

**AGENDA**  
**NEWMAN CITY COUNCIL, SPECIAL MEETING**  
**OCTOBER 14, 2008**  
**6:00 P.M.**  
**CITY HALL CONFERENCE ROOM**  
**1162 MAIN STREET**

1. **Call To Order.**
2. **Roll Call.**
3. **Items From The Public.**
4. **Adjourn To Closed Session**
  - a. Conference With Labor Negotiator - Operating Engineers Local No. 3 Miscellaneous Employees- G.C. 54957.6
  - b. Public Employment - G.C. 54957.
  - c. Return To Regular Session.
5. **Adjournment.**

**AGENDA**  
**NEWMAN CITY COUNCIL/REDEVELOPMENT AGENCY**  
**REGULAR MEETING OF OCTOBER 14, 2008**  
**CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET**

1. Call To Order.
2. Pledge Of Allegiance.
3. Invocation.
4. Roll Call.
5. Declaration Of Conflicts Of Interest.
6. Ceremonial Matters.
7. Items from the Public - Non-Agenda Items.
8. Consent Calendar
  - a. Waive All Readings Of Ordinances And Resolutions Except By Title.
  - b. Approval Of Warrants.
  - c. Approval Of Minutes Of The September 23, 2008 Regular Meeting.
9. Public Hearings
  - a. Adopt Resolution No. 2008- , A Resolution Declaring The Existence Of A Public Nuisance Under Ordinance No. 95-4.
  - b. Introduction And First Reading Of Ordinance No. 2008- ; An Ordinance Amending Title 8 Health And Sanitation Of The Newman City Code And Adding Chapter 8.07, A Medical Marijuana Dispensary Ban And Authorize Staff To Prepare And Publish A Summary Of Said Ordinance.

**10. Regular Business**

- a. Presentation Of Quarterly Budget Update.
- b. Report On Reimbursement Request For Installation Of Public Improvements By Newman City Tow.

**11. Items From The City Manager And Staff.**

**12. Items From City Council Members.**

**13. Adjournment.**

## Calendar of Events

October 13 - Columbus Day

October 13 - NCLUSD Board Meeting - 7:15 P.M.

October 14 - City Council - 7:00 P.M.

October 16 - Planning Commission - 7:00 P.M.

October 23 - West Side Healthcare Taskforce - 7:00 p.m. - Patterson

October 28 - City Council - 7:00 P.M.

November 8 - Ernie's Retirement Party 6:30 P.M.

November 10 - NCLUSD Board Meeting - 7:15 P.M.

November ? - City Council - 7:00 P.M.

November 19 - Planning Commission - 7:00 P.M.

November ? - City Council - 7:00 P.M.

December 8 - NCLUSD Board Meeting - 7:15 P.M.

December 9 - City Council - 7:00 P.M.

December 18 - Planning Commission - 7:00 P.M.

December ? - City Council - 7:00 P.M.

Date.: Oct 9, 2008  
Time.: 2:56 pm  
Run by: EMILY M. FARIA

CITY OF NEWMAN  
CASH DISBURSEMENTS REPORT

Page.: 2  
List.: NEW1  
Group: PYCPDP

Ck #	Check Date	CK Amount	Vendor Name	Description
034774	10/10/08	8478.00	CNE CERTIFIED MAINTENANCE CO	40% PAYMENT ON WHEELCHAIR LIFT/MUSEUM
034775	10/10/08	50.00	CARL J. COELHO (CHUCK)	Veh Operation FIRE/OCT 2008
034776	10/10/08	778.38	CORBIN WILLITS SYS, INC.	MONTHLY SERVICE AND ENHANCEMENT FEES/OCT 2008
034777	10/10/08	31983.00	CSJVRMA	2ND QUARTER LIBILITY INSURANCE/WORKER'S COMP INS
034778	10/10/08	112.50	DAVE PIRES	BACKFLOW REPAIRS/SHERMAN PARKWAY
034779	10/10/08	5097.53	DEPARTMENT OF HEALTH SERV	AB 2995 WATER SYSTEM FEES/07/01/07 TO 06/30/08
034780	10/10/08	90.00	DEPART OF HEALTH SERVICES	GRADE 3 WATER DISTRIBUTION CERTIFICATION/MILLAN
034781	10/10/08	575.76	DISH NETWORK	DISH NETWORK/FIRE DEPT/10/11/08-10/11/09
034782	10/10/08	144.47	DIVERSIFIED RISK/HUB INTERNATI	LIABILITY INS PREMIUM/SEPT 08/GARCIA
034783	10/10/08	647.82	DONLEE PUMP COMPANY	LABOR/SUPPLIES FOR WORK DONE ON CONVAULT TANK/WWTP
034784	10/10/08	346.67	ECONOMIC TIRE SHOP	TIRE REPAIRS/TUBE REPLACEMENT/TIRE PATCHES
034785	10/10/08	10849.50	ECO:LOGIC, INC	PROFESSIONAL FEES/STORAGE BASIN/MONITORING WELL
034786	10/10/08	304.57	ENTENMANN-ROVIN CO.	POLICE OFFICER BADGE WITH BLUE LETTERING
034787	10/10/08	30.22	EQUIFAX INFORMATION SERVICES	CREDIT HISTORY/PD
034788	10/10/08	632.48	ESRI, INC	PO #09-23
034789	10/10/08	29.60	EMILY FARIA (NT)	AFLAC REIMBURSEMENT URM/E. FARIA
034790	10/10/08	34.95	FIREtoWIRE, INC	WEB HOSTING 10/17/08 TO 11/17/08
034791	10/10/08	25.00	FLEX ONE/AFLAC	AFLAC ADMINISTRATION FEES/URM/SEPT 2008
034792	10/10/08	2268.00	GARTON TRACTOR	FITTINGS/HOSES/SERVICED MOWER/REPLACED BLADES
034793	10/10/08	396.08	GCS WESTERN POWER & EQUIP	GUTTER BROOM/STREET SWEEPER
034794	10/10/08	377.83	GOLDEN STATE IRRIGATION	PVC COUPLERS/PRIMER/GLUE/BOOTS/SAW BLADE/SHOVEL
034795	10/10/08	133.03	GRAINGER	TIMER SWITCH
034796	10/10/08	284.76	GROENIGER & CO.	REPAIR CLAMP/WATER DEPT
034797	10/10/08	242.94	TERRY HEIBERGER (NT)	REIMBURSE SUPPLIES FOR SOCCER & TEEN CENTER SNACK
034798	10/10/08	4040.02	HEWLETT-PACKARD COMPANY	PO #09-19

Date.: Oct 9, 2008  
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CITY OF NEWMAN  
CASH DISBURSEMENTS REPORT

Page.: 3  
List.: NEW1  
Group: PYCPDP

Ck #	Check Date	CK Amount	Vendor Name	Description
034799	10/10/08	1858.50	HOGUE, FENTON, JONES & APPEL, I	PROFESSIONAL SERVICES THRU JULY 2008
034799	10/10/08	1995.20	HOGUE, FENTON, JONES & APPEL, I	EMPLOYMENT ADVICE AND COUNSEL/AUGUST 2008
034800	10/10/08	72.00	MICHAEL HOLLAND (NT)	REIMBURSE MEALS/STAFF MTG/PARKING/HOLLAND
034801	10/10/08	1750.00	DON HUTCHINS	CONTRACT SERVICES/10/01 TO 10/15/INTERIM LT/HUTCHI
034802	10/10/08	318.90	IKON OFFICE SOLUTIONS	COPIER LEASE/CITY HALL/9/10/08 TO 10/09/08
034802	10/10/08	325.36	IKON OFFICE SOLUTIONS	COPIER LEASE/PD/09/25/08-10/24/08
034803	10/10/08	1277.42	IMAGE UNIFORMS	UNIFORM SUPPLIES/NOEL BORDEN/EDGAR GONZALEZ/PD
034804	10/10/08	1347.44	INFOSEND, INC	LATE NOTICES/UTILITY BILL MAILING/SEPT 2008
034805	10/10/08	9200.00	JOE'S LANDSCAPING &	LIGHTING & LANDSCAPE SERVICES/SEPT 2008
034806	10/10/08	75.00	JOSEPH F. GEORGE CO. 10	REFUND MEMORIAL BLDG DEPOSIT/JOSEPH GEORGE SES#10
034807	10/10/08	292.50	TED KELLY	MILEAGE REIMBURSEMENT/LCC CONF TRAVEL/KELLY
034808	10/10/08	150.00	JASON MADRUGA	REFUND ON INVOICE #438/HYDRANT WATER/MADRUGA
034809	10/10/08	422.36	MALLARD EXPRESS AUTO	WINDOW SWITCH/BLINKER FLASH/NEW STARTER
034810	10/10/08	382.50	MARTIN CARVER, AICP	PROFESSIONAL SERVICES/NEWMAN PLAZA NEPA/
034811	10/10/08	1865.24	MCDONOUGH, HOLLAND, ALLEN	LEGAL FEES THRU 8/31/08
034812	10/10/08	401.91	MODESTO BEE	NOTICE OF BID AD/SANITARY SEWER REPLACEMENT
034813	10/10/08	2197.88	NBS	ADMIN FEES/10/1/08 TO 12/31/08/LMD ADMIN
034814	10/10/08	481.69	CITY OF NEWMAN-PETTY CASH	POSTAGE/MEALS/KEYS/SUPPLIES FOR INTERVIEW PANEL
034815	10/10/08	75.00	NEWMAN FFA ORESTIMBA H.S.	REFUND MEMORIAL BUILDING DEPOSIT/NEWMAN FFA
034816	10/10/08	150.00	CITY OF NEWMAN ACCTS RECEIVABL	REFUND HYDRANT DEPOSIT/MADRUGA TO PAY BAL ON 438
034817	10/10/08	989.44	NEWMAN ACE HARDWARE/JACT, INC	CLEANING SUPPLIES/PLIERS/WRENCH SET/STIHL BAR/CAN
034818	10/10/08	23.61	NOB HILL	SUPPLIES FOR VIPS BAR-BE-QUE/PD
034819	10/10/08	330.83	NORMAC, INC.	FALCON ROTOR/TT UNION/SPRINKLER PARTS
034820	10/10/08	225.40	OMEGA INDUSTRIAL SUPPLY	BLUE MAGIC HAND SANITIZER
034821	10/10/08	1439.00	OPERATING ENGINEERS/	HEALTH INSURANCE PREMIUM/GARZA/NOV 2008

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Page.: 4  
List.: NEW1  
Group: PYCPDF

Ck #	Check Date	CK Amount	Vendor Name	Description
034822	10/10/08	43411.00	OSHKOSH CAPITAL	LEASE PAYMENT ON 2006 PIERC FIRE TRUCKE
034823	10/10/08	5865.36	PERFORMANCE COLLISION CENTER	REPAIRS TO 2007 TAHOE
034824	10/10/08	54387.43	P G & E	ELECTRIC AND GAS 8/05/08 TO 09/16/08
034825	10/10/08	4.71	PIONEER DRUG	ALCOHOL/WATER DEPT
034826	10/10/08	484.07	PRECISION INSPECTION, INC	PUBLIC WORKS INSPECTION/HARDIN ROAD APARTMENTS
034827	10/10/08	64.96	R-SAFE SPECIALTY	NITRIL GLOVES/COVERALLS
034828	10/10/08	140.00	RANDHAWA MEDICAL GRP, IN	PRE-EMPLOYMENT PHYSICAL/M. AVILA/FIRE DEPT
034829	10/10/08	200.00	IMELDA REYES	REFUND MEMORIAL BUILDING DEPOSIT/REYES
034830	10/10/08	89.93	RICHARD & CHAMBERS	HANGING BINDERS/CASH REGISTER TAPE/FILE FOLDERS
034831	10/10/08	11143.11	RRM DESIGN GROUP, INC.	PROFESSIONAL SERVICES/DOWNTOWN PLAZA/AUG 2008
034832	10/10/08	590.40	SAFE-T-LITE	REFACED 11 STOP SIGNS/BARRICADE RENTALS
034833	10/10/08	1122.00	SELF HELP ENTERPRISES	ADMIN FEES/LOAN SERVICING/SEPT 2008
034834	10/10/08	30.00	SHARPENING SHOP	REPAIRED OIL LEAK/STHIL
034835	10/10/08	40201.00	STANISLAUS COUNTY	EMERGENCY DISPATCH JUL-SEPT 2008
034835	10/10/08	3164.79	STANISLAUS COUNTY	ANIMAL CONTROL SERVICES/JULY-SEPT 2008
034835	10/10/08	24828.51	STANISLAUS COUNTY	COUNTY IMPACT FEES/JUL-SEPT 2008
034836	10/10/08	1111.81	STAPLES CREDIT PLAN	INK CARTRIDGE/PAPER/INK TONERS/WALL SHELF/BINDERS
034837	10/10/08	155.73	TRAVIS BORRELLI	PORTABLE RESTROOM RENTAL/SERV/ROSE PK
034838	10/10/08	135.00	BARBARA J. TOSTA	YOUNG AT HEART INSTRUCTOR/SEPT 2008/TOSTA
034839	10/10/08	560.00	TURLOCK EMERGENCY MEDICAL SERV	PO #09-25
034840	10/10/08	382.10	VALLEY PARTS SERVICE	BATTERY/TAPE/VARIABLE/DOOR HANDLE & LATCH/BUSH KIT
034841	10/10/08	50.00	GEORGE VARGAS	VEH OPERATION FIRE/OCT 2008
034842	10/10/08	450.24	VULCAN MATERIALS COMPANY	CONCRETE FOR SIDEWALK REPAIR
034843	10/10/08	28.77	COTTONWOOD QUILTS,	MQ CUSTOMER REFUND FOR COT0022
034844	10/10/08	53.93	EAVIS, GREG	MQ CUSTOMER REFUND FOR EAV0002

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CITY OF NEWMAN  
CASH DISBURSEMENTS REPORT

Page.: 5  
List.: NEW1  
Group: PYCPDP

Ck #	Check Date	CK Amount	Vendor Name	Description
034845	10/10/08	17.23	HARMONY HOMES,	MQ CUSTOMER REFUND FOR HAR0046
034846	10/10/08	6.15	ROSE, JEFFRY PAUL	MQ CUSTOMER REFUND FOR ROS0054
034847	10/10/08	136.14	STERLING, LYNN	MQ CUSTOMER REFUND FOR STE0097
Sub-Total:		----- 450756.95		
Grn-Total:		----- 450756.95		
Count:	103			

**MINUTES**  
**NEWMAN CITY COUNCIL/REDEVELOPMENT AGENCY**  
**REGULAR MEETING OF SEPTEMBER 23, 2008**  
**CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET**

1. **Call To Order** - Mayor Pro Tem Martina 7:01 P.M.
  2. **Pledge Of Allegiance.**
  3. **Invocation** - Council Member Kelly
  4. **Roll Call PRESENT:** Kelly, Crinklaw And Mayor Pro Tem Martina  
**ABSENT:** Katen (Excused) And Mayor Fantazia (Excused)
  5. **Declaration Of Conflicts Of Interest** -None.
  6. **Ceremonial Matters** - None
  7. **Items from the Public - Non-Agenda Items** - None.
  8. **Consent Calendar**
    - a. Waive All Readings Of Ordinances And Resolutions Except By Title.
    - b. Approval Of Warrants.
    - c. Approval Of Minutes Of The September 9, 2008 Regular Meeting.
- ACTION:** On Motion By Crinklaw Seconded By Kelly And Unanimously Carried, The Consent Calendar Was Approved.
9. **Public Hearings** - None.
  10. **Regular Business**
    - a. Second Reading And Adoption Of Ordinance No. 2008- , An Ordinance Approving The Mattos Ranch Subdivision Development Agreement

**ACTION:** Ordinance # 2008-5, Had Its Second Reading By Title Only. A Motion By Kelly Seconded By Crinklaw Dispensed With Further Reading Of Said Ordinance. Ordinance Was Unanimously Adopted Upon Roll Call Vote.

