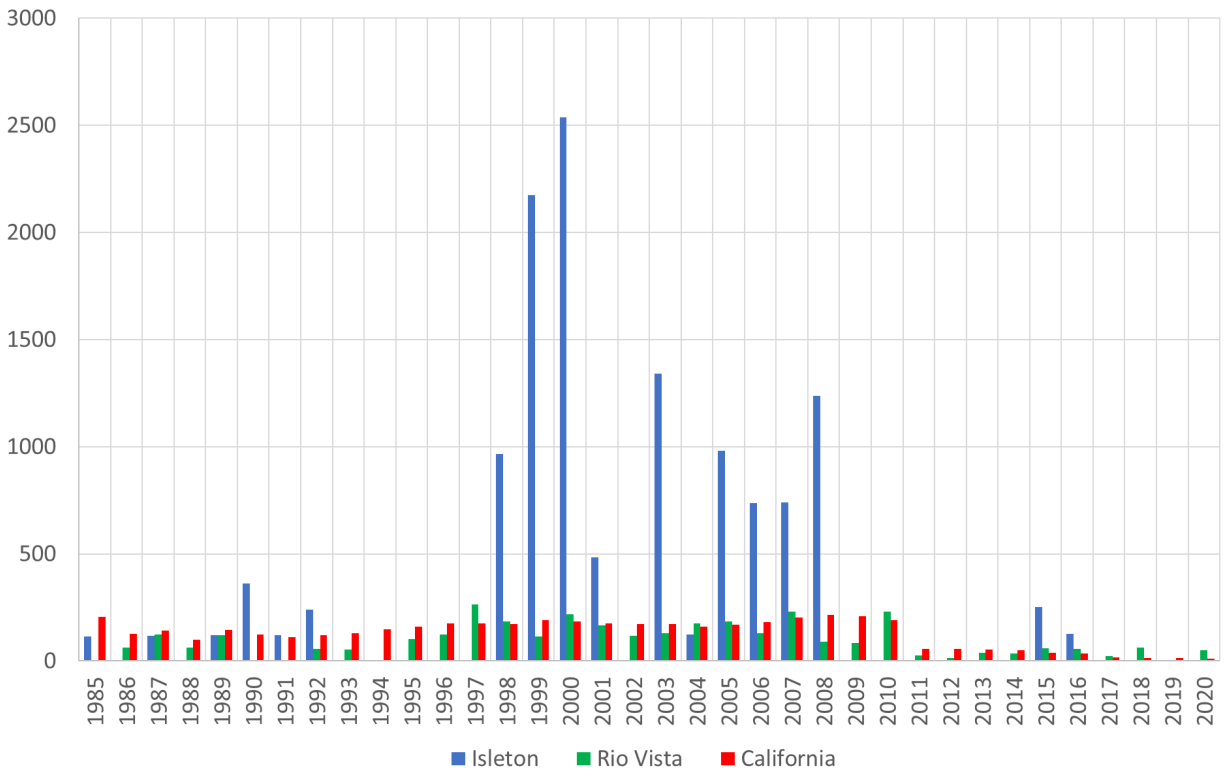
To assess the impact of cannabis criminalization (*fig. 3.5 below*) on the Isleton community we compare relative cannabis arrest rates between Isleton, its neighbor Rio Vista, and the state average¹⁹. While the Rio Vista Police Department reported arrests similar to the statewide rates throughout the time period, during the years in which data is available, Isleton had a significantly higher arrest rate for cannabis on a per capita basis²⁰ than either its neighboring city or California

¹⁹ For Isleton, arrest data for 1985 to 2008 are FBI-sourced Isleton PD arrests, whereas 2009 to present arrest data are from the SCS database. There may be some confusion here between the two Sheriff data sources. The first source that is directly from the SCS includes the handful of cannabis and drug arrests that took place in Isleton. The second SCS data source which comes from the FBI database is arrests for the whole of Sacramento County. It is not feasible to include relative cannabis arrests for the whole of Sacramento County in this comparison. The FBI reports arrest data at the state level, but below the state level arrest data is available only at the level of the law enforcement agency. It is not feasible to include arrests for the whole of Sacramento County because determining the appropriate population subject to the sheriff’s jurisdiction is beyond the scope of this assessment. The whole of Sacramento County would not be the appropriate population since much of the county is policed by municipal police departments. Thus, comparing total arrests made by the Sheriff’s Department to the Sacramento County population would significantly underestimate the relative arrest rate, making the comparison spurious. Looking at a separate data source, we do analyze arrests at the county level for all felony drug arrests in the next section.

²⁰ For Isleton and Rio Vista, population data was gathered from the US Census for 1980, 1990, 2000, 2010 and 2020. We used a linear model to interpolate population data for years in between.

broadly. This is particularly pronounced between the years spanning 1998 until 2008, when Isleton stopped reporting arrests to the FBI. During this eleven year period, Isleton’s per capita arrest rate exceeded the statewide per capita rate by a factor of nearly six.

Figure 3.5
Isleton Cannabis Arrests per 100,000 Population



Given these exceptional cannabis arrest rates, the question arises as to whether these arrest rates reveal an authentic impact of cannabis enforcement on the citizens of Isleton, or whether there is some alternative explanation other than a high degree of cannabis enforcement.

One possible explanation is that arrests reported during missing years were reported in later years. This could explain the rise in reported arrest rates following the missing years of 1993, 1994, 1996, and 1997. If these exceptional arrest rates were merely an artifact of reporting practices, then we would expect to see a significant moderation by averaging the arrests over the entire time period until 2008, however this is not the case. From 1985 up to and including 2008, even with the handicap of including missing years, we see cannabis arrests per capita in Isleton far exceeding both Rio Vista and the California average.

Figure 3.6

Average Cannabis Arrests per 100,000 1985-2008

	Isleton PD	Rio Vista PD	California
Average Annual Cannabis Arrests (1985-2008) ²¹	4	5	52,067
Average Population (1985-2008)	832	4,429	32,204,093
Arrests per 100,000	511	122	162

Another possibility may be that these arrests are of the same individuals being arrested multiple times during the year, a notion that was corroborated by a City official. However, it is not clear why we should expect repeat arrests of the same individuals to be of greater significance in Isleton than in other jurisdictions.

A third possibility is that these arrests are driven by tourists. Until 2009, Isleton was home to a massive 4-day festival each year called the Isleton Crawdad Festival²² in which tens of thousands of visitors would come to the city and surrounding area during Father’s Day weekend in June. Unfortunately, the Isleton PD arrest data does not indicate the date of arrest — however, Sheriff arrest data for Isleton on Father’s Day weekend in 2007 and 2008 do not indicate a significant increase in arrests (of any kind) during this period. If visitors were to blame for these exceptional arrest rates, then we would expect to see a surge in arrests during the festival.

A fourth possibility, of course, is that cannabis consumers in Isleton experienced a far greater degree of police cannabis enforcement than typical. A contributing factor may be the size of Isleton’s police force during this period. As of the year 2000, Isleton had three full-time officers, and while that may appear to be a small police force, on a per capita basis it is more than twice the size of a typical police force (The Isleton City Council; Maciag). By April 2011, the city’s police force had shrunk to just one officer (Kalb).

Impact of Cannabis Criminalization on Communities within Isleton

Assessing the impacts of cannabis criminalization and the War on Drugs on communities within Isleton is a particular challenge due to the size of the jurisdiction. Wherever possible we use data specific to Isleton, though in other cases it will be necessary to make inferences about the impact of the drug war on demographic groups within Isleton based on data from the broader Sacramento County.

²¹ Assumes missing year values are 0 arrests for Isleton.

²² The festival continued annually from the 1970s up to 2009.

Isleton PD Data: Black/ White Cannabis Arrest Rates

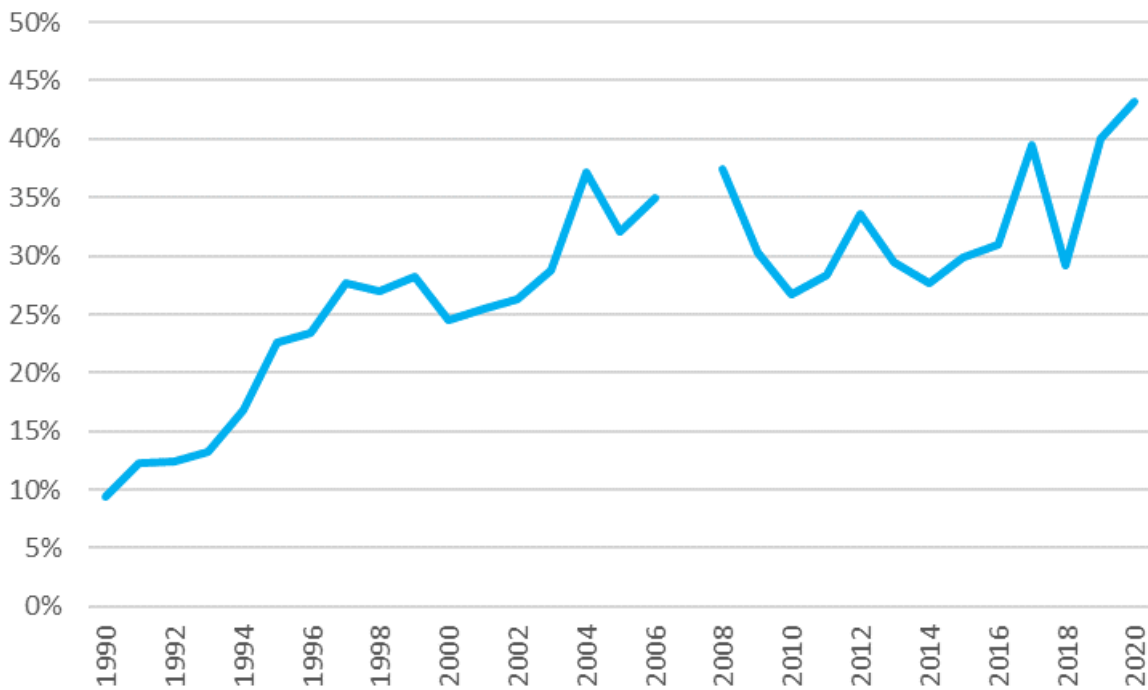
Arrests of Black suspects constitute 9.0% of all arrests reported for cannabis possession by Isleton PD from 1985 to 2008; however, all reported arrests of Black suspects were made from 1999 to 2008. During this period, the Black percentage of the population can be estimated by taking the average of the 2000 and 2010 Census values, which yields an estimated value of 2.65%. Thus, it appears that the Black population within Isleton experienced a disproportionate frequency of arrests during this period of cannabis criminalization.

Sacramento County Sheriff: Black/ White Cannabis Arrest Rates

Analyzing the FBI-sourced Sacramento County Sheriff arrest data for the whole of Sacramento County reveal a trend toward ever greater disparities in the cannabis arrest rates from 1990 to present. Despite the Black population remaining consistently around 10% of the Sacramento County population from 1990 to present²³, Black arrests reported by the Sacramento Sheriff Department rose from 10% of total cannabis arrests in 1990 to over 40% in 2020. While the decline in sheriff arrests correlates with decriminalization and subsequent legalization, the share of Black arrests remains elevated and on an upward trajectory. As of 2020, the Black arrest rate by the Sacramento County Sheriff had reached a new peak.

Figure 3.7

Black Percent of Cannabis Arrests by Sacramento County Sheriff²⁴



²³See FIPS code 06067

²⁴Data is missing for 2008.

All Law Enforcement in Sacramento County: Black/ White Cannabis Arrest Rates

Looking at the whole of Sacramento County including all law enforcement jurisdictions, it is clear that racial disparities in arrests in Sacramento County are significantly more pronounced than the statewide disparity. From 2000 to 2018, California residents who identify as Black were 1.8 times more likely to be arrested for cannabis compared to white people— however during the same period in Sacramento County, Black individuals were 4.1 times more likely to be arrested for cannabis compared to white people (American Civil Liberties Union).