#### **11. Items From The City Manager And Staff.**

Supervisor DeMartini Updated The Council On The Orestimba Creek Project And Explained That The Detention Dam Is A Solid Option But Carries A Potential Cost Of \$86 Million. DeMartini Mentioned That Other Options Included An Increase To The Flow Capacity Of The Creek, Build Up Stuhr Rd To Act As A Levy Or To Construct A Bypass Channel To The River. DeMartini Stated That Regardless Of The Solution We Choose, It Will Be Expensive; Totaling Over \$20 Million. He Reassured The Council That Progress Is Being Made On The Orestimba Creek Project. DeMartini Informed The Council That the Board Of Supervisors Gave A Notice Of Termination To All Contract Cities Regarding Animal Control. He Explained That They Will Be Asking The Cities To Join In A New Joint Powers Agreement And Have An Increased Level Of Participation.

City Manager Holland Mentioned That The City Had Recently Hosted Another Orestimba Creek Meeting And Thanked Supervisor DeMartini And County Director Of Public Works Matt Machado For Managing The Project So Well. He Mentioned That The November 11, 2008 Council Meeting Is On A Holiday And That The Council May Want To Consider Rescheduling That Meeting. Holland Also Informed The Council That He And Other City Representatives Traveled To Cathleen Galgani's Office In Sacramento To Meet With Representatives From The Water Quality Control Board Regarding Our Waste Water Treatment Plant Expansion. Holland Explained That The Water Quality Control Board Agreed To Help Move The City's Project Forward And That They Told Us To Expect A Letter Of Approval Within The Next Week. He Also Mentioned That The City Is Researching The Fuel Sales Tax Issues Regarding W.H. Breshears And Point Of Sale.

Public Works Director Garza Reviewed The Sidewalk Infill Project Taking Place On Driskell Avenue Near L Street And Amy Drive.

Finance Director Silva Informed The Council That The State Of California Passed A Budget And Mentioned How It May Affect The City's Budget. She Also Mentioned That The Auditors Had Just Started The Annual Audit.

#### **12. Items From City Council Members.**

Council Member Martina Questioned The Abandoned Homes And Actions That Can Be Taken.

#### **13. Adjournment.**

**ACTION:** On Motion By Crinklaw Seconded By Kelly And Unanimously Carried, The Meeting Was Adjourned At 7:22 P.M.

Honorable Mayor and Members  
of the Newman City Council

Agenda Item: **9.a.**  
City Council Meeting  
of October 14, 2008

**REPORT ON NUISANCE ABATEMENT**

**RECOMMENDATION:**

Adopt Resolution No. 2008-XX, Declaring The Existence Of A Public Nuisance Under Ordinance No. 95-4.

**BACKGROUND:**

Abatement notices for property maintenance were sent to several properties in accordance with Ordinance 95-4, Chapter 2, Title 8-2-3.

**ANALYSIS:**

This notice informs property owners of all nuisance abatement procedures, option and their right to object at a public hearing. It is anticipated that many property owners will comply with the abatement notices prior to the hearing date. A final compliance survey will be done on Tuesday, October 14, 2008. A list of properties that have not complied with the abatement notice will be handed out at the council meeting prior to the public hearing.

**FISCAL IMPACT:**

None

**CONCLUSION:**

This staff report is submitted for City Council consideration and possible future action.

Respectfully submitted,



Adam McGill  
Chief of Police

**REVIEWED/CONCUR:**



Michael E. Holland  
City Manager

## City of Newman Abatement list

1. **601 Ranee Ct. (UNOCCUPIED)**  
Tall grass and weeds throughout front and backyard of property.
2. **748 Black Mtn. (UNOCCUPIED)**  
Gang graffiti on fence (North side of Property)
3. **2224 Grand Canyon. (UNOCCUPIED)**  
Gang graffiti on fence. ( East side of property facing Park)
4. **2011 Yosemite Park Dr. (UNOCCUPIED)**  
Tall grass and weeds throughout the front and backyards. Fence is missing pickets and the front gate is broken.

**REPORT ON PROPOSED PERMANENT BAN OF MEDICAL MARIJUANA DISPENSARIES**

**RECOMMENDATION:**

Introduce Ordinance #2008-XX, an ordinance amending Title 8 Health And Sanitation of the Newman City Code and adding Chapter 8.07 a Medical Marijuana Dispensary Ban and authorize staff to prepare and publish a summary of said ordinance.

Staff is recommending introduction and first reading of this proposed ordinance for the following reasons: The possession and distribution of marijuana, even for medical purposes, is unlawful under the Federal Controlled Substances Act as recently determined by the United States Supreme Court. In addition, recent prohibitions by nearby jurisdictions increase the likelihood that Newman may be considered for such a business. Further, based on research from other jurisdictions, the Newman Police Department continues to have concerns that a marijuana dispensary has the potential to increase crime and violence in Newman.

**BACKGROUND:**

The City of Newman does not have a specific ordinance prohibiting medical marijuana dispensaries within the city limits. The City of Newman does prohibit businesses that are not in compliance with local, state, and or federal law. Staff recommends a specific ordinance banning medical marijuana dispensaries to insure these types of businesses do not attempt to establish with the City of Newman. Staff recommends that City Council determine that the proposed addition to Title 8.07 to the Newman Municipal Code is exempt from the California Environmental Quality Act Pursuant to CEQA Guidelines Section 15061(b)(3). Staff also recommends adding Chapter 8.07 to the Newman Municipal Code prohibiting the establishment and operation of Medical Marijuana Dispensaries in the City of Newman.

**ANALYSIS:**

In 2006 an interim ordinance prohibiting marijuana dispensaries in Newman was put in place to allow staff sufficient time to conduct research into the issue of medical marijuana dispensaries. This interim ordinance expired in April of 2008. During the period of the interim ordinance the City of Newman modified its business license regulations to require all businesses within the City of Newman be in compliance with local, state, and federal law. The theory being medical marijuana dispensaries were in violation of federal law. Staff is concerned that modification to the business license ordinance may not be sufficient in defending a denial of a business license for medical marijuana dispensaries. Although the issue of these dispensaries remains unsettled in some quarters, staff has collected sufficient evidence indicating that the establishment of medical marijuana dispensaries within the City would negatively impact the quality of life for Newman residents and businesses by increasing crime, adversely impacting neighboring businesses and residences, and other secondary effects associated with the dispensaries. Based on staff's research and the course taken by neighboring jurisdictions a clearly identified ban on medical marijuana dispensaries from within the City of Newman provides the most effective tool to prevent the establishment of such businesses with the City of Newman. Staff recommends the City Council address the issue at this time for the following reasons:

1. Neighboring jurisdictions (Riverbank, Ceres, Modesto, Oakdale and Turlock) have passed ordinances prohibiting medical dispensaries, increasing the likelihood that Newman may become an attractive location for such a business.
2. The U.S. Supreme Court in Raich v. Ashcroft, determined that the possession and distribution of marijuana, even for medical purposes, is unlawful under the Federal Controlled Substances Act and, in March 2007, once again ruled that Angel Raich could be prosecuted for the illegal possession of marijuana under federal law.

3. Numerous law enforcement agencies with medical marijuana dispensaries within their jurisdiction have documented adverse secondary impacts from the dispensaries including an increase in crime.

To date, staff has received no requests to operate a medical marijuana dispensary in the City of Newman; however, the cities of Modesto, Riverbank, Oakdale, Ceres, and Turlock recently passed a permanent prohibition on such a use, joining about thirty cities across the state. Therefore, there is concern that Newman could become an attractive location for such businesses.

The evidence contained in the 55-page report prepared by the El Cerrito Police Department (see attachment 2), demonstrates that the secondary effects of allowing medical marijuana dispensaries to operate within the City would be detrimental to the quality of life of the citizens of Newman and would harm the economic health of the City. Documented crimes range from (a) the resale of medical marijuana to individuals who do not have physician recommendations or valid identification cards, (b) increased vagrancy and public smoking of marijuana, (c) increased violence in and around the dispensaries, (d) take-over robberies of the dispensaries themselves, (e) increased illegal cultivation of marijuana by parties not authorized under State law, and (f) increased sale and trafficking of marijuana and other drugs in violation of state and federal law. Of particular concern is the fact that dispensaries and users are not consistently reporting crime because they do not want to jeopardize the status of the dispensaries. Based on the experience of these other cities, the Newman Police Department is concerned that a marijuana dispensary has the potential to increase crime and violence in Newman.

More recently, the conflict between the Federal Controlled Substance Act and California's Compassionate Use Act led the United States Supreme Court decision in *Gonzales v. Raich* (2005 125 S.Ct. 2001). In the Raich case, federal agents seized and destroyed marijuana plants that were being grown for personal medical use. A subsequent ruling by the U.S. Court of Appeals in March 2007, denied Angel Raich relief from prosecution under federal law. Therefore, neither individuals nor caregivers are protected from prosecution under the State Compassionate Use Act.

The proposed ordinance is fairly straightforward in that it defines and prohibits medical marijuana dispensaries in any zone within the City of Newman.

The ordinance is modeled after ordinances recently adopted by the cities of Modesto, Ceres, Riverbank, Oakdale, and Turlock.

**FISCAL IMPACT:**

There are no fiscal impacts anticipated by adopting this permanent ordinance.

**ATTACHMENTS:**

- Attachment 1: Proposed Ordinance
- Attachment 2: El Cerrito Police Department Report
- Attachment 3: Report from the Attorney General of New Mexico
- Attachment 4: Article from the National Organization for the Report of Marijuana Laws
- Attachment 5: Report from KTVU.com
- Attachment 6: Press Release from the Office of the District Attorney, County of San Diego
- Attachment 7: A report on Federal Medical Marijuana Cases in California and Elsewhere
- Attachment 8: Memo from Rocklin Police Chief Mark Siemens
- Attachment 9: A Report Prepared by the Anaheim Police Department on Medical Marijuana Dispensary Bans

- Attachment 10: Report from Concord Police Chief David Livingston on Medical Marijuana Dispensaries – Potential Secondary Impacts  
Attachment 11: Letter from the Los Angeles Police Commission on Medical Marijuana Dispensaries

**CONCLUSION:**

This staff report is submitted for City Council consideration and action. Staff recommends adoption of the proposed ordinance permanently banning medical marijuana dispensaries within the City of Newman, ordinance No. 2008- \_\_\_\_\_ and authorization to prepare and publish a summary of said ordinance.

Respectfully submitted,



Adam McGill  
Chief of Police

**REVIEWED/CONCUR:**



Michael Holland  
City Manager

**ATTACHMENT 1:  
PROPOSED ORDINANCE**

**ORDINANCE NO. 2008-**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWMAN  
AMENDING TITLE 8; HEALTH AND SANITATION, AND ADDING CHAPTER  
8.07, A MEDICAL MARIJUANA DISPENSARY BAN, OF THE CODE OF THE CITY  
OF NEWMAN, CALIFORNIA.**

The City Council of the City of Newman does ordain as follows:

Title 8 HEALTH AND SANITATION, a Medical Marijuana Dispensary Ban, Chapter 8.07, of the Newman City Code shall be added to read as follows:

**WHEREAS**, under the Controlled Substances Act (21 U.S.C. Section 841 (a)), enacted by Congress in 1970, marijuana is classified as a Schedule 1 controlled substance, based on a determination that marijuana: (1) has a high potential for abuse, (2) has no currently accepted medical treatment, and (3) is not accepted as safe, even when used under medical supervision; and

**WHEREAS**, Federal law makes it illegal to import, manufacture, distribute, possess or use marijuana in the United States, and

**WHEREAS**, the provisions of California Health and Safety Code Sections 11362.5 et seq. contain no specific authorization for the establishment of medical marijuana dispensaries, and

**WHEREAS**, the United States Supreme Court in *Gonzales v. Raich*, 125 S. Ct. 2001, held that the California Compassionate Use Act of 1996 (Proposition 215) does not prevent the enforcement of the Federal Controlled Substances Act regarding persons who possess, obtain or manufacture marijuana for their personal medical use as authorized by the California Compassionate Use Act, and

**WHEREAS**, the experience of the City of Modesto and other California cities, including Anaheim, Concord, Los Angeles, Oakland, Rocklin, Hayward, Fairfax, Oakdale, and Roseville, and counties including Lake County, and evidence provided in the staff report for this item, demonstrates that the establishment and operation of such facilities creates adverse secondary effects which include: (a) an increase in illegal drug activity and other crimes in and about the area where such facilities conduct their business; (b) a concentration of marijuana use in public areas adjacent to such facilities; and (c) a general deterioration of the quality of the neighborhoods where such facilities; and (d) a general deterioration of the quality of the neighborhoods where such facilities are located including a diminution in property values and lessening of the peaceful and quiet enjoyment of property by persons living in the immediate vicinity of such facilities; and

**WHEREAS**, a public hearing was held regarding this matter by the City Council on October 14, 2008; and

**WHEREAS**, based on the facts, testimony, and circumstances stated herein, it is appropriate and necessary to prohibit medical marijuana dispensaries in all zoning districts in the City of Newman in order to provide for the public safety, health and welfare of its citizens; and

**WHEREAS**, after the public hearing held on the City Council determined as follows:

1. That the public necessity, convenience and general welfare support the proposed amendment.
2. That the proposed amendment is consistent with the Newman General Plan.

BE IT ORDAINED by the City Council of the City of Newman as follows:

**CHAPTER 8.07: FINDINGS:** The City Council of the City of Newman finds and determines as follows:

- A. The City Council finds that the Newman Municipal Code does not specifically address medical marijuana dispensaries.
- B. The City of Newman has studied the potential impact that such facilities may have on the public health, safety, and welfare, as well as to abide by the recent decision of the United States Supreme Court in *Raich v. Ashcroft* on the legality of marijuana use for medicinal purposes in California.
- C. The City Council finds, based on substantial evidence entered into the record including the staff report and the testimony received at the public hearing for this item that the secondary effects of medical marijuana dispensaries pose a current and immediate threat to the public health, safety and welfare that would negatively impact the quality of life of the citizens of the City of Newman and the economic vitality of businesses located within the city.
- D. In *Raich v. Ashcroft*, the United States Supreme Court affirmed the enforceability of the Federal Controlled Substances Act to States, which prohibits the manufacture, distribution, or possession of marijuana as a Schedule 1 controlled substance.
- E. The City Council finds that this is a matter of citywide importance and is not directed toward any particular parcel of property.
- F. The City Council finds that granting land use approvals or building permits to medical marijuana dispensaries would result in the described threat to public health, safety and welfare.

#### **CHAPTER 8.07: MEDICAL MARIJUANA DISPENSARIES**

##### Definitions.

The term “medical marijuana dispensary” or “dispensary” means any facility or location, stationary or mobile, where medical marijuana is cultivated, made available to and/or distributed to any of the following: a primary caregiver, a qualified patient, or a person with an identification card, in accordance with the Health and Safety Code Section 11362.5 et seq. The terms “primary caregiver”, “qualified patient”, and “person with an identification card” shall be as defined in Health and Safety Code Section 11362.5 et. seq.