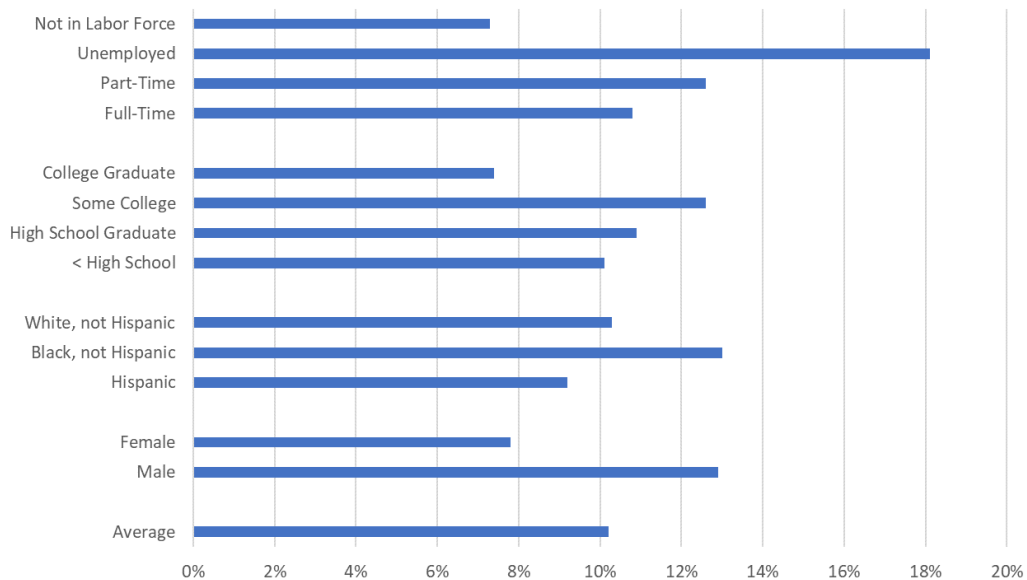
It is unfortunate that FBI-sourced arrest data do not distinguish between white Hispanic and non-white Hispanic in arrest data. In the absence of evidence to the contrary, we believe that Isleton’s significant Hispanic population would have had law enforcement experiences similar to those in Sacramento County more broadly. We analyze the impact of the drug war on Sacramento County’s Hispanic community below.

Isleton - Drug Arrest Rates

At the national level, general drug use patterns mirror cannabis use rates (*fig. 3.9 below*). Drug use correlates significantly with sex, employment, education, and to a lesser extent race. Similar to cannabis use rates, the small differences in drug use rates by race do not explain the wide disparities in arrests rates by race.

Figure 3.8

Percent of United States Adults Reporting Drug Use in Past Month (2015)

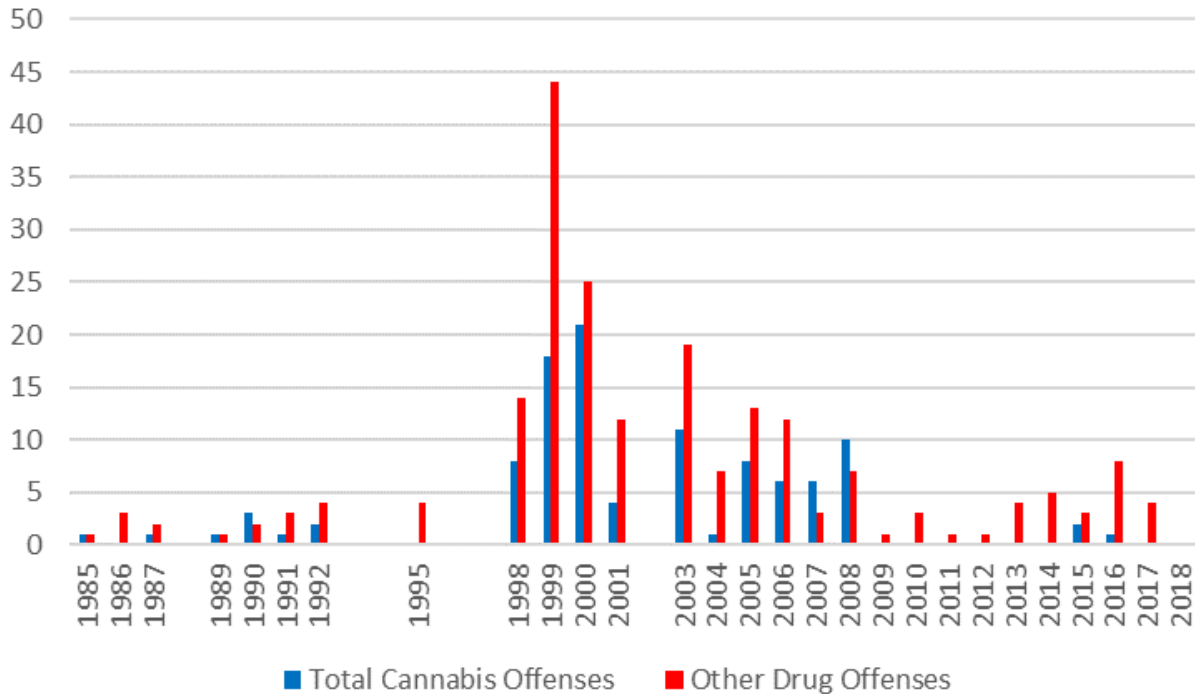


Isleton Drug Arrest Rates

Arrests for other drug offenses mirror those for cannabis possession offenses, and we see that cannabis criminalization was not the only impact of the War on Drugs on the Isleton community during this period.

Figure 3.9

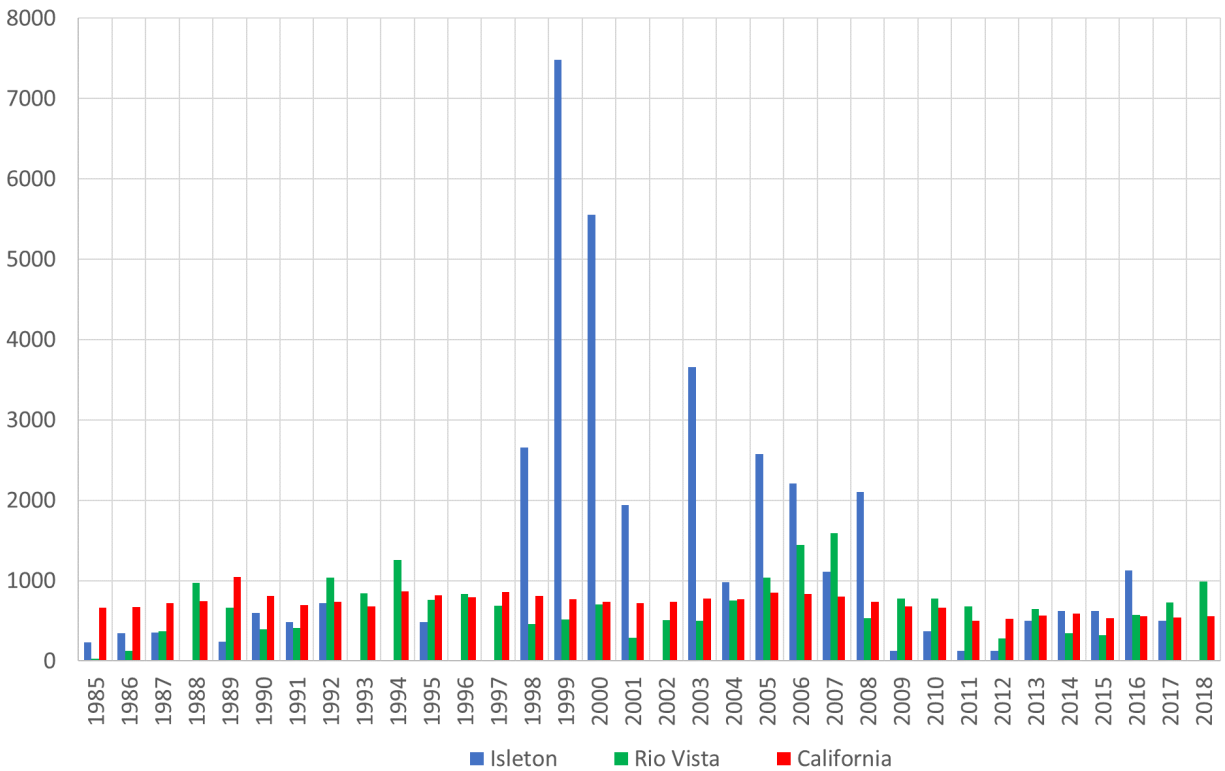
Drug Arrests by Isleton PD and SCS²⁵



We see a pattern similar to cannabis arrest rates in all drug arrest rates between Isleton, Rio Vista, and the California average. Rio Vista has drug arrest rates that, with a few exceptions, are in line with the state average; Isleton, however, experienced a period of drug arrest rates spanning the years between 1998 and 2008 that significantly exceeded typical arrest rates on a per capita basis.

²⁵ Except for one non-cannabis drug arrest in 2007 by SCS, all drug arrests from 1985 to 2008 are by Isleton PD. All arrests after 2008 are by SCS.

Figure 3.10
*All Drug Arrests in Isleton, Rio Vista PD, California*²⁶



Averaged over the period spanning 1985 through 2008, Isleton’s per capita drug arrest rate is nearly double that of both Rio Vista and California, indicating that the impact of the War on Drugs on Isleton as a whole was during this time far greater than typical on a per capita basis (*fig. 3.11 below*) including cannabis and other drugs.

Excluding cannabis arrests (*fig. 3.12 below*), the per capita drug arrest rate in Isleton is 962 compared with 616 statewide. Therefore, while the drug arrest rate in Isleton would still have been higher than the statewide rate, cannabis arrests played a significant and outsized role in Isleton’s disproportionate drug arrest rate during this period.

²⁶ Except for one non-cannabis drug arrest in 2007 by SCS, all drug arrests from 1985 to 2008 are by Isleton PD. All arrests after 2008 are by SCS.

Figure 3.11*Average Drug Arrests per 100,000 1985-2008, Including Cannabis*

	Isleton PD	Rio Vista PD	California
Average Annual Drug Arrests (1985-2008) ²⁷	12	33	250,437
Average Population (1985-2008)	832	4,429	32,204,093
Arrests per 100,000	1,388	737	778

Figure 3.12*Average Drug Arrests per 100,000 1985-2008, Excluding Cannabis*

	Isleton PD	Rio Vista PD	California
Average Annual Drug Arrests (1985-2008) excluding Cannabis Arrests	8	28	198,370
Average Population (1985-2008)	832	4,429	32,204,093
Arrests per 100,000	962	632	616

Impact of Drug Arrests on Black and Hispanic People in Sacramento County:

Data from the California Department of Justice Monthly Arrest and Citation Register (MACR) database provide more opportunity to analyze arrests by race and ethnicity, age, as well as information about the outcome of the arrest. In particular, unlike the FBI data, these data differentiate Hispanic as a separate ethnicity making it possible to draw inferences about the impact of the drug war on Isleton's significant Hispanic community.

These data²⁸ reveal a familiar pattern. Black arrest rates consistently exceed any other race or ethnicity, throughout the time period. In addition, the arrest rate for people of Hispanic origin is higher than the white non-Hispanic rate until the year 2010²⁹ (*fig. 3.13* below) .

There is a notable drop in felony drug arrests in the year 2015 for all race/ethnicity categories. This is due to Proposition 47 in California which, among other reforms, reclassified many felony

²⁷ Assumes missing year values are 0 arrests for Isleton. There is one drug arrest from SCS that is included in the graph, but not included here. Only the FBI-sourced Isleton PD arrests are included here to make a direct comparison to the FBI-sourced Rio Vista PD arrest data.