A “medical marijuana dispensary” shall not include the following uses, as long as the location of such uses are otherwise regulated by this Code or applicable law: a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code, a residential care facility for

persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code, a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code, a residential hospice or a home health agency licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code, as long as any such use complies strictly with the applicable law including, but not limited to, Health and Safety Code Section 11362.5 et. seq.

The term "medical marijuana dispensary" as defined herein is not intended, nor shall it be construed, to apply to the cultivation, delivering, giving away, providing, or furnishing of marijuana by a qualified patient, a primary caregiver, or a person with an identification card, as defined in Health and Safety Code 11362.5 et seq., provided such activity complies strictly with all applicable California law, including but not limited to, Health and Safety Code sections 11352.5, 11362.765, and 11362.77.

#### Medical Marijuana Dispensaries as Prohibited Use.

A medical marijuana dispensary as defined in Chapter 8.07 is prohibited in all zones and planned developments as defined in Title 5 (Zoning Ordinance) and no permit shall be issued therefore.

**COMPLIANCE WITH CEQA:** An ordinance amendment to prohibit the establishment of medical marijuana a dispensaries in the City of Newman is exempt under the California Environmental Quality Act (CEQA) as it is not a project, and/or is a planning study, and/or it will not result in a direct or reasonably foreseeable indirect physical change in the environment, and/or the Ordinance has no potential for resulting in a change in the physical environment either directly or indirectly, pursuant to 14 CCR sections 15061 (b)(3).

**VALIDITY:** If any section, subsection, sentence, clause, word, or phrase of this ordinance is held to be unconstitutional or otherwise invalid for any reason, such decision shall not affect the validity of the remainder of this ordinance. The Newman City Council hereby declares that they would have passed this ordinance, and each section, subsection, sentence, clause, word, or phrase thereof, irrespective of the fact that one or more section, subsection, clause, word, or phrase be declared invalid or unconstitutional.

**ENACTMENT:** Prior to the expiration of fifteen (15) days from the passage and adoption thereof, this ordinance shall be published in a newspaper of general circulation printed and published in the County of Stanislaus, State of California together with names of the members of the City Council voting for and against the same. All other sections and provisions of Title 8, shall remain in full force and effect.

#### **TITLE 8 , CHAPTER 8.07: MEDICAL MARIJUANA DISPENSARY BAN**

This Ordinance shall take effect 30 days after the date of its adoption, and prior to the expiration of 15 days from the passage thereof shall be published at least once in the West Side Index, a newspaper of general circulation, published and circulated in the City of Newman and thenceforth and thereafter the same shall be in full force and effect.

This foregoing ordinance was introduced at a regular meeting of the City Council of the City of Newman held on October 14, 2008 by Council Member \_\_\_\_\_, and adopted at

a regular meeting of said City Council held on the 28<sup>th</sup> day of October 2008 by the following vote:

AYES:  
NOES:  
ABSENT:  
APPROVED:

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Mayor of the City of Newman

ATTEST:

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Deputy City Clerk

**ATTACHMENT 2:  
REPORT FROM THE EL  
CERRITO POLICE DEPARTMENT**

One such location was an office called Medimar. NBC has learned Dr. Kenneth Johnson of Medimar is the same doctor who signed off on at least one of the Grossmont District students. His business was among those targeted and shut down in the police sting. "It was pretty much you had a short consultation. Come in and filled out a short questionnaire, talk to a couple guys about it, get a prescription and then you'd walk across the hall and get your prescription filled," said Ben Martin, a neighboring tenant to Medimar.

Source: <http://www.wcsh6.com/news/watercooler/article.aspx?storyid=54559>

### **Caution: Marijuana may not be lesser evil**

By Rita Rubin, USA TODAY

Tyreol Gardner first smoked marijuana when he was 13. "The main reason I tried it was curiosity," Gardner recalls. "I wanted to see what it felt like." He liked what it felt like, and by age 15, he was smoking pot every week. He supported his habit with the money his parents gave him for getting straight A's on his report card. They didn't have a clue. "By 16, when I got my license, it turned into a fairly everyday thing," says Gardner, now 24. "I believe it is very addictive, especially for people with addictive personalities."...studies have shown that when regular pot smokers quit, they do experience withdrawal symptoms, a characteristic used to predict addictiveness. Most users of more addictive drugs, such as cocaine or heroin, started with marijuana, scientists say, and the earlier they started, the greater their risk of becoming addicted.

Many studies have documented a link between smoking marijuana and the later use of "harder" drugs such as heroin and cocaine, but that doesn't necessarily mean marijuana causes addiction to harder drugs.....says Harvard University psychiatrist Harrison Pope, director of the Biological Psychiatry Laboratory at Boston's McLean Hospital: "There's just no way scientifically to end that argument one way or the other."....."I would bet you that people who start smoking marijuana earlier are more likely to get into using other drugs," Pope says. Perhaps people who are predisposed to using a variety of drugs start smoking marijuana earlier than others do, he says. Besides alcohol, often the first drug adolescents abuse, marijuana may simply be the most accessible and least scary choice for a novice susceptible to drug addiction, says Virginia Tech psychologist Bob Stephens. **No matter which side you take in the debate over whether marijuana is a "gateway" to other illicit drugs, you can't argue with "indisputable data" showing that smoking pot affects neuropsychological functioning, such as hand-eye coordination, reaction time and memory, says Wesley Clarke, director of the federal Substance Abuse and Mental Health Services Administration.....In 2006, 11.7% of eighth-graders said they had used marijuana during the past year, compared with 6.2% of eighth-graders in 1991. Among 12th-graders, 31.5% said they had used marijuana in the previous year; in 1991, 23.9% said they had.**

"You are at school, and your main job as an adolescent is to learn and memorize," NIDA director Nora Volkow says. But if you keep becoming intoxicated by smoking marijuana, she says, you'll fall further and further behind in your studies. "How are you going to catch up?"

Criminal investigations have revealed the business is obtaining its Marijuana from a variety of sources including Marijuana smuggled into the United States from South and Central America. The Police department has conservatively estimated the "420 Primary Caregivers" business to be generating approximately \$50,000.00 a week in income. (Source Declaration of Sgt. Tim Miller Anaheim P.D. Street narcotic Unit)

#### **ALAMEDA COUNTY**

January 12, 2005 a MMJ customer was robbed after leaving the "The Health Center" MMJ Dispensary (San Leandro). The victim was accosted by two subjects who possibly followed the victim away from the dispensary.

February 6, 2005 a MMJ Dispensary, the "Compassion Collective of Alameda County" was robbed by two subjects armed with handguns. The robbery took place at 4:50 pm in the afternoon and the suspects took an unspecified amount of cash and Marijuana.

April 27, 2005 a MMJ Dispensary, "The Health Center" (San Leandro) was burglarized at approximately 3:05 am. No specifics were provided as to the loss sustained as a result of the burglary. Many investigators believe that the victims do not truthfully report the loss of cash or marijuana.

May 24, 2005 a patron of a MMJ Dispensary, "A Natural Source" (San Leandro) was robbed by three subjects in the parking lot of the dispensary after making a purchase of Marijuana.

August 19, 2005: Five subjects armed with assault rifles conducted a take over robbery of a MMJ Dispensary "A Natural Source" (San Leandro). They engaged in a shoot out with two employees and one of the suspects was killed in the exchange of gun fire.

Sept. 12, 2005: Both money and marijuana were stolen from the Alameda County Resource Center (16250 East 14th St.) when burglars chopped through the wall of an adjacent fellowship hall during the night.  
(Source Declaration by Lt. Dale Amaral Alameda County Sheriff's Department)

**Calls for Service Related to MMJ Dispensaries (Unincorporated San Leandro and Hayward) Officer Initiated events may be vehicle stops or on-view arrests.**  
16043 East 14<sup>th</sup> Street: 2003: 2 Officer Initiated activity events, 2004: 1 Officer Initiated activity events. This business is now closed.

21227 Foothill Blvd "Garden of Eden" 2003: 1 Officer initiated activity events, 2004: No calls for service, 2005: 1 Theft call, 4 alarm calls, 1 Officer Initiated activity events.

913 E. Lewelling Blvd. "We are Hemp" 2003: 1 Officer initiated activity event, 2004: 1 Assault call, 2 Officer Initiated activity events, 2005: 1 Assault call, 1 Officer Initiated activity event.

## **ARCATA**

- There are two dispensaries in town that share a building.
- The two dispensaries have an ongoing disagreement with each other that has resulted in numerous calls for police services to settle disputes.
- The facilities do not have the correct electrical support and continuously blow out the electricity in the area. They have not complied with upgrading their electrical systems or responded to fire department concerns regarding proper exits and signage.
- There have been numerous instances where people have purchased marijuana at the dispensary and then resold it at a nearby park.
- A doctor has come to the dispensaries and, for a fee, will provide a medicinal marijuana recommendation for just about any complaint the patient makes.

(Source Staff Report to Davis City Council: Medical Marijuana June 13, 2005)

## **BAKERSFIELD**

Sep 8th, 2005. DEA arrested three subjects in raid on the Free and Easy cannabis dispensary. Kern County sheriffs summoned the DEA after being called to investigate a robbery at the facility. Police found plants growing at one subject's home plus 20 lbs of marijuana, and illegally possessed firearms. .

(Source) <http://www.canorml.org/news/fedmmjcases.html>

## **BERKELEY**

March 30, 2000: Two males armed with sawed off shotguns forced entry into a residence and forced the occupant at gun point to turn over a safe. A subsequent investigation revealed that a second resident who was not home at the time was a former director of a MMJ Dispensary and was the intended target of the robbery.

October 2001, December 2001 and June 2002: The MMJ Dispensary on University was robbed. Large sums of money and Marijuana taken.

March 2003: A home invasion robbery over marijuana cultivation escalated into a homicide.

December 2003: The MMJ Dispensary on Telegraph was robbed. (No further info provided)

April 2004: A home invasion robbery investigation resulted in the seizure of \$69,000.00, ten pounds of Marijuana and a "Tech 9" machine pistol.

"While recognizing the medical needs of the cannabis using patients, staff is concerned about the potential for crime and violence associated with the distribution and cultivation of Marijuana"

(Source) City Manager's report to the Berkeley City Council

- Recommended that if we did not currently have the dispensaries, we should not allow them.
- Police department has been given explicit instructions by their City Council not to take any kind of enforcement action against the dispensaries or people going in or out of the facility.
- Facilities will accept any Health Department cards, even those obviously forged or faked.

(Source Staff Report to Davis City Council: Medical Marijuana June 13, 2005)

### **BUTTE COUNTY**

Butte County does not track statistics related to MMJ Dispensaries, however a Detective in the Investigations Unit knew of;

At least six robberies or attempts, one of which involved a shoot out between the suspect and victim occurred during the months of August to October 2005. Each of these robberies took place at the victim's residence and the target was the victim's marijuana cultivation. He stated that this is the busy time of year for these activities as it is harvest time for the Marijuana grows.

(Source Det. Jake Hancock Butte County Sheriff's Department)

### **CALAVARAS COUNTY**

Jan. 2005. Federal government files forfeiture suit after local sheriff finds 134 marijuana plants. Government seeks to forfeit a home and five acres of land. The defendant says he was growing for half a dozen friends and family members and had checked with local authorities to make sure he was within legal guidelines.

(Source <http://www.canorml.org/news/fedmmjcases.html>)

### **CHERRYLAND**

Cherryland, CA June 30, 2005 -- An employee of a marijuana dispensary narrowly escaped with his life after a gunman opened fire as he waited outside the establishment for co-workers to arrive. The employee, whom authorities declined to identify, was sitting inside his car in the rear parking lot of the Collective Cannabis Club at 21222 Mission Boulevard on Tuesday morning when a masked gunman appeared, said Lt. Dale Amaral, spokesman for the Alameda County Sheriff's Department.

(Source [http://www.hempevolution.org/media/santa\\_cruz\\_sentinel/scs041213.htm](http://www.hempevolution.org/media/santa_cruz_sentinel/scs041213.htm))

### **CLEAR LAKE**

There have been a few reported robberies of medical marijuana patients away from the dispensaries. One significant case involved home invasion robbery. Multiple suspects entered the home of a person who was known to be a MMJ user. During the robbery, one resident was beaten with a baseball bat while the suspects made inquires regarding the location of the marijuana.

Two of the suspects were shot and killed by the homeowner.

(Source Clear Lake P.D. Inv. Clawson)

## **HAYWARD P.D.**

- Acting Chief Lloyd Lowe, advises the following:
- Hayward has three dispensaries total, two legal under local ordinance and one illegal.
- They have had robberies outside the dispensaries
- They have noticed more and more people hanging around the park next to one of the dispensaries and learned that they were users in between purchases
- They have problems with user recommendation cards – not uniform, anyone can get them
- One illegal dispensary sold coffee, marijuana and hashish – DA would prosecute the hashish sales and possession violations after arrests were made
- They have received complaints that other illegal drugs are being sold inside of dispensaries
- The dispensaries are purchasing marijuana from growers that they will not disclose
- Chief Lowe believes that the dispensaries do not report problems or illicit drug dealers around their establishments because they do not want the police around
- Hayward Police arrested a parolee attempting to sell three pounds of marijuana to one of the dispensaries
- Hayward has recently passed an ordinance that will make marijuana dispensaries illegal under zoning law in 2006

(Information provided by Rocklin P.D. report)

## **HUMBOLDT COUNTY**

One subject arrested in Humboldt County Aug 01, 2001 growing 204 plants for the Salmon Creek patients' collective; case turned over to the feds, pled guilty Dec 6; sentenced to 15 months for possession. Released from prison May 2003. Meanwhile, in a separate case, this subject won a landmark federal lawsuit for return of one ounce of pot seized by the DEA at the request of the Humboldt sheriff after the latter was ordered to return under Prop. 215. This subject is now missing and presumed dead since Aug 2003; police suspect foul play.

(Source <http://www.canorml.org/news/fedmmjcases.html>)

12/12/2003 Subject: Attempted Murder Suspects Arrested

Contact: Brenda Gainey, Case No#: 200308180, Location: Garberville

Humboldt County Sheriff's Deputies arrested two Garberville men last night wanted in connection with an attempted murder case from Mendocino County. Yesterday afternoon the Mendocino Sheriff's Office received a report of a shooting in Willits. Detectives from Mendocino learned that the victim, Jarron Jackson, 38 of Antioch, had been shot once in the arm during a robbery at a residence in Willits. Mendocino County Sheriff's Detectives learned the identities of the two suspects and issued a "Be On the Lookout" bulletin to Northern California police agencies. The bulletin also indicated that the two suspects were residents of Garberville. Late yesterday evening Humboldt County Sheriff's Deputies and officers from the California Highway Patrol went to the suspects' residence on the 1400 block of Redwood Dr. in Garberville.

It is estimated that one plant can yield one to three pounds of Marijuana. Based on this information 32,000 plants times 1- 3 pounds = 32,000 – 96,000 pounds at \$2,700 per pound = \$86,400,000 to 259,200,000.

### **LAKE COUNTY IMPACTS**

Sheriff Rod Mitchell, advised the following:

- Lake County has one marijuana dispensary in Upper Lake (Two as of this writing)
  - The biggest problem is the doctor, close by the dispensary who is known across the state for being liberal in his recommendations to use marijuana for a fee of \$175
  - Many “patients” come from hours away and even out of state, Oregon specifically, to get a marijuana recommendation from the doctor
  - Upper Lake has been impacted by the type of people coming for the marijuana doctor and dispensary. Citizens report to the Sheriff that the people coming to Upper Lake for marijuana look like drug users (“dopers”).
  - One quilt shop owner has told the sheriff that she does not feel safe anymore because of the type of people drawn to the marijuana doctor and the dispensary, which are located close together in the very small town.
  - They also have a notorious marijuana grower who beat prosecution for cultivation by making a medical claim. Law enforcement has taken a hands off approach even though he is blatantly violating the law.
  - The Marijuana grower has recently claimed to be a church to avoid paying taxes.
- (Source Rocklin P.D. report)

### **LAYTONVILLE**

Crane by QUINCY CROMER/The Daily Journal (Excerpts from the article)

The owner of Mendo Spiritual Remedies in Laytonville and Hemp Plus Ministry in Ukiah -- who says he provides medical marijuana to more than a thousand people in Mendocino County -- will be in court next week to face charges for cultivation of marijuana.

Les Crane, founder and self-proclaimed reverend of the two churches where medical marijuana is available locally, said some 5,000 cannabis plants and his life savings -- about \$6,000 converted into gold -- were seized by the Mendocino County Sheriff's Office on May 16. "They came here because a guy was coming to rob my house. I called them to come and solve the problem and then they found out about the grow. We showed them all the documentation and they left and went and got a search warrant and came back and searched my church," Crane said.

(Source) <http://www.hightimes.com/ht/news/content.php?bid=1203&aid=10>

### **Laytonville marijuana guru shot to death**

2 others beaten in home; no suspects, but officials believe killing related to pot growing Saturday, November 19, 2005

## LOS ANGELES RECENT INVESTIGATIONS

The County Ordinance does not specify who may dispense medical marijuana and what dosage is appropriate for a particular illness. Furthermore, many dispensaries contract with physicians who issue the recommendations without examining the individual to verify they are in fact ill and using the marijuana for the illness. In May 2005, the LAPD began investigating Compassionate Caregivers Group (CCG) Inc., a medical marijuana dispensary located in West Hollywood, that bordered the City of Los Angeles. The dispensary was one of seven CCG medical marijuana dispensaries throughout the state. The owner of CCG, a marijuana trafficking fugitive from another state, also owned Green Medicine Group (GMG) that referred prospective patients to their group of doctors throughout the state. One of the GMG doctors saw as many as 49 patients a day charging from \$150-\$250 per patient. The same doctor saw 293 patients in one week. The doctor allegedly examined each patient from a closed-circuit television monitor and a clerk in another office where the patient was, handed out pre-signed medical recommendations. Because there is no ordinance, procedure, guideline or anything to regulate dispensaries and to whom or how they disperse drugs, they are free to distribute as much marijuana as they want and to anyone, whether they are adults or young people. Young people from all over Los Angeles County flocked to CCG to buy marijuana and then returned to their respective communities to conduct street sales of the drug. No one on the premises had medical or pharmaceutical training or licensing to distribute marijuana, edibles, plants and liquids. There was no first aid kit, defibrillator or trauma kit present at the location in case of a medical emergency. Furthermore, the business promoted the sale and cultivation of 60 strains of marijuana, of which, only six strains were for medical purposes. Evidence was also recovered at the scene that showed the dispensary was in business to make a profit. Over \$1.7 million in cash alone was received during the month of March 2005. And, most importantly, only three medical marijuana recommendations were found for patients residing in Los Angeles County, yet they provided medical marijuana to an average of 300 patients per week. The County Ordinance provides for the sales and consumption of edible marijuana. Edibles are food products, i.e. soda pop, peanut butter, candy, bakery items, jam and other liquids that contain various levels of Tetrahydrocannabinol (THC), the psychoactive agent of marijuana. There were no regulations in the ordinance for the quality control, potency, dosage and legality of the products sold. There is no Food and Drug Administration approval of the products. On March 23, 2006 in Oakland, "Beyond Bomb," one of a handful of manufacturers and distributors of edible marijuana products, who distribute edibles to medical marijuana dispensaries in California and the US, was searched by the Drug Enforcement Administration (DEA). The owner was arrested for marijuana trafficking. The area of the company used for processing and packaging edibles was atrocious. No sanitary precautions were taken whatsoever and the area was absolutely filthy and vermin was present. In addition, the company sold edibles in packaging resembling copyrighted and trademarked food items. Beyond Bomb used the same logo, candy wrapper colors and derivatives of the names of legal products, i.e. "Buddafinga" had the similar color wrapper and logo as the NestleUSA candy bar "Butterfinger." Over 20 different legitimate products were found that had infringed copyrights and trademarks in this manner.

In addition, legitimate candy bars were opened and the chocolate was laced with THC and then repackaged in the new labeling. There was no explanation for "3X," "6X," or "10X" markings on the wrappers of edible products (according to operators of dispensaries the markings indicate the potency of THC in the product). Lastly, there are no directions on the edible packages for the uses, dosage, warnings (allergy alerts, stomach bleeding and alcohol), drug facts, expiration date and other information, as required for over the counter drugs.

The paper more than compensated for the lowball seizure rate by also factoring in a 20% crop loss to spoilage. Following the formula, the News estimated 1.8 million plants were sown in the county this year, with 1.32 million surviving droughts, floods, bugs, mold, and cops. And while both the DEA and Mendocino County law enforcement like to say that one plant produces one pound, the newspaper consulted local grower "Dionysius Greenbud," who said the average yield is closer to a half pound -- a very rough estimate, given a local crop that consists of both high-yielding outdoor plants and smaller, lower-yielding indoor plants. The paper's in-the-ballpark estimate for total pot production in the county is thus some 662,000 pounds. The paper assumed a wholesale price of \$2200 a pound, based on reports from local growers, and a simple multiplication yields a total of \$1.5 billion. Is that figure out of line? It's hard to say. In last year's "Reefer Madness: Sex, Drugs, and Cheap Labor in the American Black Market," Eric Schlosser quoted former DEA officials as estimating the value of all marijuana grown nationwide at \$25 billion. While it is difficult to believe that one California County accounts for nearly 5% of all pot grown in the US, who is to say different? (Source <http://stopthedrugwar.org/chronicle/413/mendocino.shtml>)

March 16, 2006 Three suspects enter a MMJ Dispensary (Mendocino Remedies), pepper spray the employees and attempt to take property. A fight between the suspects and victims ensues and the suspects flee the scene.  
(Source <http://www.co.mendocino.ca.us/sheriff/pressreleases.htm>)

#### **MODESTO**

July 18th, 2005. DEA arrests three subjects on charges stemming from a raid by Stanislaus Co sheriffs, who reported discovering 49 plants and 235 pounds of marijuana there. The main subject of the investigation and his wife had been providing medical marijuana for patients at a San Francisco dispensary.  
(Source <http://www.canorml.org/news/fedmmjcases.html>)

#### **Soap store a front for pot outfit, cops say**

Patrick Giblin Modesto Bee

Modesto, CA June 17, 2006 -- Drug agents looked past the soaps and lotions at The Healthy Choice on McHenry Avenue in Modesto and sniffed out a marijuana store in the back, law enforcement officials said Friday. Narcotics officers arrested Michael O'Leary, 37, of Modesto at the store, 4213 McHenry Ave. They are looking for his brother, Shannon O'Leary, 34, of Modesto, agent Kelly Rea said. "The second store was just like a legitimate store, with shelves, prices listed and receipts given to the customers," said Rea, an agent with the Stanislaus Drug Enforcement Agency. "I've never seen anything like it." There were prescription bottles filled with pre-weighed amounts of marijuana. There also were 50 to 100 pre-wrapped, marijuana-laced brownies and an equal number of marijuana-laced cookies. The store had a menu of prices and types of marijuana, with the different varieties neatly packed in Tupperware containers, Rea said. "They offered full customer service," Rea said. Local, state and federal drug agents raided the store about 9 a.m. Friday and stayed until about 1 p.m., seizing property and cataloging the inventory, sheriff's spokeswoman Gina Legurias said.

Several medical marijuana patients and staff members were inside the club at 1740 Telegraph Ave..... The gunmen tied up another person inside the dispensary and took several ounces of marijuana and a significant amount of cash before fleeing, police said..... Oakland Police Sgt. Hugh Kidd said no one was injured and no patrons or staff members were robbed individually. Oakland was one of the first U.S. cities to legitimize the use of medical marijuana by deputizing a former club on Broadway as a distributor. That dispensary was shut down by the U.S. Drug Enforcement Agency in 1998, but a number of marijuana-related businesses have sprung up in the neighborhood to replace it. Cannabis clubs in Berkeley and Sacramento have been hit by similar armed robberies in recent years.

(Source) <http://www.mapinc.org/newscmc/v03/n1750/a02.html>

June 30, 2004: Five subjects were arrested by DEA following a CHP raid on a warehouse where 4,000 plants were found. The subjects claim that the plants were for a licensed dispensary. Police gave conflicting accounts of the incident; the CHP says it called on the DEA after Oakland police declined to help. Two defendants have pled not guilty to manufacturing charges bearing a 10-year to life sentence.

March 16, 2006. DEA raids cannabis candy manufacturer, "Beyond Bomb," at three different East Bay sites, seizing over 5,000 plants, \$150K cash, and the company's stash of cannabis candies & soda pop. Arrested are the owner and 11 other employees. DEA says products were packaged in eye-catching candy wrappers that might pose danger to kids. Supporters say that products were distributed for use by medical marijuana patients. (Source) <http://www.canorml.org/news/fedmmjcases.html>

One Department representative was willing to speak with me, but did not wish to be quoted for this report. They advised me of a recent carjacking. This event involved an owner and three employees of a MMJ Dispensary. None of the four could agree on any fact relating to the case other than while property of the dispensary was stolen, no Marijuana or cash was taken. This leads us to believe that either a large quantity of Marijuana or cash was the target of the attack.

#### PLEASANTON

The City of Pleasanton does not have any dispensaries operating in Pleasanton, whether legally or illegally. Pleasanton has a moratorium on dispensaries in place, has not prepared any reports on a ban, and staff will request that Council extend the moratorium for another 12 months. In support of the moratorium, the following health / safety / welfare information was cited;

Juveniles in Pleasanton found with marijuana which was re-sold to them after having been obtained from a dispensary.

A dispensary employee was the victim of a robbery at his home after he brought more than \$100,000.00 in cash from a MMJ Dispensary back to his home to Pleasanton.

(Source Larissa Seto Assistant City Attorney)

"They made thousands of dollars every day," Lam said. "Their motive was not the betterment of society. Their motive was profit." One federal indictment accuses John Sullivan, 38, of growing more than 100 marijuana plants for distribution and distributing marijuana or processed marijuana-based goods from his two dispensaries, the Purple Bud Room in Pacific Beach and THC in San Diego. Five managers of the Co-op San Diego were indicted separately on similar allegations. Wayne Hudson, 42; Christopher Larkin, 34; and Ross McManus, 39, are alleged to have distributed marijuana products through the co-op. Scott Wright, 40, and Michael Ragin, 34, are accused of growing hundreds of plants for the co-op at their homes. Messages left at the dispensaries were not immediately returned. Also, the San Diego County District Attorney has filed state charges against one of the men named in the federal indictment and nine others for selling marijuana and possessing marijuana for sale. State charges were filed against Sullivan's THC dispensary and four other independent operations in San Diego. Prosecutors alleged that these dispensaries sold marijuana or marijuana-based products with little concern for legitimate medical need. "The party is over," District Attorney Bonnie Dumanis said at a news conference with federal prosecutors. She added that Proposition 215, the ballot measure that legalized marijuana for medical purposes, has been "severely abused by neighborhood pot dealers opening up storefronts." Complaints from residents living near dispensaries precipitated an investigation beginning in September 2005 by the San Diego police, the county sheriff's department, the Drug Enforcement Administration, Dumanis said. Dumanis said that her office has "no intention" of preventing people who suffer chronic illnesses like AIDS, glaucoma or cancer from using medically prescribed marijuana to ease their pain. But San Diego County has fought an ongoing battle to limit the impact of the medical marijuana law, which was approved in 1996 by 55 percent of voters. San Diego has ignored a state requirement that counties issue identification cards to registered medical marijuana users and maintain a registry of people who apply for the cards. In December, county supervisors sued the state of California and its director of health services in federal court, saying federal law that prohibits marijuana use trumps the state law. The county moved that lawsuit to state court in February to avoid bringing the case to the 9th U.S. Circuit Court of Appeals, which has sided in recent rulings with medical marijuana supporters. That suit is still pending. The men indicted by the federal grand jury face a maximum of 40 years in prison and \$2 million in fines for each of the allegations listed in the indictment, authorities said. The San Diego County District Attorney's office released a complaint sent last week to the state medical board against four physicians alleging that they wrote "recommendations" for medical marijuana use - doctor's notes required by state law - to apparently healthy individuals.

(Source:

[Http://www.mercurynews.com/mld/mercurynews/news/breaking\\_news/14982395.htm](http://www.mercurynews.com/mld/mercurynews/news/breaking_news/14982395.htm))

## **City hopes to close legal pot dispensary**

July 8, 2006 By Linda Lou UNION-TRIBUNE STAFF WRITER SAN MARCOS – An existing medical-marijuana dispensary here survived a City Council vote in February that banned any more dispensaries from opening.

**June 23, 2005 3 S.F. pot clubs raided in probe of organized crime**

Medical marijuana dispensaries used as front for money laundering, authorities say. Federal authorities raided three San Francisco medical marijuana dispensaries Wednesday, and investigators arrested at least 13 people as part of an alleged organized crime operation using the clubs as a front to launder money. Agents seized marijuana and other items from two cannabis clubs on Ocean Avenue in the Ingleside district and a third on Judah Street in the Inner Sunset district. The raids were the first in the Bay Area since the U.S. Supreme Court dealt a blow to the medical marijuana movement two weeks ago by ruling that the federal government had the authority to prosecute people whose activities are legal under state law. . . . Twenty people were charged in an indictment that federal authorities planned to unseal today. Authorities would not comment on the specific allegations against them. Authorities said. . . . that the operation controlled at least 10 warehouses where marijuana was grown in large quantities and that those involved were bringing in millions of dollars. One warehouse in Oakland that federal agents raided earlier this month was capable of growing \$3 million worth of marijuana annually, investigators said. The marijuana ostensibly was for cannabis clubs, but the amount being grown was far more than needed to supply the dispensaries, authorities said.

(Source) <http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2005/06/23/MNGRODDG321.DTL>.

Dec. 20, 2005 - DEA raids HopeNet Cooperative after first raiding home of HopeNet directors Steve and Catherine Smith. No arrests. Agents seize cash, medicine, a few hundred small indoor plants, mostly cuttings and clones.

(Source) <http://www.canorml.org/news/fedmmjcases.html>

**June 27, 2006: Medical marijuana dispensary robbed during S.F. Gay Pride Parade**  
Adam Martin San Francisco Examiner

Thieves apparently took advantage of Sunday's 36th Annual San Francisco Gay Pride Parade and Celebration to commit this year's second robbery of a medical marijuana dispensary. According to police and the club's proprietor, two men entered Emmalyn's California Cannabis Clinic at 1597 Howard St. about 1:30 p.m. Sunday. They held up the clerk and stole cash and inventory while most of the staff was handing out fliers at the Gay Pride Parade. Sunday's holdup marked The City's second pot club robbery of the year. The Purple Heart dispensary at 1326 Grove St. was robbed Feb. 3, San Francisco Police Lt. John Loftus said. There were four such robberies in 2005, Loftus said. Loftus said clubs are attractive to thieves because "it's a big cash business, and marijuana is expensive." He said that so far, none of the victims with whom the department has worked has been able to recover their inventory.