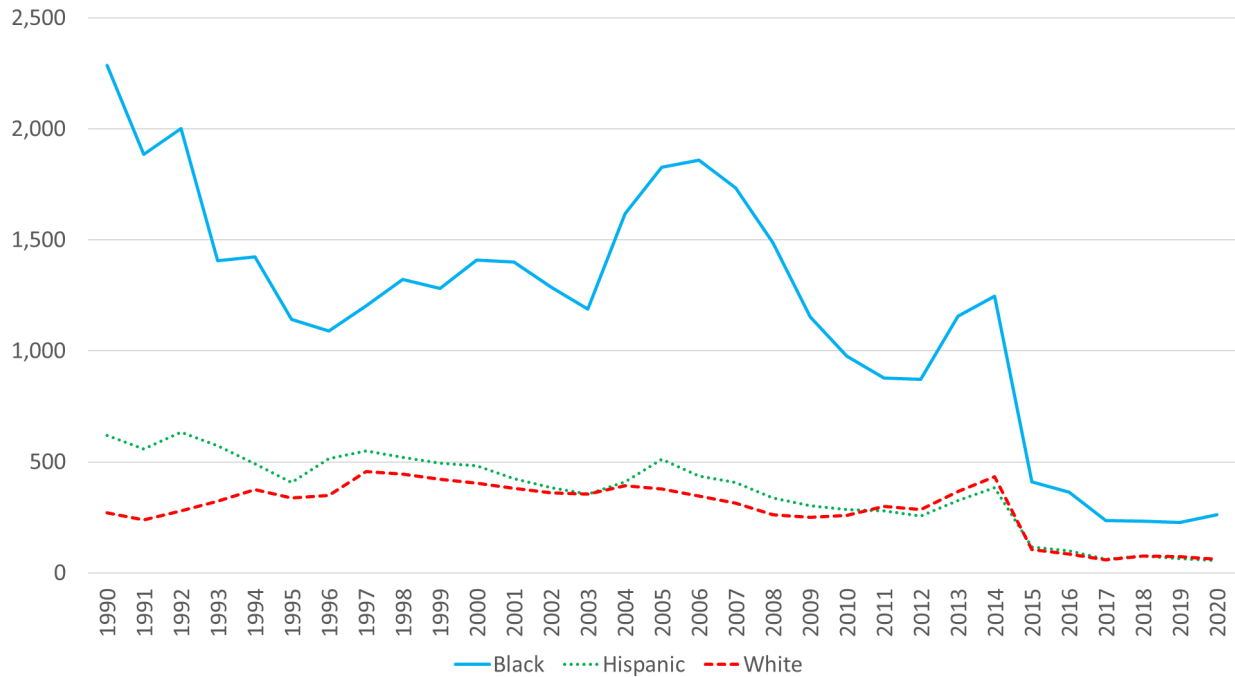
²⁸ Population and demographic data were gathered from the Census for 1990, 2000, 2010 and 2020 for Sacramento County. A linear interpolation method was used for years in between Census estimates.

²⁹ In 2010, SB 1449 decriminalized possession of less than an ounce of cannabis. It is beyond the scope of this assessment to determine whether this is coincidence.

drug possession offenses to misdemeanors. Total felony drug arrests dropped by 71% from the prior year.

Figure 3.13

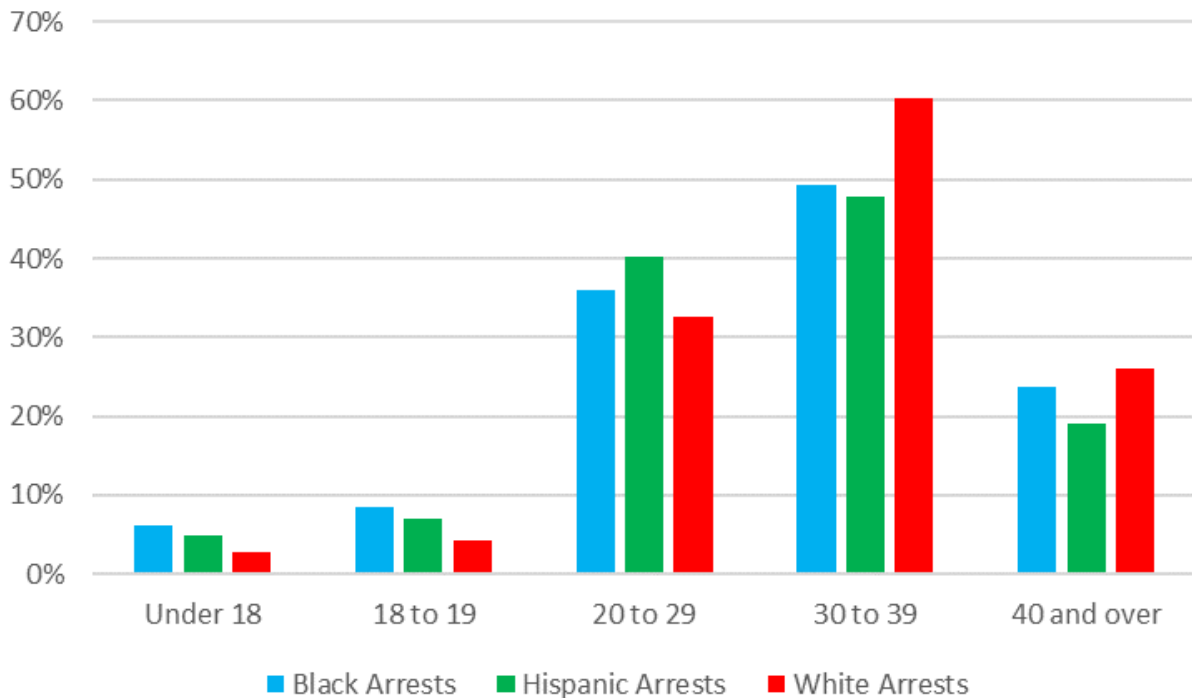
Felony Drug Arrests per 100,000 Sacramento County



Analyzing these data by age reveals further disparities. Black and Hispanic arrests are heavily skewed toward younger arrestees. Felony arrests made of Black minors constitute 6.2% of total Black arrests, whereas just 2.7% of felony drug arrests of white suspects are under 18 (*fig. 3.14 below*). Similarly, 4.9% of Hispanic felony drug arrests are under 18. Thus, not only do Black and Hispanic individuals experience higher total arrest rates, but these arrests disproportionately target younger populations.

Figure 3.14

Age Distribution of Felony Drug by Race/Ethnicity in Sacramento County (1980 - 2020)



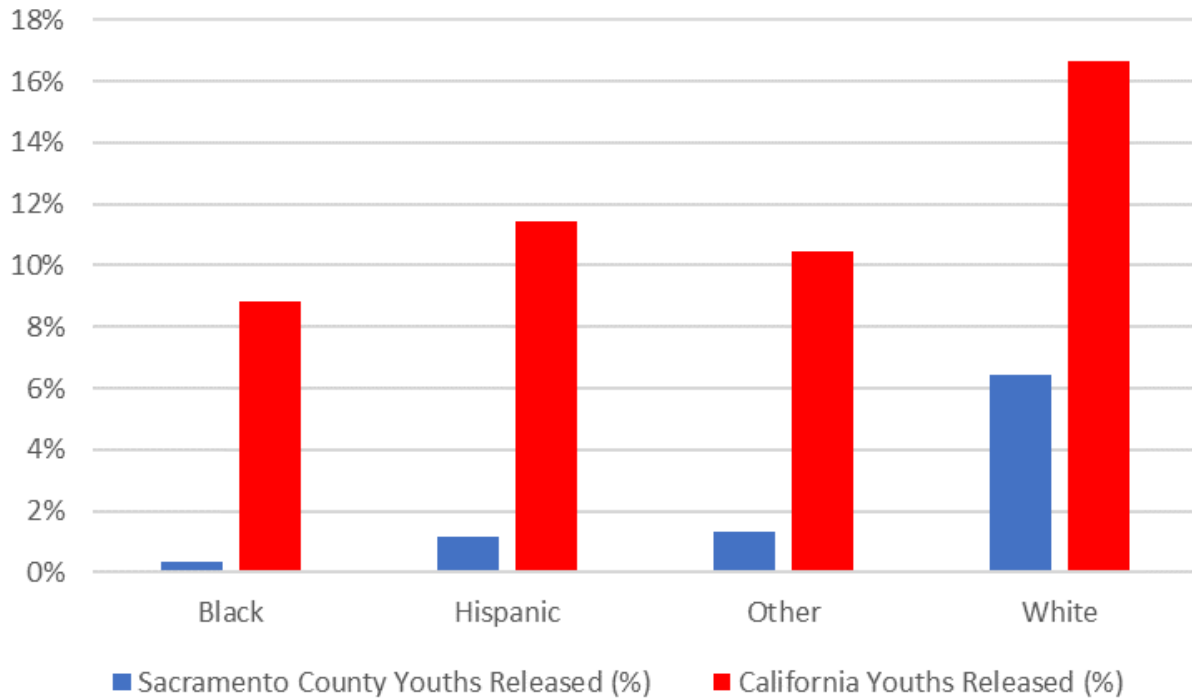
Furthermore, evidence indicates that Black and Hispanic populations experienced greater consequences of arrests during this period, both relative to other race/ethnicity groups within the county as well as to the statewide rate. A white youth in Sacramento County is 5.5 times more likely than a Sacramento County Hispanic youth and 18 times more likely than a Sacramento County Black youth to be released to their parents/guardian with a warning³⁰ (*fig. 3.15 below*). A California white youth is 14 times more likely to be released to a parent or guardian than a Sacramento County Hispanic youth and 46 times more likely to be released than a Sacramento County Black youth.

Research indicates a cause and effect relationship between juvenile incarceration and subsequent reduced high school completion rates as well as increased adult incarceration rates, indicating that incarceration has an effect on these outcomes independent of the individual characteristics of the detainee (Aizer and Doyle). These disparities in arrest rates and outcomes have long lasting and consequential effects on people of color and of Hispanic origin in Sacramento County.

³⁰ According to the MACR database context document, these are juveniles “taken into custody for committing a violation and the law enforcement agency does not make a referral to juvenile court and does not file formal charges. The juvenile, in most cases, is warned and released to the parents or guardian” (California Department of Justice, p. 4).

Figure 3.15

Youth Felony Drug Arrestees Released with Warning (1980 - 2020) Sacramento County



California and the United States

The Center on Juvenile and Criminal Justice (CJJC) has published several reports that demonstrate patterns in drug arrest rates in California disproportionately affecting people of color (The Center on Juvenile and Criminal Justice). Starting in the 1990's, arrests in California for drug possession increased dramatically. Cannabis possession rates increased by 124% while other categories of more serious crimes showed decreased arrest rates. Drug arrest rates per 100,000 population rose much faster for African Americans, Hispanic individuals, those under the age of 21, and white people over the age of 40.

Though a majority of states allow medical cannabis use, cannabis leads drug-related prosecutions in the United States. According to New Frontier Data, over 650,000 people were arrested for cannabis-related offenses in 2016 (Song). Cannabis accounted for 42% of all drug-related arrests in 2016, with cannabis possession offenses specifically accounting for 37% of all arrests. For comparison, heroin and cocaine together accounted for 26% of arrests nationally.

According to a report from the American Civil Liberties Union (ACLU) titled *A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform*:

There were more marijuana arrests in 2018 than in 2015, despite the fact that eight states legalized marijuana for recreational use or decriminalized marijuana possession in that timeframe. Marijuana arrests made up 43% of all drug arrests in 2018, more than any other drug category. The overwhelming majority of marijuana arrests- 89.6%- are for possession only. (ACLU)

Thus, cannabis, being less addictive and less destructive than alcohol, accounts for nearly half of all drug arrests nationally, and is a primary driver of racial disparities in drug arrest rates (Powell).

Josh Adams notes in an article for New Frontier Data: “Drug offenses are often the pretext for seizing other cash or property” (Adams). For example, a report published by the Justice Department Inspector General in 2017 found that “the DEA seized more than \$4 billion in cash from people suspected of drug activity over the previous decade, but \$3.2 billion of those seizures were never connected to any criminal charges” (Ingraham). Research also indicates that civil asset forfeiture disproportionately impacts low-income and historically marginalized communities. Relying on the suspicion of a crime allows law enforcement to seize cash and property almost entirely without accountability, often under the pretense of thwarting drug-related activity.

Nationally, Black and Hispanic individuals account for nearly 60% of state prisoners serving time for drug convictions and 80% of federal prisoners serving time for drug convictions. Hispanic individuals incarcerated for drug offenses are overrepresented in state prisons, and in federal prisons, they are overrepresented by more than a factor of two. Additionally, a Hispanic child is twice as likely to have a parent incarcerated for a nonviolent crime than their white counterpart (Drug Policy Alliance).