Emmalyn's proprietor John Baumgartner said he and his staff felt safe in their trade until Sunday. "We never felt threatened," he said in an interview Monday. "We usually have two people on duty. Because of the gay pride day, I happened to be out with other staff passing out fliers and left one person in the store. We left ourselves open."

The two men who robbed the dispensary had been in about an hour prior to the crime and bought some marijuana.

October 26, 2005: A Detective on routine patrol observes a suspicious circumstance and stops two subjects. The stop results in the arrest of the subjects for robbery and possession of stolen property. The house the suspects were watching was the home of a MMJ Dispensary employee.

December 19, 2005: The same receptionist (9/20/05 event) is robbed as she walks from her vehicle to her home. The suspects took a bag containing receipts from the MMJ Dispensary (Paperwork only, no cash)  
(Source Mark Decoulode San Leandro PD)

## **SANTA CRUZ**

### **Four men sought in home robberies**

#### Santa Cruz Sentinel

Santa Cruz, CA Dec 13, 2004 -- Santa Cruz Police are asking for the public's help in finding four armed men who took marijuana grown for medicinal uses and electronics from two separate houses on Clay Street. Around 1 a.m. Sunday, a white, Asian and possibly two black males — all wearing masks and dark clothing — broke into two residences, rounded up their tenants, held them at gunpoint and ransacked their homes, all while demanding drugs and cash. Two of the victims were battered during the robbery, resulting in minor injuries not requiring hospital treatment. One of the suspects fired a single shot from a handgun when one of the victims tried to escape. No one was shot.

[http://www.hempevolution.org/media/daily\\_review/dr050824.htm](http://www.hempevolution.org/media/daily_review/dr050824.htm)

## **SANTA CRUZ COUNTY**

Capitola 2004: Three suspects entered the victim's home armed with a handgun in search of the residents MMJ grow. The resident and two guests were ordered to the floor. During the robbery the resident was shot and stabbed but managed to fight off the suspects who fled prior to the arrival of the responding Deputies.

Live Oaks October 1, 2005: Four suspects attempted to conduct a home invasion robbery of a home cultivator of MMJ. The homeowner fired a shotgun at the suspects who fled and were later captured by police following a vehicle pursuit and crash.

Ben Lomond March 5, 2006: Two suspects who identified themselves as "Police" forced their way into the victim's residence. The victim was assaulted, robbed and left tied up in his residence until the next day when he was discovered. Subsequent investigation revealed that the motive for the robbery was the victims MMJ supply.

## **SANTA ROSA**

May 29, 2002 Federal agents raided a medical marijuana buyers club here Wednesday and arrested two people. A U.S. Drug Enforcement Administration spokesman said two addresses were searched, including the club near downtown.

## SONOMA COUNTY

A subject was arrested May 9, 2001 while growing for himself and other patients; convicted by a jury of cultivating more than 100 plants on Feb 11, 2002; sentenced to 5 yrs probation; He was re-arrested July 31, 2002 for cultivating while on probation. Convicted and sentenced to 44 months for growing 920 plants Dec 19, 2002. Released on bail April 2004; awaiting sentencing post-Raich 2005.

The proprietor of Genesis 1:29 club in Petaluma was arrested Sept 13, 2002. Agents uprooted 3,454 plants at the club's garden in Sebastopol. The suspect pled guilty July 2003; sentenced to 41 months, July 2005. Information provided by:

(Source) <http://www.canorml.org/news/fedmmjcases.html>

Friday, February 17, 2006 at 12:13, PM Commercial marijuana operation shut down. On 2/16/05, the Sonoma County Narcotic Task Force, SCNTF, and the County of Mendocino Marijuana Eradication Team, COMMET completed an investigation involving a large-scale commercial marijuana growing operation.

At the first residence on Little Creek Rd., agents located a marijuana growing operation where "starter" plants were being cultivated. These plants would eventually be moved to the larger grow rooms as they matured.

As agents collected evidence, Kenneth D. Brenner, 57 yrs, of Annapolis arrived at the residence. When agents contacted Brenner, they located grow equipment in the bed of his truck. He was detained and returned to his residence. At Brenner's residence, agents seized numerous firearms. Agents also seized an AK47, a Colt AR15, and a .308 sniper rifle. Additional documents linking Brenner to the growing operation were seized. The indoor grow operation included 4 buildings which were located approximately a quarter of a mile off Annapolis Rd. in the thick brush. The grow buildings ranged from 100'X 30' to 30'x 20'. The buildings were constructed of plywood, with the exteriors painted black, and concealed under the thick canopy of trees. The plants were growing in a hydroponics type system, under approximately 120 high intensity lights. The lighting equipment alone is valued at \$48,000.00. Agents located a camouflaged, insulated concrete bunker which housed a 125KW diesel generator. This generator was seized and valued at approximately \$75,000.00. The total number of plants was approximately 1700. Agents determined the plants when harvested would yield approximately 50 pounds of marijuana. The marijuana would have a street value of \$150,000.00. As agents continued their searching, they seized over 3,000 live rounds of ammunition in one of the grow buildings. The ammunition matched the same type of assault rifles seized at Brenner's residence. Agents then discovered numerous metal military type ammunition cans hidden in the area. When the cans were opened, the agents discovered 22 solid bars of silver, and antique silver coins. The bars each weighed 9ozs., with an estimated value of \$30,000.00. The Drug Enforcement Administration was contacted to consider the adoption of this case on a federal level. Mr. Brenner was released at his residence. The case will be under further review by the United States Attorney's Office.

For further information contact Detective Sergeant Chris Bertoli at (707) 565-5441.  
Prepared by Detective Sergeant Chris Bertoli.

## **UKIAH**

Over the last four years, the City of Ukiah has experienced an increase in crimes related to the MMJ Dispensaries. They are four Dispensaries in town as well as several citizens growing Marijuana for the purpose of providing Marijuana to dispensaries. There have been approximately ten robberies of either dispensaries or private grows. Some of these robberies have resulted in shootings. There has also been an arson of a dispensary which the police department believes was the result of a dispute with a customer.

(Source) Det. Guzman Ukiah P.D.

### Ukiah Daily News

An arson fire burned the Ukiah Cannabis Club Saturday morning, causing extensive damage and blackening neighboring structures as well. A man who told The Daily Journal he was upset with the Ukiah Cannabis Club, claiming club members owed him money for the crop of marijuana he grew for them, was arrested at the scene. .... The man in the back of the store, later identified as William Howard Ryan, 51, of Willits, telephoned UPD dispatch, saying he was armed and that he would shoot anyone coming to get him. Officers and firefighters heard muffled shots from the interior of the store. .... Ryan was arrested on charges of arson, burglary and possession of hashish. He was interviewed by The Daily Journal just days ago when he claimed he was going to sue the Ukiah Cannabis Club for the money he says he is owed.

Some witnesses said they saw Ryan enter the building with what looked like grenades strapped to his body. There were also reports the suspect carried a weapon, though that was not corroborated by police. A spokesperson for the Forest Club said the bar would be closed for a short time only.

(Source [http://www.hemprevolution.org/media/ukiah\\_daily\\_news/udn020527.htm](http://www.hemprevolution.org/media/ukiah_daily_news/udn020527.htm))

## **VENTURA**

Two subjects were arrested Sept 28, 2001 for cultivating for the LACRC. Forfeiture filed against their property, including home they built for themselves, in July 02. Raided again and arrested for personal use garden of 35 plants in Aug 02; charged with cultivation. Pled guilty Sep 03. Ninth Circuit denied appeal March 2006.

(Source) <http://www.canorml.org/news/fedmmjcases.html>

## **CALIFORNIA CHIEFS OF POLICE**

The California Chiefs of Police outlined their collective opinion on their web site;

Law Enforcement Concerns to Medical Marijuana Dispensaries;

- It violates Federal Law
- Street dealers selling at lower prices to entice patients away from dispensaries
- Non-residents coming into city to purchase Marijuana
- Neighboring businesses have experienced a loss of customers
- Increase in unreported crime to avoid negative publicity to the Dispensary

### **Medical Marijuana Doctor's**

Another area of contention is the apparent lack of oversight regarding who receives a physician's recommendation for MMJ and the process in doing so. One doctor who is touted as a "MMJ Doctor" is a practitioner in the City of El Cerrito. It is reported that our local doctor has issued over ten thousand recommendations for MMJ in the ten years since Prop. 215 was enacted in 1996. Research on the internet has revealed that the cost to patients to receive their initial recommendation ranges from \$125.00 to \$250.00. If these figures are accurate, this one doctor has made \$1,250,000 to 2,500,000 over the past ten years just in issuing MMJ recommendations. These recommendations have to be renewed every one to two years at the cost of \$50.00 to \$100.00. This same doctor has repeatedly been the target of investigations regarding his practices related to MMJ and is currently on probation with the Medical Board of California as a result of investigations into 47 complaints, all of which were referred by law enforcement or district attorneys. And this is how his web site explains this;

### **Medical Board of California v Tod H. Mikuriya, M.D.**

Since 1993, the Medical Board of California have had various ongoing investigations into Dr. Mikuriya's use of cannabinoids in his medical practice. Beginning in 1993 with rural county probation officers turning him in to the medical board for prescribing Marinol to probationers. The initial investigation resulted in a letter in Dr. Mikuriya's file. With the passage of the Compassionate Use Act of 1996, outlying Sheriff Deputies and District Attorneys began flooding the Medical Board with bogus complaints. Nearly 50 complaints were filed, none came from patients, health care professionals or patient families--none alleged any harm to patients. The medical board initiated multiple investigations. In 2003 Dr. Mikuriya had a hearing in front of an Administrative Law Judge which resulted in the worst of the allegations being dismissed. (Dismissed charges included unprofessional conduct and incompetence.) However, Dr. Mikuriya was convicted for negligence and failing to keep adequate records. In April of 2004 he was placed on probation which includes a practice monitor, cost recovery (\$70,000), and various other indecencies. Appeals of all charges are pending and continue. This page and the associated links contain all of the legal documents in this matter, as well as interpretations of why it occurred and the politics that surround it by Dr. Mikuriya. All of these materials are being made available to the public and any interested party as a means for Dr. Tod to show that this entire production was--and remains--a political action and has nothing to do with patient care and/or harm.

(Source: <http://www.mikuriya.com/>)

Another interesting concept is that even the doctors involved in this industry appear to do a "cash only" business.

This is from Dr's Ellis' site; <http://www.potdoc.com/ProfilePage.html>

Occasionally the office will be closed due to Dr. Ellis' outside schedule. You must call to schedule an appointment to see Dr. R. Stephen Ellis, MD (CA License # G-40749). We are not a referral service for medical marijuana doctors in your area. We are a medical clinic with one medical doctor located in San Francisco, California.

Jan. 31, 2001 | SAN FRANCISCO -- To get pot, you can stand on 16th and Mission and wait for someone to approach you, and wonder if he's a cop, and wonder if he's going to rob you, and wonder if his pot is laced with strychnine. Or you can have a dull pain in your right ear. In a green box on the back page of the San Francisco Bay Guardian, Dr. R. Stephen Ellis advertises medical marijuana physician evaluations for just about anyone. The ad contains no explicit offers or promises, just a list of symptoms that presumably qualify one for legal pot: "Anorexia ... chronic pain ... arthritis ... migraine, or ANY other condition for which marijuana provides relief." This is from California Health & Safety Code 11362.5, implemented after California passed Proposition 215, also known as the Medical Marijuana/Compassionate Use Act, in 1996. In case his point is unclear, the ad goes on to interpret "ANY": asthma, neuropathy, HIV discomfort, constipation, old injury pains," etc. At the bottom, boldfaced, underlined, in caps, we're reassured: "It's THE LAW!" My ear hurts, I tell the assistant over the phone. He tells me to bring \$200 cash. No check or credit card? I ask. Cash, he says. Ellis' office is at the end of a long, dark corridor in a tall building next to a fabric store. The \$200 cash does not go toward interior decoration. A cardboard sign with Ellis' name is taped to the glass on the wood door, which appears to be a good 50 years old. This is medical marijuana noir. That Philip Marlowe isn't smoking a cigarette on the other side seems to be a miscalculation on the director's part. Not that the other side isn't dark. In the grimy waiting room, which is just a little bigger than a glass of whiskey, six tired men in plastic chairs take their eyes off the linoleum only briefly. "I have an appointment," I say to Ellis' assistant behind the window. He's young, wearing a sweat shirt. "Have a seat," he says, handing me a clipboard. There shouldn't be enough room for two camps in the tiny room, but the six patients manage to segregate themselves. To my left are the ill; three men between 35 and 50 sink into their chairs and stare at things in the floor that I can't see. Their eyes are glassy, and two of their heads are chemo-bald. To my right are three young men, none over 22 surely. They slump too, but with attitude, not sickness. They have baggy jeans and each has acne. The young camp looks at its shoes. The man directly to my left says he has glaucoma. He's grumpy about waiting. The man to his left says he's new to medicinal marijuana and is shaking and giddy. The man to his left sells sports tickets for a living, and is doing so on a cell phone, apparently unfazed by his circumstances. The grump beside me is New Agey and shakes his head whenever the cell phone rings. To my right are frauds. "I hurt my back playing football," the big one next to me says. He grins conspiratorially, as if he's never touched a football in his stoner life. Across from us a raver taps his toes. He grins, too, when I make eye contact. The surfer next to him grins too. "I better get this before my man Nate's party Friday," he says to no one in particular. "How long does it take to get the prescription filled?" I ask. "My other friend got some from a San Francisco dispensary two days after his evaluation," he says. I wonder how many scammers it would take to undermine the medical marijuana cause. (This line of thinking is a vector from the anti-pot camp's faulty premise; penicillin would never be criminalized just because some people were smoking it on Friday nights.) And while it's entirely possible that none of these guys will leave today with a prescription, the quiet raver does eventually have his appointment and walk out with a thumbs up. He directs the thumbs up at me. It's assumed I'm in the fraud boat too.