Section 4. Current Conditions in Isleton

Structural conditions within Isleton create vulnerabilities that exacerbate the effects of the War on Drugs for the citizens of Isleton. These conditions include poverty, unemployment, low rates of higher educational attainment, and lack of affordable housing. For example, those with a college education, affordable housing, and savings are much less vulnerable to a cannabis arrest, charge, or conviction. Individuals lacking the skills necessary to navigate complex legal proceedings and without the financial autonomy to hire a lawyer of their choice, however, are more vulnerable to the consequences of a cannabis arrest, charge, or conviction.

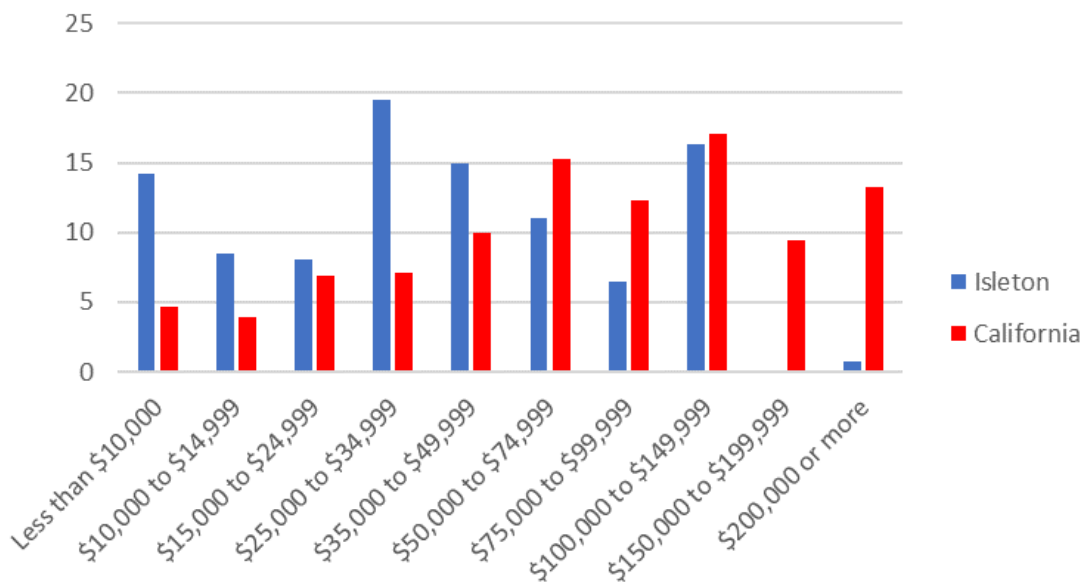
4.1 Economic Conditions in Isleton

Income and Poverty

Median household income in Isleton (\$34,500) is less than half than the state average (\$78,672)³¹, and per capita income comes in at a little more than half the statewide per capita income at \$25,684 compared with \$38,576 statewide³² (*fig. 4.1 below*). While there is a degree of statistical uncertainty, Isleton’s income distribution- along with the exceptionally low median household income- suggests that a significant proportion of Isleton’s citizens experience deep poverty. Nearly a quarter of households in Isleton live on an income of less than \$15,000.

Figure 4.1

Isleton Household Income Distribution



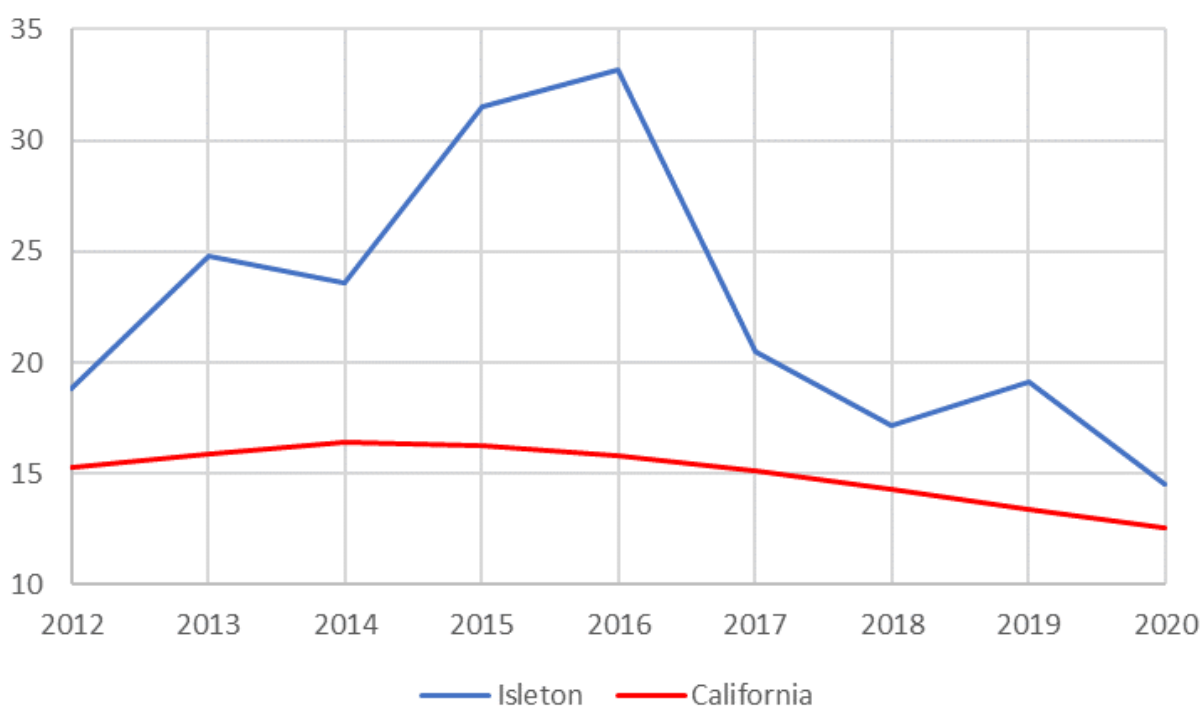
³¹ Census table S1901

³² Census table DP03

Estimates of the poverty rate for Isleton have a high degree of uncertainty due to the limited sample size; however, the poverty rate trends consistently higher than the state average (*fig. 4.2 below*). Following the Great Recession in 2014, the California poverty rate began to steadily decline, however the poverty rate Isleton continued an upward trend, accelerating even, and in 2016, poverty in Isleton reached an exceptional 33.2%. From 2013 through 2017, there was a corresponding resurgence in drug arrest rates in Isleton that followed the same general trend as poverty during that period, with both poverty and drug arrest rates peaking in 2016 (see Section 3.3, *fig. 3.9* and *fig. 3.10*).

Figure 4.2

Isleton Poverty Rate

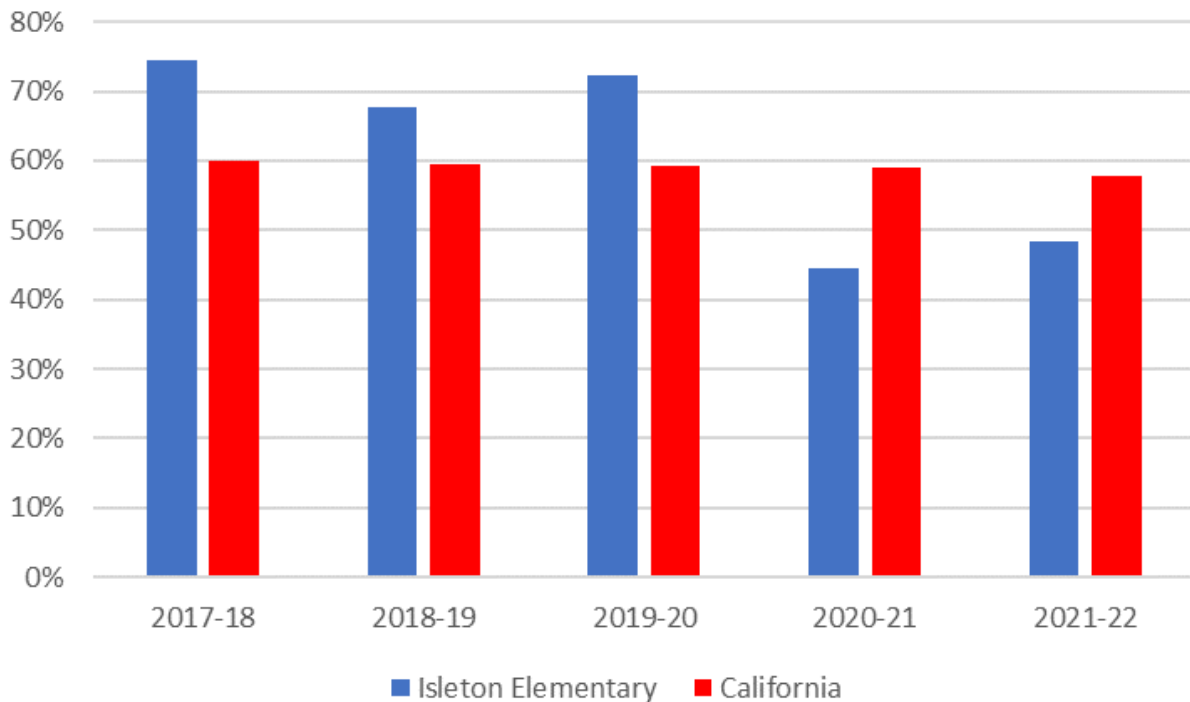


The percentage of Isleton’s population receiving public assistance sheds further light on the current level of poverty in the area. In Isleton, 10.2% of households receive Supplemental Nutrition Assistance Program (SNAP) benefits, compared to 9.0% statewide³³. Currently, the percentage of Isleton Elementary students who qualify for free or reduced priced meals is lower than the state average— however, as recently as the 2019/20 school year, the rate in Isleton Elementary significantly exceeded the state average (*fig. 4.3 below*) (California Department of Education).

³³ Census table S2201

Figure 4.3

Free and Reduced Priced Meals Eligibility



The effects of poverty are broad, significant, and long-lasting. For example, studies indicate that young children exposed to poverty have lower rates of school completion, and, as discussed below, Isleton historically has experienced both high rates of poverty and low rates of educational attainment (Brooks-Gunn & Duncan). As recently as 2016, nearly one-third of Isleton’s population was in poverty, and while the current poverty rate is similar to the statewide average, the effects of the exceptionally high rates of poverty in Isleton’s recent history will continue for decades to come.

Employment

While the current unemployment rate in Isleton is on par with the state average, during the height of cannabis arrests in 2010, the unemployment rate in Isleton reached 21.3%, nearly twice the state unemployment rate of 12.5% at that time (*fig. 4.4 below*) (State of California: Employment Development Department). As discussed in Section 3, unemployment is associated with cannabis and general drug use. Research indicates that, due to psychological stresses of unemployment or fear of job loss, unemployment is a contributing factor to drug use (Hummel et al). Furthermore, those with past drug use may be particularly vulnerable to relapse during periods of high unemployment. These extraordinary unemployment rates in Isleton’s recent history indicate a

working population that, all else equal, is more vulnerable to drug use and the financial consequences of a drug arrest.