One Web site devoted to Proposition 215 contains a letter sent by senior U.S. Customs inspector Mark Johnson to a marijuana-prescribing doctor in July 1998: "As a reminder you may want to tell your 'patients' that although they may have received a 'prescription' for marijuana from your office it will hold no weight as far as federal or state laws are concerned. Such was the case a few days ago when we confiscated less than a gram of marijuana from one of the people who had put their confidence in you ... This was a stiff \$500 lesson for someone who probably couldn't afford it, but erroneously placed their trust in you." There remains confusion at the medical level, too, but nothing like there used to be. Plenty of doctors maintain that pot's a damaging and addictive narcotic, but more and more point to studies confirming its medicinal value. In November, for example, BBC News reported that 80 percent of doctors in the United Kingdom would prescribe medical marijuana to patients with serious illnesses if they were allowed to, according to a study by Medix UK, a Web site for doctors. If statistics like those from the Medix survey are surprising, it's because the evolution of thinking within the medical community has been undermined every step of the way. Even Drug Enforcement Administration administrative law Judge Francis Young's 1988 acknowledgment that pot "has a currently accepted medical use in treatment in the United States for nausea and vomiting resulting from chemotherapy treatments" got buried after a while. And of course marijuana's benefits among AIDS patients -- cannabis can help stimulate appetites, for example -- are obscured regularly by pot prejudice and AIDS prejudice. As far back as 1982, then Rep. Newt Gingrich wrote to the Journal of the American Medical Association criticizing the "outdated federal prohibition" of medical marijuana, and the "bureaucratic interference" it encounters, as reported by Michelle Malkin in the Seattle Times. Sixteen years later, Malkin pointed out, Gingrich was "Speaker of a House that just declared that marijuana 'contains no plausible medicinal benefits.'" If doctors like Ellis eventually excuse themselves from the medical debate and start furiously signing pot prescriptions, it might be because the medical debate is stuck on repeat. None of the above -- the legal and the medical disputes -- particularly matters. In the United States, medicinal marijuana still occupies a place far from the realm of reason. The terms of understanding are primitive. We rely on imagery and hysterical association to direct, and then articulate, our support/disdain for the movement. Like all drug debates to emerge in the past 15 years, this one is a closed system, impervious to new information. Progress occurs in spite of the alleged national conversation. Within the conversation, those opposed to medical marijuana have made little rhetorical progress since 1936's now-camp propaganda film "Reefer Madness." As few researchers will deny the drug's medicinal value, its detractors employ abstract versions of morality (it's "evil") and foresight (it's a gateway drug) to make their case. These tools interact with the presiding convention of all drug debates -- a collective disregard of logic on both sides -- and consequently we no longer ask why pot is evil, or how we can legislate something because it might lead to something worse. (Are forks a gateway weapon?) Those leading the medical marijuana charge can be dismissed, too: They're potheads. If there's a single obstacle to the acceptance of the drug's medicinal virtue, it's that it's fun, too. The high that accompanies the pain relief is the unspoken dozy conservatives can't surmount. That medical marijuana users experience this -- and perhaps even enjoy it -- diminishes their credibility. The high is distilled subversion. What else could it represent? Like sex, religion and the red menace, its threat lies in its utter ungovernability.

As for Ellis' objection to the liberal distribution of Demerol in the E.R., compared with the paucity of marijuana prescriptions in the doctor's office, Joseph says an E.R. deserves its own standards. "It's a much different situation," he says. "There's little time to make the diagnosis [in the E.R.]. This is not the case in an office visit where the patient has the opportunity to explain his medical history." If a patient is able to obtain a physician's recommendation, he or she must next join a buyer's club. The Oakland Cannabis Buyer's Club is a mile from my house, so I swing by on a Saturday. Like Ellis' office, the OCBC is also low-rent, but it makes up for it in atmosphere. If Ellis' operation was film noir, the "Co-op" is Cheech & Chong plus "Beaches." The store mixes earnest compassion for the ill with a healthy appreciation for fat, leafy weed. Inside, past the pipes and bonges and vaguely pornographic poster of a luscious green bud, a woman at a counter sorts membership files. (The club has roughly 4,000 members, executive director Jeffrey Jones tells me later, but it's hard to count. Why? I ask. "We don't know how many are dead," he replies.) The woman at the counter gives me paperwork and takes my physician recommendation, a copy of which I'd already faxed in for approval. I do the paperwork and pose for my photo and pay the fee. My \$21.95 entitles me to a list of active dispensaries, support in the event of police trouble, free massages and regular cultivation seminars. Cultivation? I ask. I can grow up to 48 plants, they say -- beyond that it's risky. My new member I.D. is my "shield." If a cop stops me for possession, I need only flash the card. If that doesn't work, the officer is to call the 24-hour phone number on the back, and the club will vouch for me. "But this is legal, right?" I ask. "Well," they reply, "yes. But call if there's a problem." I'm out in 10 minutes, but still without pot. This is because an injunction keeps the club from selling it. When the government went after buyer's clubs in 1998, it went after the six biggest. No attempt has been made to close the others that sprang up subsequently, Jones tells me. And nothing keeps the OCBC from directing me to an active dispensary two blocks away. "Why did the government pick on some pot clubs and not others?" I ask Jones. Surely it knows about the other dispensaries. "Who knows?" he says. "Maybe they wanted a martyr." "But nobody's going to respond to martyrdom when it comes to getting marijuana," I say. "Then maybe we were doing too good a job helping people," he says. The unmarked dispensary two blocks away is to pharmacy as Bates Motel is to Ritz-Carlton. Metal gratings cover the windows of the old building, which begs for a paint job or some dynamite work. A guard stands out front and thoroughly inspects my paperwork before sending me inside to the next guard, who also thoroughly inspects my paperwork. Then I'm sent to a desk, where I fill out more paperwork, show my OCBC card, put a dollar in a jar and gain access to the next room. The next room is un-American. It's how Amsterdam is described among teenagers, a perversely legal assortment of illegal things: pot plants, pot brownies, pot cookies, pot seeds and, of course, pot. Half a mile from the Oakland Police Department, two glass counters full of dope and a promising back room await anyone with an OCBC card and some cash. There is no catch. I experience the brief heartbreak of poorly timed access -- this kind of opportunity would've been great back when I liked pot -- but mainly I'm glad people who need it can get it. I buy an eighth of an ounce of the good stuff, not the great stuff. It's \$45. The guy behind the counter is nice like a nurse. The place isn't a neighborhood drugstore -- no matter how medicinal your marijuana, it's still pot, and pot culture is irrepressible -- but there's no Pink Floyd or opium-den decadence, either.

We are happy to refer you to a low cost medical clinic so that you may receive a check up. Please call and ask our office staff for the number to one of these locations.

2) **Any medications or prescriptions** (you may bring the bottles with their prescription labels), any supplements or over-the-counter herbs, vitamins, etc. We are interested in knowing what you regularly use to alleviate your condition.

3) **California Driver's License or California I.D. Card.** You must be able to prove California residency. This is a California law. We must see a photo I.D. proving residency here in the state of California.

4) Please bring the appropriate fees to pay for your visit. At this time, our office is not accepting checks or credit cards. If payment is an issue, please speak with our office staff.

<http://www.howardstreethalthoptions.com/>

### **This is Dr. Milan Hopkins in Upper Lake;**

Are you concerned about your health and looking for an old-fashioned doctor who will take the time to listen? One who is up-to-the-minute on new medical developments and understands your needs? You'll find a caring non-judgmental doctor accepting Medi-Cal, Medi-Care, Tribal Healthcare & other types of insurance. Also included on site is Leah, a certified massage and bodywork therapist. Please call to get affordable fees (Fees based on a sliding scale).

#### **Cannabis Fees and Requirements**

Due to the legalities surrounding a medical recommendation for cannabis, patients are required to provide Dr. Hopkins with the following documentation:

**Primary Physician Information:** If you have a primary care physician, we request that you discuss with him/her your desire for a cannabis recommendation. We require the name, telephone number, and mailing address of your physician. If possible please bring any medical records you may have that would support your medical conditions.

The California State Medical Board has decreed that the physician issuing a recommendation for medical cannabis must either assume responsibility for all aspects of the patient's care, or must consult with the patient's primary physician prior to issuing the recommendation.

**Identification:** Please bring with you some form of pictured identification.

**Fee:** The initial consultation and recommendation fee for medical cannabis is \$175.00 to be paid at the time of service. (We do not except checks or bank card payments)

**Six Month Check-Up:** The doctor requests that his patients return ever 6 months, the fee for this visit is \$60.00 to be paid at time of service. It is require by the California State Medical Board that cannabis patients be under the continual care of the prescribing doctor.

**Annual Renewal:** Your recommendation will need to be renewed every year for \$125.00 with a 6 month check-up. If you missed your 6 month check-up it will be \$175.00.

<http://www.do chop.com/>

That's what another 10News employee had to do. He paid \$125 to have Steiner recommend marijuana for his "sleeping problems." "They just let me in the office. (They) kind of started giving me all these facts about medical marijuana before they even knew what was wrong with me," said tester number two. Tester two would get his marijuana if he went to another doctor first to document his condition. "He (Dr. Sterner) referred me to a doctor who would have me in and out real quickly. I could come right back, (and) he would be able to sign off on the recommendation. Once people get their recommendations, 10News discovered there's no limit or control as to how much marijuana they can buy from storefronts called dispensaries. Legal Loophole? You don't have to suffer from a serious illness to buy medical marijuana from dispensers. 10News investigators were able to get approval for marijuana from two doctors -- Dr. Robert Sterner, who has an office near Lindbergh Field, and Dr. Alfonso Jimenez in downtown San Diego. "They got me through pretty quick," said tester number one, a 10News employee. With a recommendation from a doctor, the staffers would be able to get marijuana that is sold at dispensaries across San Diego County. Tester number two, another 10News employee, was sent into the doctor's offices and said, "I went to two different places, and within thirty minutes I got some (referrals). It seemed pretty easy." These marijuana recommendations can be filled at twenty different storefronts selling pot, and unlike a regular prescriptions, a patient can use the recommendations more than once. "A pattern is developing. Patients get recommendations," said Dep. District Attorney Dana Greisen. These recommendations are like a blank check. According to 10News findings, one person received a recommendation with permission to grow 75 marijuana plants. Each plant has the street value of \$1,000. The same person received permission to purchase five pounds of marijuana. With that amount, a person can smoke a joint every two hours for 24 hours a day and seven days a week, taking more than a year to go through all of that marijuana. Dr. Larry Pohl said what some of his colleagues are doing is not proper medicine. He said patients sometimes need lab work, X-rays or meetings with specialists. Pohl said marijuana is not a cure-all. "It's definitely not consistent with standard medical care," said Pohl. Dr. Jimenez has several offices and we talked to him by phone at his Hawaii location, he told 10News that he only provides a referral for patients with medical illnesses. Jimenez's operates a Web site [MedicalMarijuanaOfSanDiego.com](http://MedicalMarijuanaOfSanDiego.com). When 10News visited Dr. Sterner, he explained he had to see patients and closed his office door. But there is another loophole in the system, called the primary care giver form. Taking Advantage Of Proposition 215 "It is a legalization of marijuana. It's going to encourage drug use," said San Diego County Sheriff Bill Kolender. "It is going to be helping people who are really sick and need a medicine that has been used for 5,000 years," said one Proposition 215 supporter. These were two very different predictions made 10 years ago after Prop. 215 was approved by Californians. Kolender was right, if you ask Dep. District Attorney Dana Greisen. "Over the last year, we saw a proliferation of these recommendations," said Greisen. He says just about anyone can get marijuana. And to make matters worse, he says, doctors hand out blank primary caregiver forms. These forms allow patients to list anyone they want to be a caregiver. It allows this person to purchase or grow marijuana for them. 10News Investigations sent in two staffers to check Greisen's claims. And it was as the assistant district attorney had claimed. Our staffers were given blank caregiver forms. 10News learned that one person named his dog as a caregiver.

A modest wooden fence fronts the street and a path leads through a mulch lawn to a white security door. Beneath the rich, sloping redwood ceiling, a spacious brick fireplace keeps patients toasty-warm in the winter. Once a week a woman comes in and provides free massages on a table in the corner. And unlike other East Bay pot clubs, most of which stress a clinical pharmacy's atmosphere, patients can sit down and light up right there, beneath rustic paintings of Jimi, Janis, and Jerry. If it weren't for the crime that has plagued his club's operation, Estes might be the patron saint of Berkeley stoners. "We have the best prices and the best medicine," he boasts. "If you know buds, we have the bomb." But ever since Estes first got involved in the medical-marijuana movement, men with drugs, guns, and evil intent have followed him everywhere he goes. They have robbed him, exploited his generosity, and endangered the lives of everyone around him -- even his three children. But "Compassionate Ken," as his friends call him, doesn't seem to learn. He always picks the wrong friends. At least that's Ken's side of the story. His estranged lover, Stacey Trainor, told a darker version to the Contra Costa district attorney's office. She alleged that Estes is a former coke dealer who lied to secure his club's lease, that he has a Berkeley doctor in his pocket who will sell pot prescriptions for \$215 a pop, and that up to thirty percent of his customers buy his product without any medical notes at all. Police and University Avenue merchants, meanwhile, claim that high-school kids used to line up for a taste outside Estes' club, and that his security guards scared away neighborhood shoppers and even got involved in fights on the street. His fellow cannabis-club operators even tried to drive Estes out of town. Whether Estes is a character out of *The French Connection* or one out of *The Gang That Couldn't Shoot Straight*, he couldn't exist without the peculiar politics of Proposition 215, which decriminalized medical marijuana in California. In the six years since its passage, mayors, district attorneys, and state officials have been so focused on protecting patients from federal prosecution that they've neglected to implement any sort of regulations about how pot should be distributed. No state or local agency or mainstream medical group has offered any comprehensive guidelines on who should hand out pot in what manner. As a result, medical pot is not just legal, but superlegal, perhaps California's least-regulated ingestible substance. And yet marijuana remains a powerful intoxicant with a vast underground market, one whose dealers inhabit a shadowy criminal world populated by dangerous men. In the absence of official regulation, it has fallen to pot-club operators themselves to craft some sort of system. Over the last six years, groups like the Oakland Cannabis Buyers Cooperative and the Alliance of Berkeley Patients have, through a series of trials and sometimes embarrassing errors, arrived at a protocol for verifying medical ailments, providing security from criminals, and operating safely in quiet residential and commercial neighborhoods. But however sensible their rules may be, they have no means of forcing club operators to abide by them. All they have is a gentlemen's agreement. Ken Estes broke that agreement, whether by design or neglect. And no one may have the legal power to make him stop. Estes is that rare breed of Bay Area native who spent his teenage years here in the '70s and didn't smoke pot. Born in Martinez, he moved to Concord and became a star athlete at Ygnacio Valley High. He excelled at soccer and was offered a scholarship to Santa Clara University, but that all changed one day in 1976, a month after he graduated from high school. Estes was riding his motorcycle back from a Walnut Creek McDonald's, where he worked as a manager, when a car swerved into his lane and hit him head on.

If Estes is a creative but befuddled libertine, Jones is rigid and dogmatic. From the start, the two rubbed one another the wrong way. After passage of Proposition 215, the co-op emerged from the shadows and began distributing pot out in the open. But no one had any idea how to go about it. There were simply no rules; one day medical pot was illegal, the next day it wasn't. Proposition 215 is one in a long series of brief, poorly conceived initiatives whose implementation has proven to be a giant headache. The "Compassionate Use Act of 1996" offers no guidance on how pot should be distributed; indeed, the initiative is a single page in length and merely encourages the federal and state governments to "implement a plan to provide for the safe and affordable distribution of marijuana to all patients." Six years later, no one in Sacramento has figured out what this means. No state agency has ever issued binding directives on how to distribute pot, or to whom. Until the California legislature passes a law to govern distribution, neither the attorney general nor the state health department has the legal authority to innovate any such protocols. "Proposition 215 did not address prescriptions," says Hallye Jordan, spokeswoman for Attorney General Bill Lockyer. "The initiative did not authorize or spell out any specific scheme for dispensing marijuana. Nor did it say who is entitled to it, or how much marijuana is required for which ailment. I think everyone recognizes that Proposition 215 was not the best-written initiative. But the voters passed it." With the state paralyzed, it has fallen to local governments to regulate medical marijuana. But most localities have adopted a strictly laissez-faire approach and done virtually nothing to ensure that the distribution of pot adheres to the spirit of Proposition 215. The portion of the Berkeley municipal code governing medical pot, for example, is so ridiculously lax that it plays right into the city's worst stereotypes, and yet it's as strict as virtually any other Bay Area city. Although the code limits the amount of pot a club can have on hand, there are no provisions limiting how close a pot club can be to a school, or requiring doctors to conduct an actual evaluation of patients, or requiring background checks for pot distributors -- which is standard practice for anyone who wants to run a liquor store. Yet the code does encourage pot clubs to "use their best efforts to determine whether or not cannabis is organically grown." City Councilmembers Linda Maio and Dona Spring say the city can't even write up a specific-use permit for cannabis clubs, because doing so would violate federal law. The end result is that medical pot is actually less regulated than candy bars, which must at least have their ingredients printed on the wrapper. Anyone can distribute medical pot anywhere, in any fashion they please, and virtually no one is watching them. Club operators disagree on whether this is good or bad. Jeff Jones wants the government to step in and bring some common sense to pot's distribution. "We thought the government would get involved in distributing medical marijuana as per the state law," he says. "I never thought that five or ten years later, we'd still be operating in a vacuum." Others worry that if the state takes a firmer hand, a conservative governor or attorney general might interpret the law so narrowly as to effectively recriminalize medical cannabis. But everyone agrees that since the government hasn't set up rules, club operators must police themselves. The Oakland Cannabis Buyers Collective was at the forefront of this effort, keeping and verifying patient records, hiring security guards, and establishing a rigorous dual-identification system, in which patients had to pass through multiple checkpoints. "To be a member, they had to turn in a note from a licensed physician that we could verify," Jones says.