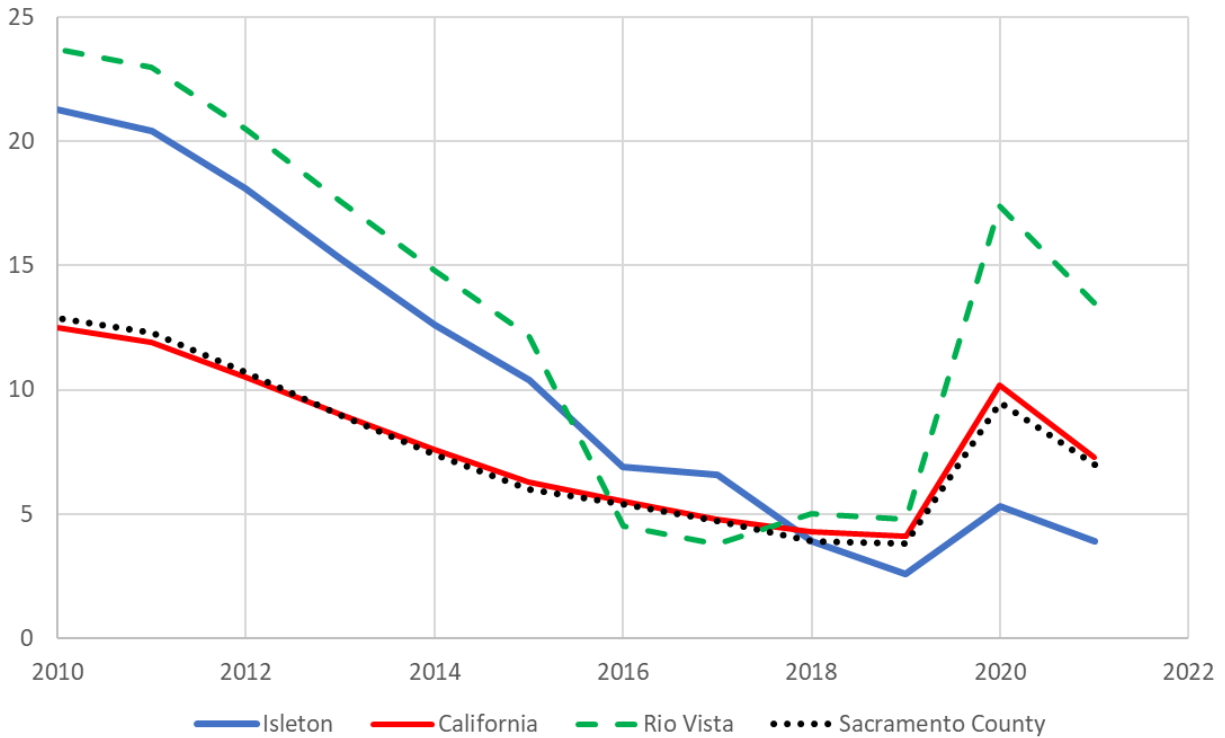
Since employment opportunities are limited in Isleton, most residents commute to jobs within the region (City of Isleton). Only 8.9% of Isleton's working population has a commute time less than 10 minutes³⁴, and due to the limited size of the city, we can infer from this statistic that the vast majority of the working population works outside city limits. Therefore, the broader labor market offers some indication of the labor market opportunities available to Isleton residents. Thus, it is helpful to take into consideration the unemployment rates in nearby jurisdictions as well as the unemployment rate in Isleton.

Labor market conditions have improved markedly in recent years. The Isleton unemployment rate has declined from over 20% of the labor force in 2010, to just 3.9% in 2021³⁵. Isleton's neighboring city Rio Vista, however, continues to experience an unemployment rate in excess of the state average unemployment rate, while the broader Sacramento County rate tracks the state level rate very closely. Due to anomalies and statistical variation, it is possible that employment conditions in Isleton are not as strong as indicated by the Isleton unemployment rate below.

³⁴ Census table S0801

³⁵ Due to anomalies and statistical variation, it is possible that employment conditions in Isleton are not as strong as indicated by the unemployment rate. The unemployment rate only presents the percentage of the current labor force that is unemployed. An unemployed worker can either find work, remain unemployed, or possibly leave the labor force. Reasons for leaving the labor force are many, but often workers may become discouraged with their employment options and choose to leave the labor force altogether, and this may be of particular significance due to Isleton's aging demographic, many of whom may be nearing retirement. The data that is available for Isleton indicate a shrinking labor force (ACS Table DP03), however there are inconsistencies between the ACS population data and the Decennial Census data. The Census estimate for 2020 is 794 (Table P1), indicating only a slight decline from the 2010 estimate of 828—the ACS estimate, however, is 495 (table DP05) and indicates a steady decline. The ACS also indicates a declining population over 16 and labor force. It is possible that the decline in the unemployment rate is in part an artifact of the declining labor force as estimated by the ACS.

Figure 4.4
Unemployment Rates



Employment by Sector and Income:

A considerable portion of Isleton’s working population works in the agricultural and natural resource sectors as well as retail (*fig. 4.5 below*). Breaking down employment by sector reveals several marked differences between Isleton’s working population and the statewide figures. Not only do significantly fewer workers work in higher paid ‘management, business, science, and arts occupations’ (*fig. 4.6 below*), but those who do have jobs in this category are paid less than half the state average in this category (*fig 4.7 below*). Significantly more workers in Isleton work in the ‘natural, resources, construction, and maintenance occupations’ and ‘production, transportation, and material moving occupations’ categories, which tend to be lower paying occupations.

Figure 4.5
Isleton Employment by Industry

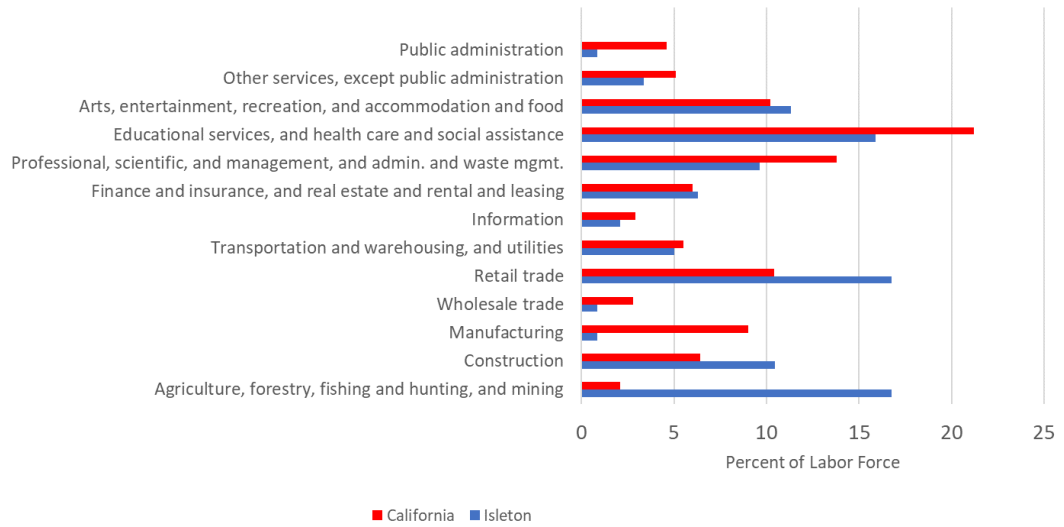


Figure 4.6
Percentage of Working Population by Sector

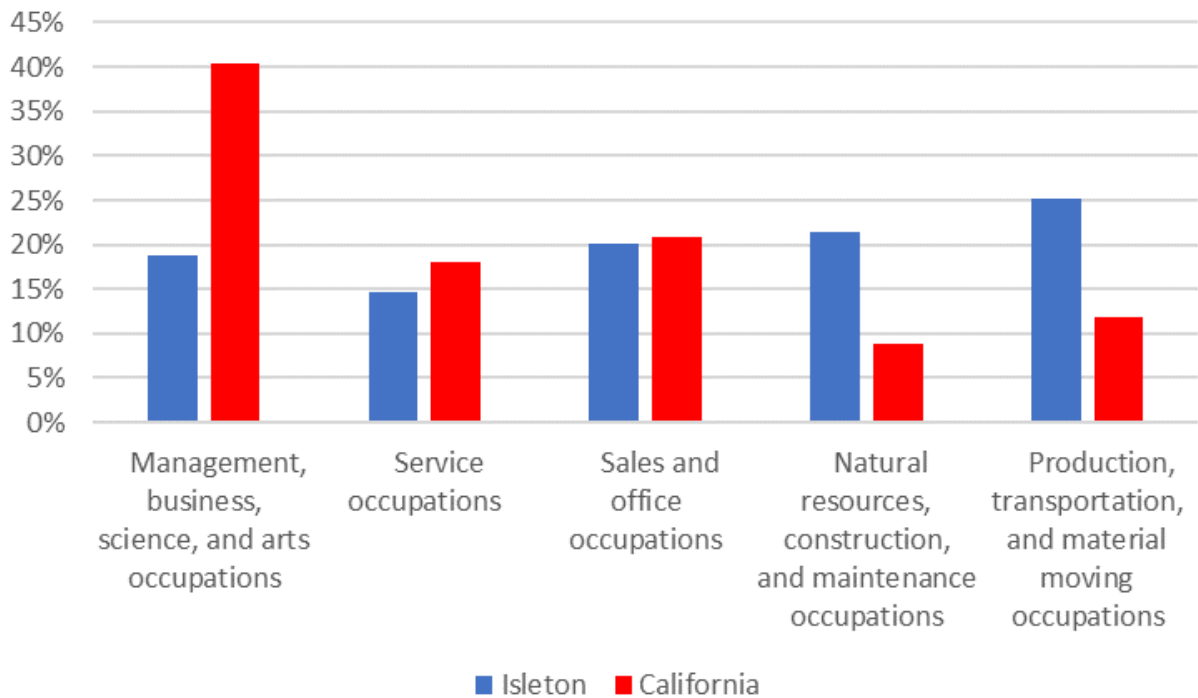
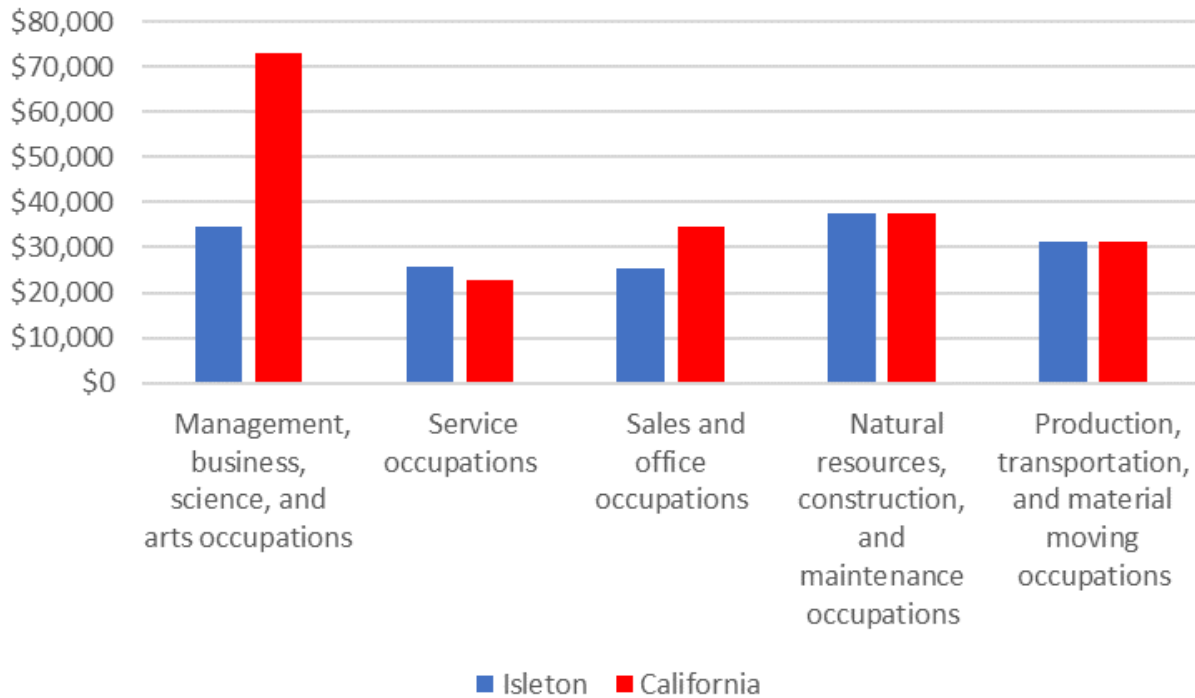


Figure 4.7

Median Earnings by Sector



Economic Impact of Legalization

Despite Isleton and Sacramento City being the only two jurisdictions in Sacramento County that allow for cannabis cultivation and firms, cannabis is a significant driver of economic activity and employment in Sacramento County (Economic & Planning Systems, Inc.). In the city of Sacramento, 8,000 workers are employed by 252 cannabis firms, putting it in the top 10 industries by employment. Thus, each cannabis firm in Sacramento City employs an average of nearly 32 employees (Economic & Planning Systems, Inc.). This figure provides some indication of the employment potential of Isleton’s nine licensed cannabis firms.

Legalization in Isleton, and the city’s embrace of the legal cannabis industry, appears to have contributed to improved economic conditions. On a relative basis, Isleton’s cannabis industry is massive. There is one cannabis firm for every 88 citizens in Isleton (see Section 5), whereas in Sacramento City, there are 2,083 citizens for each cannabis firm³⁶. Prior to legalization, economic conditions in Isleton were significantly worse relative to statewide conditions. Post legalization, economic conditions have improved on a relative basis and, since 2018, unemployment in Isleton has been lower than the state average. New bars and restaurants have

³⁶ Census Table P1

opened in Isleton along with the new cannabis firms, and the city's fiscal conditions have improved (Yoon-Hendricks).

4.2 Housing in The City of Isleton

City officials shared that there is a shortage of affordable housing in the area, which is a particularly pronounced issue for the working class in Isleton. Demand from Bay Area transplants and commuters further exacerbates the shortage of affordable housing available to locals, particularly those with low or moderate incomes.

Commuters from the Bay Area and high cost of living areas are looking to the Delta region for lower cost options. A 10 minute drive in the direction of the Bay Area, Isleton's neighbor- Rio Vista- has experienced rapid population growth rising 35.9%³⁷ from 2010 to 2020, compared to the statewide population increase of 6.1%. It is likely that those who find a lack of affordable housing in Rio Vista may look for housing in neighboring Isleton, contributing to a scarcity of housing in Isleton.

In the mid 2000s, the City approved an ambitious plan to build more than 300 homes in the disused northern part of town called the Village on the Delta. However, during the housing crash of the late 2000s, construction came to a halt with only a handful of units completed. The undeveloped area would remain vacant until briefly becoming home to an ill-fated medical cannabis operation (see Section 4.2) in 2011. In recent years, development of the Village on the Delta housing development has resumed and is on track to increase the housing supply at the higher end of the housing market (Joseph).

Housing Affordability

While the limited sample size creates a degree of uncertainty, approximately 60.7% of Isleton renters spend more than 30% of their income on rent³⁸, whereas 55.8% of renters statewide spend more than 30% of their income on rent. For homeowners with a mortgage, 54.3% pay more than 30% of their income on housing expenses³⁹ compared to 37.7% statewide. As the Federal poverty guidelines do not distinguish between high and low cost of living areas, these elevated figures provide a more complete picture of the state of poverty in Isleton. Moreover, high housing costs reduce one's ability to accumulate savings and can make higher education less attainable.

³⁷ Census Table P1

³⁸ Housing costs equal to 30% of gross monthly income is the threshold designated by the U.S. Department of Housing and Urban Development used by many to determine whether housing is affordable.

³⁹ ACS Table DP04

As of 2020, roughly 42 (or about 17% of the housing supply) housing units in Isleton were mobile homes or other types of alternative housing, compared to the state average of just 3.5%⁴⁰, indicating the community's need for affordable housing options.

Homeownership

The headline rate of homeownership is similar to the state average: 60.2% of households in Isleton⁴¹ compared with 57.9% statewide. However, since Isleton's population skews older (the median age is 44.3 compared to the state median of 36.7⁴²), we would expect to find much higher rates of homeownership than average since rates of homeownership increase significantly with age⁴³. Thus, on an age-adjusted basis, rates of homeownership appear lower than expected in Isleton. Homeownership affords the opportunity to avoid rising rent and to accumulate wealth. Renters, who forgo these opportunities, face greater economic vulnerability, decreasing their ability to confront a hardship such as an arrest or being charged with a crime.

Single Householders

In Isleton, 60.2% of households are single householders with no spouse or partner present, compared to 43.8% for the state⁴⁴. One may suspect that this figure is driven by a higher rate of widow/widower households due to the older demographic in Isleton, however only 3.1% of households in Isleton are widows, versus the state average of 4.9%⁴⁵. Single householders are more vulnerable to a variety of hardships, including the consequences of a cannabis arrest, charge, or conviction.

4.3 Educational Attainment in The City of Isleton

Rates of higher educational attainment in Isleton are below state averages. While high school graduation rates are on par with state averages, as of 2020, roughly 3.9% of residents 25 and older held a bachelor's degree or higher compared to the state average of 32.9%⁴⁶. Given the small sample size, and the wide disparity, it is reasonable to suspect that this finding is a statistical anomaly. However, 2000 Census data, which are less susceptible to statistical variation, show a similar result as just 11.6% of the population holding a bachelor's degree or higher versus the 26.6% statewide average at that time⁴⁷.

⁴⁰ ACS Table S2504

⁴¹ ACS Table B25008

⁴² ACS Table DP05

⁴³ ACS Table B25007

⁴⁴ ACS Table DP02

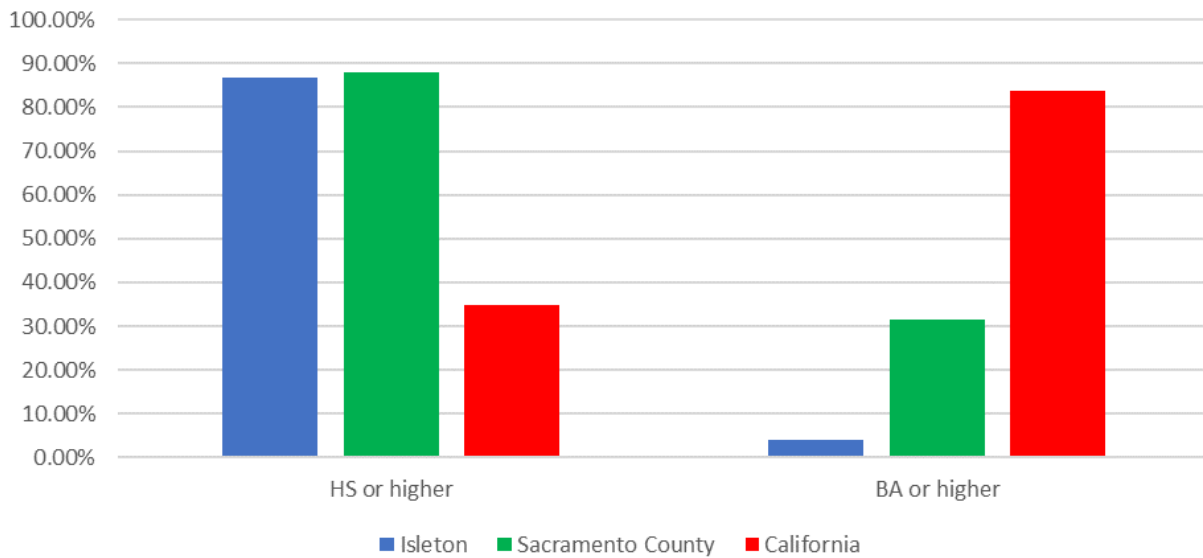
⁴⁵ ACS Table S0601

⁴⁶ ACS Table S1501

⁴⁷ Census Table DP2

It may be that the lower educational attainment is in part a legacy of Isleton’s industrial blue collar past. Regardless of the reasons, those without a college education are more vulnerable to, and less prepared to navigate, the consequences of a drug arrest, charge, or conviction.

Figure 4.8
Educational Attainment for Population 25 and Older



4.4 Youth Cannabis Use

Isleton does not have a middle school or high school, and after the 6th grade, Isleton students attend middle and high school in neighboring Rio Vista. Thus, we assess youth cannabis use for the River Delta Joint Unified School District which serves Rio Vista.

Cannabis use rates are similar to those of the state averages for students reporting use in the past month. For lifetime use, we see somewhat higher rates of students using cannabis at least once in their life for grades 9 and 11 (KidsData).

Figure 4.9
One or More Days of Cannabis Use in Past Month

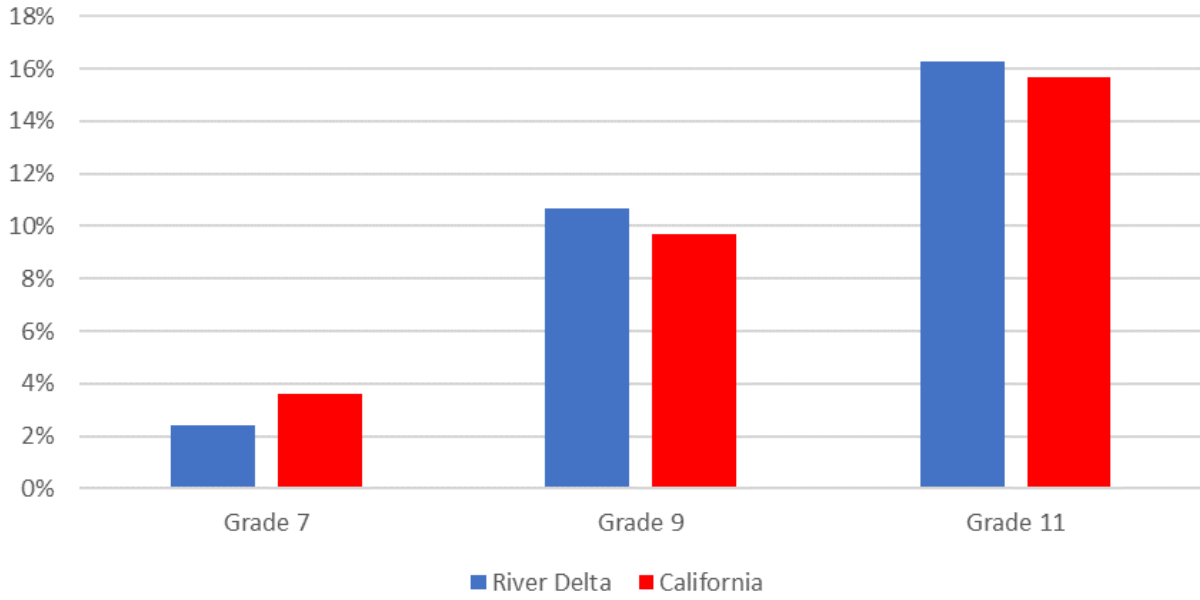
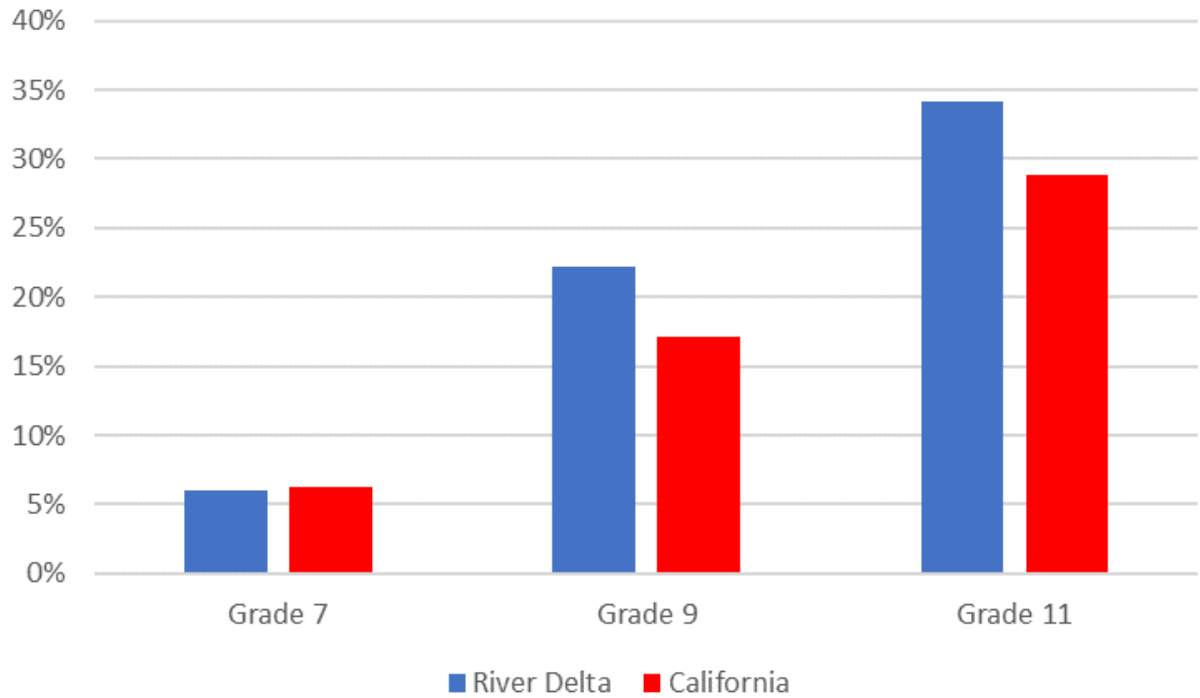