In October 1998, the feds managed to get an injunction prohibiting the Oakland co-op from dispensing marijuana. The co-op fought it all the way to the Supreme Court, where it eventually lost. Jones and his lawyers are preparing a new challenge, but except for a one-month period during which the injunction was lifted, the co-op has not handed out a dime bag since 1998. Seven thousand patients needed another supplier, and Estes jumped in to fill the void. But he needed customers, so Trainor says Estes called a friend who worked there. This employee gave Estes the names, addresses, and phone numbers of five hundred patients, and Estes soon started drumming up customers. No one at the co-op knew the two had done this; certainly the patients had no idea that their confidential information was being bandied about like just another mailing list. Estes concedes he made no effort to call their doctors and confirm their medical condition -- he just started making deliveries to anyone with a card from the Oakland club. By the time that Estes went into business for himself, he, Trainor, and their three children had moved to a house in Concord, where he began growing pot to supply his growing army of patients. On September 20, Concord police officer David Savage took a call: Estes' neighbor claimed that she could see a bumper crop of pot plants growing in his backyard. Savage stopped by and peeked over the fence. Later that afternoon, he returned with a search warrant. Savage's police report indicates that he found pot everywhere. He found roughly fifty plants in a makeshift greenhouse in the backyard. He found an elaborate hydroponics system in the garage; behind sheets of dark plastic, dozens of plants were growing on plastic trays and in children's swimming pools; grow lights wheeled back and forth on a track hanging from the ceiling. He found baggies of weed stuffed in desk drawers and scattered along the floor, and plants hanging in the closets. In the master bedroom, underneath a crib where one of the children slept, Savage found two garbage bags with dried marijuana in them: "None of the growing and dried marijuana was in a secure place," Savage wrote in his report. "Most of the marijuana was accessible to the children in the residence. Estes told [me] he was not concerned with the children having access to the marijuana because 'They know it is for daddy.'" Estes denies leaving bags of dope near his children's cribs. But Savage didn't know what to do with Estes. Estes had an Oakland co-op card certifying him as a patient, as well as patient records indicating he was a legally valid caregiver. How much dope did Proposition 215 allow him to have? "They got a judge on the phone, and I talked to the judge," Estes says. "I said, 'Please don't make me pull these plants out. These are good strains with medical benefits.'" In the end, the cops confiscated the plants and the growing system, and ratted him out to Child Protective Services. In deference to Proposition 215, they left Estes with three plants and an ounce for his own use. But Estes complains Savage took all the kind buds, and left him just a bag of leafy shit. Fifteen months later, the cops would be back. By then, Estes had bought some property near Clear Lake, and Trainor had moved up north with the kids, growing more dope in a shed behind the house. Meanwhile, Estes' cousin Tim Crew had moved into the house to help him grow a crop that dwarfed his prior stash. This period marks the beginning of one of Estes' most foolish habits: keeping massive amounts of drugs and money lying around. "People told me, 'Don't put more than a certain amount in the bank, or you could get in trouble,'" he says. "We had a lot of money, and I kept it with me. I'd hide it in my closet, hide it in my suitcase. I just didn't want to put it in a bank."

We never caught him selling to kids without a card. He claims that the kids had medicinal cards, but he doesn't keep records on who he sells to. ... He was advertising in the papers, he allowed tons of kids going through his place. He didn't have a screening process, didn't have security." In fact, Trainor told the DA's office that Estes sold his product to anyone with the cash. She estimated that seventy percent of the club's buyers were patients from the Oakland co-op, and that the other thirty percent were recreational users. And Trainor alleged that even many of the so-called patients may have had fraudulent doctor's notes. She claimed that Estes referred everyone without a card to Dr. Frank Lucido, a Berkeley family practitioner who allegedly charged a fee for every note. "Estes would tell his buyers to go to Lucido, give him \$215, and he would give the person a prescription. ... Trainor said that regardless of whether a buyer told Estes they had a medical problem or not, Estes would refer the buyer to Lucido to get the prescription." Trainor said she knew how Lucido operated because she went through the process herself. During her interview, she meticulously described her visit from start to finish. "Trainor went to the doctor's office, where she met a nurse who collected \$215 from her. She was brought into an exam room, where she waited until Lucido came in and asked her what she wanted. She told him she had a bad back and wanted a prescription for marijuana. Trainor said the doctor performed a mini physical, checked her blood pressure, and had her bend over backward to check the condition of her back. ... Lucido then wrote her a prescription for marijuana. Lucido did not ask her questions about treatment or diagnosis from any other physician. Lucido gave her no advice on the amount of marijuana to use and did not advise her of any other therapy or medication that might treat back problems. Lucido did not tell her to come back for a follow-up exam." For a while, Estes says, he even accepted photocopies of Lucido's notes, and neighbors used to find them littering the sidewalk in front of his club. One neighbor, who asked not to be named, still has a copy of one such note from Lucido's office. The patient is a mere 21 years old and suffers from back pain. Lucido says he used to write such notes and rely on patients to provide verification later. But he says he discontinued that practice two years ago, and now requires independent verification of his patients' ailments from another physician. Lucido says Estes has been a headache for his medical practice. Two years ago, the doctor says, Estes printed business cards that claimed he was working in conjunction with Lucido. The physician says that as soon as he found out, he had a lawyer call Estes and tell him to stop making that claim immediately. "I'm not connected with the clubs, and I don't refer people to the clubs," he says. "I'm sure people mention my name, but it's never the case that we work in conjunction with each other." Lucido said he couldn't remember Stacey Trainor. Why is Trainor telling so many tales out of school? It all began two years ago, when she began an affair with Rocky Grunner. The feud culminated on August 31, 2000, when Trainor swore out a temporary restraining order against Estes, claiming that Estes threatened to kill her. When the Lafayette cops arrived at his house to serve it, they found more plants growing in the basement. Back went Estes into the pokey, and the cops even raided the club and seized product and financial records. Two months later, Lafayette narcotics agents raided Grunner's own house and seized seventeen pounds of marijuana. Trainor eventually broke off her affair. Grunner could not be reached for comment. Six months ago, as Estes became the subject of a Contra Costa district attorney investigation, Trainor met with assistant district attorney Phyllis Franks and county investigator Tony Arcado.

We had everything." At \$65 an eighth, that meant thugs could make off with about \$25,000 with one quick hit, to say nothing of the cash he kept on hand. With this, the city had finally had enough. City Councilmember Linda Maio convened a neighborhood meeting about the club -- which Estes didn't bother to attend -- and told the rest of Berkeley's cannabis dispensaries to bring their colleague to heel. "I called Don Duncan and his folks and said, you guys have to be part of the solution here," she says. "It's not okay that this happens, and it's not acceptable if this is just a rare thing. Don knows that this is not acceptable -- he understands that this would jeopardize the whole movement if it's allowed to get worse." Estes' new office manager, Dorrit Geshuri, sat down with City Manager Weldon Rucker and police officials, and other Alliance members, and together they hammered out a series of reforms. On January 2, Geshuri agreed to the following terms: the club would only operate five hours a day; less than a pound of dope would be on the premises; newspaper advertising would stop immediately; a professional security company would be retained; and security cameras would be installed. The final robbery on June 5 spelled the end for Ken Estes. Despite his promise not to keep more than a pound of pot at the store, neighbors report that during the getaway, the robbers' duffel bag was so heavy that they had to drag it down to the car. As for the security cameras, club officials claimed that they had mysteriously broken down that day, and there was no film of the incident. Estes had used up his last store of good faith, and even the other clubs agreed he had to go. "I don't think Ken is a bad guy, but it's no longer appropriate for him to operate in Berkeley," Duncan says. "The consensus of the Alliance is for Ken to leave the city, to either move on or find another career. That conclusion has been some time in coming. We're happy to have him as a friend, but it's in the best interest of the patients that Ken close for real." Duncan's abandonment has left Estes fairly bitter. "Yeah, they don't want the competition," he says. "They can keep the prices high, and they can control the game. It's business, it's all about business. If you're Starbuck, you want Peet's out of town." Still, Estes has finally agreed to get out of town. He, his brother Randy Moses, and Geshuri have signed a lease at a new club in Oakland, near the corner of 18th Street and Broadway, where he promises to tighten up security. The numerous car dealerships have given in this part of town its historic name, "Auto Row," but it should really be called "Pot Row." Virtually all the pot clubs in Oakland are clustered in this neighborhood, and they're not happy to see Estes join them. If Estes wants to defy Jones, his new neighbors, the cops, and the entire city of Oakland, there's not much anyone can do about it. Linda Maio was at a loss when it briefly looked like Estes had decided to stay in Berkeley; she ineffectually threatened to circulate a petition and prepare a nuisance complaint. As for, say, an undercover operation to catch Estes selling to customers without a valid doctor's note, she never considered that option for a second, and police won't say whether they did. If this the best local government can do, Estes is in the clear. But medical marijuana's era of raw capitalism may be coming to an end. State Senator John Vasconcellos has drafted a new bill regulating the industry, and now that it has the support of both the California District Attorneys' Association and the California State Sheriffs' Association, Governor Davis has indicated that he might sign it. The bill would establish a statewide registry of medical-marijuana patients and caregivers, who would receive a card certifying their medical status. Physicians would submit candidates for medical pot to the county Health Department, which would approve or reject applicants based on a review of the accuracy of the medical records.

**Medical marijuana merchant defies Oakland order to close. Others might go underground, as city's new rule gets mixed reaction from consumers, business owners**

Oakland Tribune (CA) Wednesday, June 02, 2004 By Laura Counts, STAFF WRITER  
OAKLAND -- Medical marijuana patients who packed into the Dragonfly Holistic Solutions dispensary on Telegraph Avenue on Tuesday seemed unaware the business had been told by the city to shut down. They said they were seeking the most potent medicine in town -- a strain of marijuana called "Barney Purple" -- and didn't like hearing that new city rules will limit them to four city-sanctioned establishments. "If you enjoy feeling pain-free, this is the place to be," said Sullivan Wallace of Oakland, who says he has a cannabis prescription to fight chronic pain and anxiety. Seven existing dispensaries and one proposed club had applied for the four business permits available. After a series of hearings and several delays, the clubs were notified Friday afternoon whether they made the cut. Those that received licenses will have to pay a \$20,000 annual fee. Those that did not were supposed to close Tuesday. Dragonfly did not make it, but owner Ken Estes said he will continue to operate in defiance of city rules until he is arrested. He planned a protest outside the dispensary Tuesday morning, but the only signs of one emerged when the doors to the club opened 15 minutes late. "There is some kind of discrimination going on behind the scenes," Estes said. "Or else the city is out of touch with the patients, because we are the preferred club. When we opened, we forced prices down and brought in higher quality (than the other clubs)." Other club owners, including some who were issued permits, criticized the city's process as arbitrary and complained that three days wasn't enough notice for them or the employees on their payrolls. Still, no one except Estes continued business as usual. One dispensary owner contended there are clubs that did not even apply for a city permit and may try to operate under the radar. "There are some who chose not to pay \$300 and sign a confession," said Richard Lee, owner of the Bulldog Cafe, who got a permit for his cafe on Broadway but not for his small SR71 Cafe on 17th Street, according to the city manager's office. Even though Lee received a permit, he contended the process was arbitrary and the four-club limit does not make sense. He plans to move to a larger location to serve the additional customers the closures will bring. "This thing is getting too big for them to say there can only be four clubs. There are too many people who appreciate getting marijuana in a civilized way," said Lee, one of the backers of an initiative now collecting signatures for the November ballot that would all but decriminalize adult use of marijuana in Oakland. Sparky Rose, operator of Compassionate Access on Telegraph -- which also was approved -- said he serves 7,000 patients and is expecting more. He plans to soon move to a larger location nearby. "It was difficult to gauge what was important to the city when we were presenting ourselves. There wasn't a lot of transparency in the process," Rose said, adding that everyone was asked for the same information. "They should have extended the deadline, because a lot of clubs have a lot of employees and a holiday weekend isn't much notice." The city inspected the clubs for code violations, checked for any complaints against them, and asked for information ranging from number of patients to products to prices. In the end, according to a letter from the city's Administrative Hearing Officer Larry Carroll to Estes, the city seemed to put more stock on who had operated the longest.

She also questioned how the city could prosecute her, because no city law specifically addresses cannabis clubs, which are legal under California law -- unless the city decides to enforce the federal law. In 1996, the state's voters approved marijuana for medical use on the recommendation of a doctor. The federal government, however, considers marijuana an illegal drug, with no medical use. Aljoe did not return calls Thursday. The city's administrative chief, Janet Schneider, said the city attorney's office takes the stand that cannabis clubs are illegal since the city code does not explicitly permit them. Moreover, she said, the city's zoning ordinance rules out unlawful activities in general.

Richmond's legal stand differs from that of some other Contra Costa cities, which passed urgency moratoriums on the opening of cannabis clubs. Those cities, among them Antioch, Oakley, Pinole and San Pablo, reasoned that without a moratorium, their cities lacked the legal mechanism to keep cannabis clubs from opening absent any reference to them in their municipal codes. Richmond, too, once had a moratorium; it lapsed in October. A draft ordinance that would limit cannabis clubs to certain commercial areas bounced among the Planning Commission, Public Safety Committee, City Council and city staff for months. On Thursday, the committee declined to adopt a recommendation by the city staff to declare cannabis clubs a "non-permitted use" and referred the matter to the city council to consider as part of a general plan overhaul. Police Chief Chris Magnus said Thursday that cannabis clubs are a drain on police resources. But earlier this year, Richmond Police spokesman Lt. Mark Gagan quipped that things were so quiet at Natural Remedies he had virtually forgotten it existed. Magnus said there was a burglary at Natural Remedies in May 2005. But Jackson said that occurred under a previous owner. And at Holistic solutions, Magnus said, Richmond officers observed a steady stream of young people coming and going, causing him to doubt they were there for medical reasons. But Estes said many younger people use medical marijuana for pain resulting from injuries and that police should come inside to observe how he checks out his patients.