Figure 4.10
One or More Days of Cannabis Use in Lifetime



Section 5. Overview of the Isleton Cannabis License Process & Issued Permits

5.1 Existing Regulatory Environment

Figure 5.1

Cannabis Regulations in Nearby Jurisdictions (Department of Cannabis Control)

Nearby Jurisdictions	Retail (Store)	Retail (Delivery)	Distribution	Manufacturing	Cultivation	Testing
Contra Costa County	Allowed	Allowed	Allowed	Allowed	Limited	Allowed
Sacramento County	Prohibited	Prohibited	Prohibited	Prohibited	Prohibited	Prohibited
San Joaquin County	Prohibited	Allowed	Allowed	Allowed	Allowed	Allowed
Solano County	Prohibited	Prohibited	Prohibited	Prohibited	Prohibited	Prohibited
Rio Vista City	Allowed	Allowed	Allowed	Allowed	Limited	Allowed
Sacramento City	Allowed	Allowed	Allowed	Allowed	Limited	Allowed
Isleton	Allowed	Allowed	Allowed	Allowed	Limited	Allowed

Isleton and Sacramento City are the only two jurisdictions in Sacramento County that allow any form of commercial cannabis. Sacramento County and two of the three nearest counties neighboring Isleton prohibit storefront cannabis firms. This reduces competition and creates more market opportunities for firms within Isleton to provide products to customers from nearby areas that do not allow for retail cannabis.

In Isleton, outdoor cannabis cultivation is prohibited (see Appendix, Ordinance 2018-2), though indoor cultivation is permitted as well as all other types of commercial cannabis. The number of businesses ‘primarily engaged in retail’ is capped at 3⁴⁸.

⁴⁸ See Ordinance 2018-08 in Appendix. The exact wording in the ordinances is ‘the number of commercial cannabis facilities engaging primarily in retail cannabis sales shall not exceed three’.

5.2 Review of Issued Permits in Isleton and Application Process

Favorable market and regulatory conditions have attracted cannabis entrepreneurs to the city. As of 2022, Isleton has nine cannabis permitted firms in operation—one firm for every 88 citizens. Of these nine firms, 19 cannabis licenses have been granted.

Manufacturing and distribution are significant industry sectors, indicating that Isleton’s cannabis industry is focused less on cultivation and more on valued-added economic activities and distribution. The City’s proximity to several major cities as well as its relatively low labor and real estate costs likely confer a comparative advantage in these economic activities.

As discussed in Section 4, these new economic activities appear to have improved economic and employment conditions in the city.

Figure 5.2

Existing Permits in Isleton

Permit Type	Issued and in operation
Cultivation	2
Manufacturing	5
Retail	2
Retail Dispensary	3
Distribution	5
Delivery-only	1
Packaging/Processing	1

Application Process

Isleton’s application process is typical of many other jurisdictions. Applicants must submit an application and fee of \$4,200, which is required to process the application. Applicants are expected to furnish information about the type of business, site plans, floor plans, a security plan, and an odor mitigation plan. Completed applications are subject to review by the city Planning Commission and City Council.

Section 6. Barriers to Entry

The section that follows outlines the barriers to entry that equity stakeholders in Isleton face when seeking to transition into the legal cannabis sector. While many cannabis entrepreneurs are drawn to the city due to its relative affordability, economic conditions for the residents of Isleton prevent many locals from attaining the substantial resources needed to start a legal cannabis business. Isleton’s cannabis equity applicants and stakeholders face financial, banking, administrative/technical, and business acumen barriers.

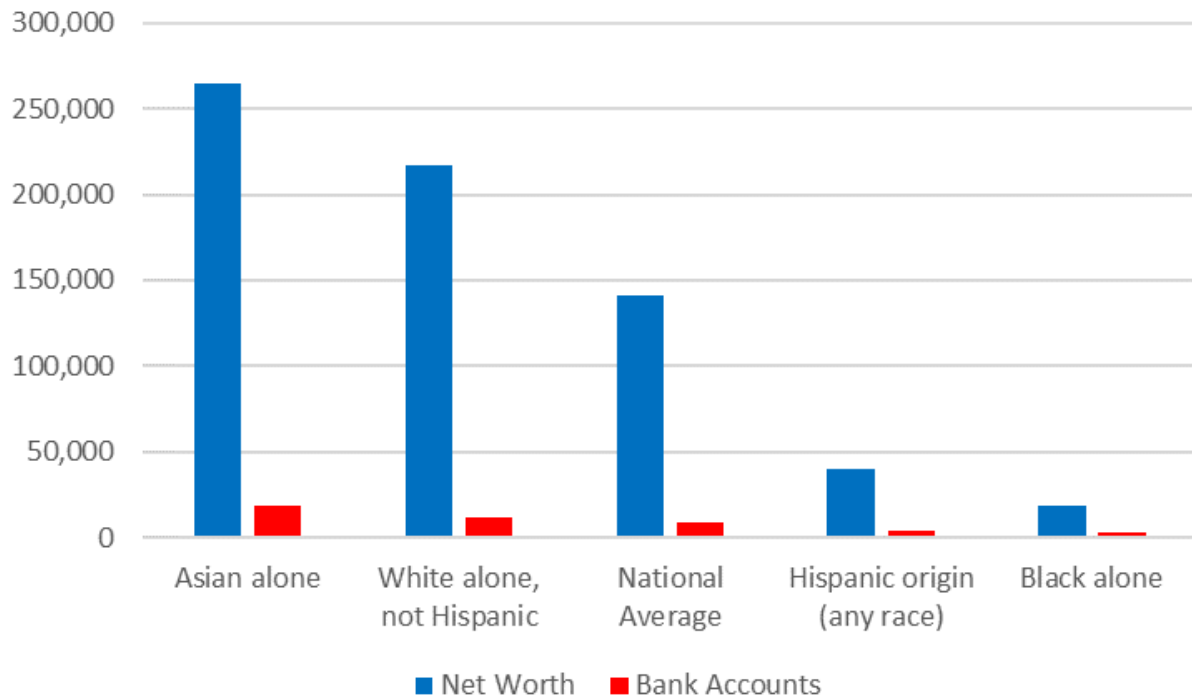
Financial

All new businesses face financial requirements to enter a new market. For individuals adversely affected by the historical criminalization of cannabis and/or poverty, financial barriers can be difficult to overcome. The application fees, fees for professional studies, traffic impact fees, and the cost of compliance with mitigation measures are significant barriers for smaller scale operations and/or socio-economically disadvantaged populations. Additionally, in Isleton, financial barriers include the costs of making zoning-compliant real estate also compliant with the City's building code.

A survey of cannabis industry stakeholders in Monterey County revealed that “paying rent on property while waiting for permits” is the number one barrier to entry to the legal cannabis industry, with 91% of respondents agreeing that this is a barrier to entry. Other significant financial barriers to entry include finding affordable properties for purchase (77% agree) or rent (73% agree), obtaining startup funds (75% agree), and cost of permits (71% agree) (Institute for Community Collaborative Studies).

Financial barriers are an especially predominant barrier for Isleton’s significant Hispanic population. Hispanic and Black households typically have significantly lower net worth and liquid net worth than Asian and white non-Hispanic households. Nationally, the median Hispanic origin household has a net worth (including primary residence) of \$39,800 and checking and savings account balances totalling \$4,090 (United States Census Bureau 2022). Recently elevated levels of poverty and unemployment, as well as currently low levels of income in Isleton (see Section 4), indicate that financial barriers are of particular significance in Isleton. This is an important consideration for determining eligibility criteria as well as the provided benefits of Isleton’s cannabis equity plan (see recommendations in Section 7).

Figure 6.1



Access to Personal and Business Banking Services

While about 2.5% of white households are unbanked, over 12% of Hispanic households are unbanked, meaning that no one in the household has access to banking services (Boel and Zimmerman). Attaining access to personal banking services adds an additional layer of difficulty in gaining access to the legal cannabis industry, one that disproportionately impacts Black and Hispanic populations.

The most prevalent reasons for being unbanked are the inability to meet minimum balance requirements and lack of trust in banks. These proximate causes suggest that lack of banking services is fundamentally interacting with other barriers: income, wealth, and financial literacy. These factors are likely to translate into, among other challenges, difficulty attaining business banking services.

Compounding these barriers is the legal ambiguity that banks face in providing services to firms related to the cannabis industry. According to the American Bar Association, no major bank and only a small minority of smaller banks and credit unions provide services to cannabis firms out of fear of violating federal law (Black & Galeazzi).

Lack of business banking further complicates the process of obtaining access to the legal cannabis industry and creates unnecessary risks. The American Bar Association adds:

This state of legal limbo greatly increases the risks to which these businesses are exposed in that they must deal with large amounts of cash, thereby increasing the risk of robbery and making it difficult to render payment to others. (Black & Galeazzi)

Administrative

Applications require an understanding of and compliance with complex requirements from multiple local and state agencies. In regards to cannabis permits, there are considerable administrative/technical barriers to entry. These processes are time-consuming, resource-intensive, and can require significant technical knowledge and/or skill. Accessing traditional sources of technical assistance, such as small business development centers, is not a viable option for those looking to enter the legal cannabis industry, as these programs are typically federally funded and risk losing funding for assisting firms conducting activity deemed illegal by the federal government.

Education and Business Acumen

The skills needed for participation in a highly regulated marketplace, including business planning, human resources management, accounting, and inventory controls can be significant barriers to entering a new market. Business education will be particularly important for Disproportionately Impacted Area (DIA) stakeholders because high rates of historical and current poverty indicate that such applicants will likely need and will benefit from education, training, and skill-building on how to successfully enter and thrive in the legal cannabis market. Well-resourced and highly-educated applicants have a significant advantage in the emerging legal industry, and a level playing field is necessary to ensure that those impacted by criminalization and poverty have both the resources and expertise to compete with more resourced and educated applicants.

Isleton's low rate of college attainment (see Section 4.3) is an important consideration for determining the benefits to be provided by Isleton's cannabis equity plan (see Section 7), as those without a college education may benefit from business education and assistance navigating the regulatory environment.

Section 7. Cannabis Equity Program Recommendations

Recommendation 1: Targeted Eligibility Factors

Equity program eligibility factors should be focused on specific targeted populations most harmed by cannabis criminalization and poverty in order to reduce barriers to entry into the legal, regulated market. Eligibility criteria should be supported by data.

Figure 7.1 presents eligibility criteria recommendations as well as corresponding findings from this report.

Figure 7.1

Eligibility Criteria	Findings and Recommendations
Cannabis or other drug arrest or conviction	<p>Finding: Isleton experienced exceptionally high rates of cannabis and drug arrests in its past. People of color as well as Black and Hispanic juveniles in Sacramento County were disproportionately impacted by the War on Drugs (Section 3).</p> <p>Recommendation: Consider including the following criteria:</p> <ol style="list-style-type: none"> 1. Have been arrested for or convicted of the sale, possession, use, manufacture, or cultivation of cannabis or any other drug (including as a juvenile) or been subject to asset forfeiture between 1985 and 2016 2. Have a parent, guardian, sibling, or child who was arrested for or convicted of the sale, possession, use, manufacture or cultivation of cannabis, or any other drug, between 1985 and 2016
Residency	<p>Finding: Isleton as a whole experienced a disproportionate frequency of drug arrests, most of which were for possession (Section 3). Additionally, Isleton historically has experienced exceptionally high rates of poverty and unemployment (Section 4). Therefore, the effects of the War on Drugs and poverty were particularly acute for the citizen's if Isleton.</p> <p>Recommendation: Additional consideration to those who have resided in Isleton for multiple years prior to and including 2016</p>
Income	<p>Finding: Isleton is a low-income area (Section 4).</p> <p>Recommendation: Additional consideration for households with income at or below 80% of the area median income for household size</p>

Poverty status or economic hardship	<p>Finding: Isleton historically has experienced exceptionally high rates of poverty and unemployment (Section 4).</p> <p>Recommendation: Additional consideration for applicants who can demonstrate current or past poverty or economic hardship, such as income below the federal poverty threshold or unemployment for an extended period</p>
Veteran status	<p>Finding: Isleton has a significant veteran population. Veterans historically have unique challenges such as PTSD, and an equity program may help veterans overcome barriers (Section 2).</p> <p>Recommendations: Additional consideration to those with veteran status</p>

Recommendation 2: Create Opportunity to Participate

Ensure that applicants meeting equity program eligibility factors have adequate opportunity to take advantage of the program. Consider incentivizing ongoing support for equity applicants.

Consider the following strategies:

- Prioritization: Consider a prioritized permit process for equity applicants.
- Ratios: Consider mandating a requisite number/ percentage of equity applicants during permitting.
- Provisional Approval: Consider allowing for provisional approval of permits to allow equity applicants to overcome financial barriers. Provisional approval may provide potential investors with more certainty and willingness to provide capital investments.
- Amnesty Program: Consider developing pathways such as an amnesty program to encourage existing nonconforming businesses (such as small operators who qualify as equity applicants) to transition to the legal market.
- Consider facilitating co-operative or co-location arrangements.

Recommendation 3: Track Data to Measure Success

All peer jurisdictions who have implemented adult-use cannabis require data collection to understand the impact of the industry. Consider tracking data on general and equity applicants on an ongoing basis to measure the success of the equity program. Collect demographic data from equity program participants in accordance with guidance from the state of California.

Demographic data requested by the state includes: Race/Ethnicity, Gender, Sexual Orientation, Income Level, Prior Convictions, Military Service, Age, and Disability Status.

Although completion of an annual demographic questionnaire would be voluntary, program participants should be encouraged to complete the questionnaire so that the City can assure that

funding is leading to the creation of job opportunities and wealth for those affected by past criminalization.

Recommended Metrics:

- Number of equity applicants who apply⁴⁹
- Applicant information such as:
 - Types of drug-related offenses
 - Income status
 - Race
 - Ethnicity
 - Gender
 - Sexual Identity
 - Residency Status
 - Ownership Structure
- Cannabis workforce characteristics
 - Total number of employees
 - Number of local employees
 - Employment status (full-time, part-time, etc.)
- Equity program-specific data
 - Number of applicants eligible for equity program
 - Number and types of services provided to equity applicants
 - Number of equity program applicants to receive licenses

Recommendation 4: Address Barriers to Entry

Create specific services and programs for equity applicants that address and mitigate barriers to entering the legal cannabis market. Isleton in its recent past has experienced poverty and unemployment rates much higher than the state average (Section 4.1), and the City continues to have a median income far below the state average. Additionally, Isleton has much lower rates of educational attainment compared to the state (Section 4.3). Economic hardship and less formal education mean that many in Isleton experience disadvantages compared to wealthier applicants or applicants with more formal education. Isleton’s cannabis equity plan should include strategies to help equity entrepreneurs overcome these challenges and successfully compete in the cannabis industry.

⁴⁹ For those who do not complete the process, document the state and reason that they stopped if possible.

Barrier	Consider the following strategies:
Financial	<ol style="list-style-type: none"> 1. Waive fees for application assistance trainings 2. Deferral of or assistance with payment of application fees for zoning and special use permits 3. Waive or defer fees for trainings and certifications required by law 4. Loans or grants to incentivize businesses that mitigate adverse environmental effects of cannabis cultivation and manufacturing 5. Waive permit fees for applicants satisfying equity criteria.
Administrative /Technical	<ol style="list-style-type: none"> 1. Technical assistance for formation of cannabis cooperative associations 2. Provide training and/or technical assistance to assist those with past cannabis convictions to get their records expunged, for any remaining individuals who have not already had their records expunged 3. Work with banking institutions and provide technical assistance to support equity applicants in accessing banking services
Business Acumen	<ol style="list-style-type: none"> 1. Employment skill training for equity participants employed or seeking employment in licensed cannabis operations 2. Training/support for business owners to understand workforce rules and regulations. See recommendations below.

Below are a series of recommendations adapted from *Workforce Report: Humboldt County's New Cannabis Landscape* (2018) authored by Deborah Claesgens & Michael Kraft on behalf of the Humboldt County Workforce Development Board:

Manufacturing/Production

Artisan Size Businesses

- Access to business planning (business startup strategy: how to build and manage a detailed startup business plan that can scale up and include facilities, marketing, tax and regulation, payroll, human resources hiring and supervision, and teamwork).
- Access to incubation and manufacturing hubs that can hire, cross train, and job share positions between small entrepreneurs.

Retail

- Access to comprehensive business and marketing strategies that connect cannabis retail to tourism and related workforce development (hiring, training, presentation, customer service, job readiness and supervisory skills).
- Access, training or mentorship in general business supervisory, customer service, workplace norms, and software skills.
- Evaluate the specific need and content for a program that certifies front line

positions (budtending, security, track and trace, manufacturing, and packaging personnel).

Agriculture/Cultivation:

- Access to business planning, low cost loans, or investment sources that can assist equity applicants with access to real estate, so that income can be spent on hiring, training, growing wages, and benefits of a variety of jobs, from farm management to bookkeeping. Equity funding could support this access for those impacted by cannabis criminalization and/or poverty.
- Support for reasonable regulations and zoning that promote and incentivize employers to build good business and workforce development practices.
- Access to standard human resource methods— hiring and orientation, training in proper and regulated land use for farm and field workers, hiring and supervision processes, setting job benchmarks and performance standards, and evaluating performance for promotion or wage scale increases.
- Access to business and HR tools: developing HR manuals and procedures, how to frame up a request for a consultant scope, how to interview and select the right consultant or consultant firm, and how to manage a consultant scope.
- Developing, securing, and increasing farm management skills in agricultural, biology, and land management.
- Access to agricultural extension services to help with the science of plant biology from a medicinal and commercial standpoint; help feed local graduates in biology and environmental sciences into the cannabis industry, much like is done in the timber industry.

Recommendation 5: Ensure Adequate Cannabis Permit Staffing

The city of Isleton should consider utilizing cannabis tax revenue to ensure that county staff managing cannabis permitting are at full staffing levels and are trained and educated on the cannabis permitting process. Not only should City staff be able to handle expertly crafted applications from well-funded applicants, but they should also be able to offer technical assistance and support for less-resourced applicants who are struggling to navigate a complex and expensive permitting process.

Recommendation 6: Consider Community Reinvestment

Local cannabis revenues can be directed to community reinvestment programming to rebuild and restore communities adversely affected by the past criminalization of those involved in the cannabis industry. A portion of Isleton cannabis taxes can be used to supplement equity funding received from the State of California.

Some potential focus areas include:

1. Local cannabis equity program

2. School-based youth alcohol and drug prevention efforts
3. Non-profit and/or citizen-led organizations whose work focuses on the health and well-being of residents
 - a. Organizations working to address abuse, assault, and trafficking within the cannabis industry
 - b. Restorative justice programs for youth and/or adults
 - c. Neighborhood improvement associations
 - d. Infrastructure projects that will improve the quality of life for city residents

Recommendation 7: Encourage Equitable Employment Practices

All cannabis operators should provide equitable employment opportunities. These opportunities should include providing a living wage to employees and hiring those with past non-violent cannabis convictions, local residents, and other historically-disadvantaged populations.

- Leverage existing workforce programs in the city/county
- Expand workforce curriculum to support professional opportunity and development
 - Support workforce fairs to provide outreach and education
 - Engage individuals who are experienced in the cannabis industry and have transitioned from the unregulated market to the regulated market to ensure curriculum is relevant and applicable
- Consider incentivizing employers to prioritize hiring for local residents, those with past non-violent cannabis convictions, and other historically-disadvantaged populations (such as women, those who lived in communities targeted by CAMP raids, those living in poverty, and tribal members).

Recommendation 8: Continuous Monitoring and Improvement

Update *The City of Isleton Cannabis Equity Assessment* next year and every three years afterwards to:

1. Monitor and share progress of the Equity Program,
2. Monitor and share trends in the emerging legal cannabis industry,
3. Identify areas for course correction and/or unexpected consequences

Appendix: Isleton Ordinance History

Location Cannabis Regulations - Related Ordinances

ORDINANCES

The below section provides a high level overview of the City of Isleton's cannabis-related measures and programs from 2018 to the present.

Date: Adopted 4/25/2018, Effective 5/25/2018

Title: Ordinance No. 2018-01

Summary: An ordinance that bans smoking of cannabis or cannabis products on City property. This ordinance makes smoking cannabis on City property punishable as a misdemeanor.

Date: Adopted 4/25/2018, Effective 5/25/2018

Title: Ordinance No. 2018-2

Summary: An ordinance that bans the outdoor cultivation of cannabis anywhere in the Isleton. This chapter requires that commercial cannabis facilities in Isleton are to cultivate only in secured, enclosed, ventilated structures, not visible to the public, and in Commercial (C) and Planned Industrial Districts (PDI) within the City. Additionally, the chapter asserts the following conditions: commercial cannabis facilities will need a development agreement approved by the city council prior to operation. The public safety and security plan for every commercial cannabis facility must be reviewed and approved by the City. Commercial cannabis facilities will not have exterior signage, and they must have ventilation systems that prevent odors outside the structure. Finally, commercial cannabis facilities must be inaccessible to anyone under 21 years old, unless licensed to sell to medicinal cannabis patients over 18.

Date: Adopted 4/25/2018, Effective 5/25/2018

Title: Ordinance No. 2018-3

Summary: This ordinance amends the Isleton Zoning Ordinance, conditionally permitting and setting zone restrictions on where commercial cannabis activity and personal use cultivation can take place within Isleton.

Date: Adopted 6/26/2018, Effective 7/25/2018

Title: Ordinance No. 2018-08

Summary: This ordinance adds section 2307 to Chapter 23 of the Isleton Zoning Ordinance. This amendment officially ends the moratorium on commercial cannabis activities in the City of Isleton. The amendment requires a Conditional Use Permit for all commercial cannabis facilities. Conditional Use Permits will be valid for five (5) years. The zoning permits specify that cannabis facilities will not allow cannabis use on site, that commercial cannabis facilities will not be visible from public thoroughfares, that no minors will be allowed to access commercial cannabis facilities except for primary caregivers or minors accompanied by their parent/guardians, and that there will be no public access to commercial cannabis facilities except for retail locations.

The amendment puts a cap on total retail facilities, limiting the number of primarily retail and delivery commercial cannabis businesses to no more than three (3) businesses. Permits are to be issued on a first come, first serve basis.

Date: Adopted 9/23/2018, Effective 10/23/2018

Title: Ordinance No. 2018-5

Summary: This ordinance provides an amendment to the Isleton Zoning Ordinance, allowing for the indoor cultivation of cannabis for personal use in residential zoning areas. The amendment allows for one (1) permit per residence, to grow no more than six (6) mature or twelve (12) immature cannabis plants for personal use pursuant to the CA Senate Bill 94, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”). The plants must not be visible or evident from the public, including light emanating from the cultivation. Grow lights must not exceed one-thousand two hundred (1200) watts. The residential structure or greenhouse involved in the personal indoor cultivation will have proper ventilation and filtration systems to prevent the odor escaping to the public. The residential premises must have a fully functional and usable kitchen, bathroom, and bedroom areas used by the primary resident grower, and the premises must not be used solely or exclusively for cannabis cultivation. The permit for personal use cultivation is valid for three (3) years and may be extended after.

Essentially, this amendment allows for personal use cultivation, so long as cultivation happens in a residential home, with the appropriate lighting, filtration, and preventative planning so that it is not detectable to the public.

Date: Adopted 04/09/2019, Effective 05/09/2019

Title: Ordinance No. 2019-05

Summary: This ordinance provides an amendment to the Isleton Zoning Ordinance which repeals a subsection from Article 23, Section 2306. The amendment removes subsection c, effectively ending the city ban on exterior signage for commercial cannabis facilities.

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