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[www.hemp.net/news/index.php?article=1149877045](http://www.hemp.net/news/index.php?article=1149877045)

### **Clearlake, CA: Moratorium on marijuana dispensaries (June 6, 2006)**

Submitted by Nathan on Mon, 06/12/2006 - 9:24am. [Lake County, California](#)

Moratorium on marijuana dispensaries

06/06/2006 Denise Rockenstein, Lake County Record-Bee

Source: [http://www.record-bee.com/oanews/ci\\_3906208](http://www.record-bee.com/oanews/ci_3906208)

Should weed stay or should weed go now? In 1996, California voters said that it should stay. Yet, 10 years after the passage of the Compassion Use Act, barriers are still blocking patients' access to medicinal marijuana. The City of Clearlake is taking a backseat in the movement, placing a moratorium on the issuing of business permits for marijuana dispensaries. It is the city's hope that the issue will be resolved in Federal Court before the moratorium, which has been extended to 10 months, 15 days, is complete. The moratorium prohibits the issuing of business permits for medicinal marijuana dispensaries. Furthermore, it does not provide for renewal of business permits for existing businesses that provide patient access to marijuana medicine.

**ATTACHMENT 3  
REPORT FROM THE ATTORNEY  
GENERAL OF NEW MEXICO**

There are three rules of statutory construction that apply to this matter. First, the United States Supreme Court sets "the law of the land." Bradley v. Milliken, 519 F.2d 679, 680 (1975). Second, a state legislature can enact a statute that authorizes an agency to adopt implementing regulations. See New Mexico Petroleum Marketers Ass'n v. New Mexico Environmental Improvement Bd., 2007-NMCA-060, ¶ 13, 2007 WL 1593294. Third, an agency's authority is limited by statute and therefore regulations must be fully authorized by and consistent with the directions of the governing statute. See Howell v. Heim, 118 N.M. 500, 504, 882 P.2d 541 (1994); Chalamidas v. Environmental Improv. Div., 102 N.M. 63, 67, 691 P.2d. 64 (Ct. App.1984).

#### I. Exposure to Federal Prosecution Under the CSA

A series of United States Supreme Court and federal court cases govern the topic of legal exposure to federal prosecution for medical marijuana activity. In 2001, the Supreme Court ruled: "The Controlled Substances Act...prohibits the manufacture and distribution of various drugs, including marijuana." United States v. Oakland Cannabis Buyers' Co-Op., 532 US. 483, 486 (2001). The Court rejected the concept of a medical marijuana exemption. This means the Court has concluded that the manufacture and distribution of marijuana, even for medical marijuana use, is illegal. Federal authorities have relied on this ruling to enter into homes to destroy medical marijuana and to prosecute citizens for growing medical marijuana--even when those citizens were acting pursuant to state medical marijuana laws. See Gonzales v. Raich, 545 U.S. 1 (2005) (holding that the federal Commerce Clause prohibits the manufacture, distribution, or possession of marijuana by intrastate growers and users of marijuana for medical purposes--under a preliminary injunction relief analysis); United States v. Rosenthal, 266 F.Supp.2d 1068, 1077 (N.D. Cal. 2003) (defendant who openly grew marijuana for use in a local medical marijuana program authorized by California state law was prosecuted and convicted of federal criminal violation and served one day in jail) aff'd in part, rev'd in part, 454 F.3d 943 (9th Cir. 2006).

The Attorney General's Office has the statutory duty to provide legal advice and representation to state agencies. See NMSA 1978, § 8-5-2 (1975). Therefore, while proponents of state medical marijuana laws may argue that federal authorities have shown little enthusiasm for prosecuting patients beyond the above-mentioned cases and that federal authorities have shown no interest in prosecuting state agencies for implementing a marijuana registry and identification card program, we must caution that the Department and its employees, or representatives acting on behalf of the Department, may be subject to federal prosecution for implementing the Compassionate Use Act.<sup>1</sup>

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<sup>1</sup> As discussed in the text, patients who use medical marijuana pursuant to the Compassionate Use Act are also at risk of federal prosecution. The Legislature's Fiscal Impact Report on Senate Bill 523, the bill enacted as the Compassionate Use Act, noted: "The Office of the Attorney General has noted that until such time as the U. S. Attorney General or the Congress make possession of medical cannabis lawful under federal law, a contrary state law gambles with the personal liberty of those who use medical cannabis as authorized by state law but that still subjects them to criminal prosecution under federal law."

[www.legis.state.nm.us/Sessions/07%20Regular/firs/SB0523.html](http://www.legis.state.nm.us/Sessions/07%20Regular/firs/SB0523.html)

See also [www.legis.state.nm.us/Sessions/05%20regular/firs/SB0492.html](http://www.legis.state.nm.us/Sessions/05%20regular/firs/SB0492.html).

**ATTACHMENT 4:  
ARTICLE FROM THE NATIONAL  
ORGANIZATION FOR THE REPORT OF  
MARIJUANA LAWS**



Working to Reform Marijuana Laws

California State Penalties

\*decriminalized \*medical \*hemp

		Incarceration	Fine
<b>Possession</b>			
28.5 g or less	misdemeanor	none	\$100
More than 28.5 g	misdemeanor	6 months	\$500
28.5 g or less on school grounds while school open (over 18 yrs old)	misdemeanor	10 days	\$500
More than 28.5 g on school grounds while school open (over 18 yrs old)	misdemeanor	6 months	\$500
<b>Cultivation</b>			
Any amount (exception for patients or caregivers)	felony	16 - 36 months	none
<b>Sale</b>			
Gift of less than 28.5 g	misdemeanor	none	\$100
Any amount	felony	2 - 4 years	none
28.5 g or less by a minor	misdemeanor	none	\$250
Any amount to a minor over 14 years old	felony	3 - 5 years	none
Any amount to a minor under 14 years old (includes offering, inducing, distributing, or employing)	felony	3 - 7 years	none
<b>Miscellaneous (paraphernalia, license suspensions, drug tax stamps, etc.)</b>			
Any conviction of minor under 21 causes driver's license suspension for 1 year.			
<b>Details</b>			
Possession of 28.5 grams or less of marijuana is not an arrestable offense. As long as the offender can provide sufficient identification and promises to appear in court, the officer will not arrest the offender. Upon conviction of the misdemeanor charge the offender is subject to a fine of \$100. Possession of greater than 28.5 grams is punishable by up to six months in jail and a fine of up to \$500.			
Possession of 28.5 grams or less of marijuana on school grounds when the school is open is punishable by up to 10 days in jail and a \$500 fine. Possession of greater than 28.5 grams or more of marijuana in a school zone is punishable by up to six months in jail and a fine of up to \$500.			
The cultivation or processing of any amount of marijuana is punishable by up to sixteen months in state prison. There is an exception to the cultivation prohibition for patients or patients' caregivers who possess or cultivate for personal use by the patient upon approval of a physician.			
The laws regarding possession and cultivation of marijuana do not apply to patients or patients' primary caregivers who possess or cultivate marijuana for the personal medical use of the patient, upon the recommendation or approval of a physician.			
Selling marijuana in any amount is punishable by 2 – 4 years in the state prison. Giving away less than 28.5 grams is a misdemeanor and is punishable by a fine of up to \$100.			
Sale of marijuana to a minor is punishable by 3 – 5 years in prison.			
For anyone under the age of 21 convicted of any of the above offenses, the state may suspend the offender's driver's			

Proposition 36  
The Substance Abuse and  
Crime Prevention Act  
passed by 61% in 2000

# NORML

## Working to Reform Marijuana Laws

- Except where indicated otherwise, a listed fine is the maximum fine for the conviction and the minimum fine is zero.
- "Possession" usually means "possessing marijuana only for personal use". If the government accuses you of possessing marijuana for other reasons, the accompanying penalties will probably exceed those for possessing marijuana for personal use. Possessing large amounts of marijuana frequently results in more serious charges of "possession with intent to distribute", "trafficking", and/or "sale".
- Many factors contribute to a defendant's sentence. Factors include level of involvement in the prohibited conduct, location, age, presence or absence of minors, use or presence of weapons, conduct for which a person has been acquitted, and many other things.
- If you are in trouble, please know your rights and hire an attorney.

Warning: The information contained in this report is for informational purposes only. Individuals are encouraged to confirm their state's laws before engaging in any particular behavior, or before going to court without a lawyer.

MAKE A DIFFERENCE: VOTE. JOIN NORML.

### Metric units to United States units of measurements:

One ounce (oz.) = 28.35 grams

One pound (lb.) = 16 ounces = 453.59 grams

One kilogram (kg.) = 1,000 grams (g) = 2.2 pounds (lbs.)

# KTVU.com

## Judge Rules Medical Marijuana Users Can Be Arrested

POSTED: 10:16 am PDT Mar 13, 2017  
UPDATED: 11:50 am PDT Mar 13, 2017

**SAN FRANCISCO --** A California woman whose doctor says marijuana is the only medicine keeping her alive is not immune from federal prosecution on drug charges, a federal appeals court ruled Wednesday.

The ruling was the latest legal defeat for Angel Raich, an Oakland mother of two suffering from scoliosis, a brain tumor, chronic nausea and other ailments who sued the federal government pre-emptively to avoid being arrested for using the drug.

On her doctor's advice, Raich eats or smokes marijuana every couple of hours to ease her pain and bolster a nonexistent appetite as conventional drugs did not work.

The latest legal wrangling once again highlighted the conflict between the federal government, which declares marijuana an illegal controlled substance with no medical value, and the 11 states allowing medical marijuana for patients with a doctor's recommendation.

The Supreme Court ruled against Raich two years ago, saying medical marijuana users and their suppliers could be prosecuted for breaching federal drug laws even if they lived in a state such as California where medical pot is legal.

Because of that ruling, the issue before the 9th U.S. Circuit Court of Appeals was narrowed to the so-called right to life theory: that the gravely ill have a right to marijuana to keep them alive when legal drugs fail.

Raich, 41, began sobbing when she was told of the decision and said she would continue using the drug.

"I'm sure not going to let them kill me," she said. "Oh my God."

The three-judge appeals panel said that the United States has not yet reached the point where "the right to use medical marijuana is 'fundamental' and 'implicit in the concept of ordered liberty.'"

However, the court left open the possibility that Raich, if she was arrested and prosecuted, might be able to argue that she possessed marijuana as a last resort to stay alive, in what is known as a "medical necessity defense."

Raich was asking the court to block enforcement of the 1970 Controlled Substances Act, which criminalized marijuana, LSD, heroin and other drugs.

"Though a necessity defense may be available in the context of a criminal prosecution, it does not follow that a court should prospectively enjoin enforcement of a statute," Judge Harry Pregerson wrote in the unanimous ruling.

When the case was argued before the appeals court a year ago, the government said it could not guarantee that Raich or other seriously ill patients using medical marijuana would not be arrested or prosecuted. Over the years, the government has raided dozens of medical marijuana dispensaries, mostly in California.

"I have to get myself busted," Raich said, "in order to try to save my life. You know, I'm dead man walking."

In a partial dissent, Judge C. Arlen Beam said Raich had no legal standing to even bring a case because she was not arrested. Beam added that Raich "probably cannot establish that she has no legal alternative to violating the law."

The case is likely to reach the U.S. Supreme Court, but each time the high court has taken up the issue of medical marijuana it has ruled against allowing the sick and dying to use the drug to ease their symptoms and possibly prolong life.

Related To Story



Video: "WALKING DEAD": Raw Video Of Angel Raich's Emotional Wednesday News Conference

**ATTACHMENT 6:  
PRESS RELEASE FROM THE OFFICE  
OF THE DISTRICT ATTORNEY, COUNTY  
OF SAN DIEGO**

SDPD used undercover officers to talk to several doctors and obtain open-ended marijuana recommendations based upon self-reported, vague complaints of ailments. The forms purchased allowed the agents to buy marijuana many times and from many locations. The DA's Office has filed complaints with the Medical Board against several marijuana doctors.

Some of these stores not only sold marijuana, but also food products such as cookies and candy laced with marijuana. The candy is clearly marketed for young consumers. Some of the stores had promotions such a "Free Doobie Monday" and frequent buyer programs.

The DA's Office has filed charges including sale of marijuana (HS11360) and possession of marijuana for sale (HS11359). The charges carry maximum sentences of four years and three years in prison, respectively. Following is a list of dispensaries and the individuals (with dates of birth) charged in connection with each:

Ocean Beach Dispensary, 4230 Voltaire St. #2: Aaron Douglas Ballenger, (6/3/85), of Ocean Beach; Jason Kaufmann, (6/5/76) of San Diego; and William Burd, (2/25/77) of San Diego.

Native Sun Dispensary, 3806 Rosecrans St.: Stephen Alan Harding, (5/2/69) of San Diego; and Raphael Michael Mijares, (9/8/70) of Chula Vista.

THC Dispensary (No longer in business): Daniel Patrick Stansfield, (7/4/76) of Pacific Beach; and John Thomas Sullivan, (9/27/67) of La Jolla.

Utopia, 4843 #A Voltaire St.: Anthony Armine, (3/12/73) of Ocean Beach.

California Medical Center, 5544 La Jolla Blvd.: Ahmad Mustapha Abdul-Jaill, (8/28/84) of La Jolla; and Christopher Henry Jessie, (1/26/84) of La Jolla

The defendants arrested today are expected to be arraigned in San Diego Superior Court on Monday July 10, 2006 at 1:30 p.m. in Department 12, 220 West Broadway. Defendants who bail out of jail will get a return date for arraignment one week after their bail out date.

###

# Federal Medical Marijuana Cases in California & elsewhere

(Sept 11, 2001 - Jul 17th, 2007)

See also: [ASA list of pending cases](#)

## POW Mail Service for Medical Marijuana Prisoners

### Pending cases:

- San Luis Obispo, July 17, 2007. **Charles Lynch** arrested for operating Central Coast Compassionate Caregivers in Morro Bay. The collective had been paying taxes and operating in accordance with local regulations. Federal officials charged the collective with selling to minors; defendants claim all customers were legal Prop. 215 patients. Also arrested: **Dr. Armand Tollette** for allegedly writing faulty recommendations for the collective's customers and being paid a "finder's fee" for referrals.
- Riverside County, July 17, 2007: **Ronald Naulls** arrested for operating Healing Nations Collective in Corona. The city had filed suit to have the store closed.
- LA, July 17, 2007. **Larry Kristich and James Carberry** indicted for having operated a chain of medical marijuana dispensaries known as "Compassionate Caregivers." The chain had outlets in Oakland, West Hollywood, Ukiah, Bakersfield, San Francisco San Diego and Alameda County, before being forced to close following a bust of their West Hollywood "Yellow House" in 2005. The indictment charges that Compassionate Caregivers made over \$95 million in sales. The whereabouts of Kristich and Carberry are unknown.
- LA, July 17, 2007. **John Moreaux** of Valencia, a former associate of Compassionate Caregivers, arrested for operating a second cannabis club in West Hollywood. Moreaux had a prior marijuana conviction and was also charged with illegal possession of a shotgun.
- Kern County, July 16, 2007. DEA raids Nature's Medicinal cannabis dispensary near Bakersfield, arresting two owners, **David Chavez, Sr.**, 48 and **David Chavez, Jr.**, 28, plus three employees: **John Wyatt**, 28, **John Shanks**, 59, and **Jennifer Brown**, 34. Records indicated the facility made over \$9.6 million in sales over a 9-month period. The facility had been operating in compliance with local regulations and was paying taxes.
- Hayward, Dec 12, 2006 - DEA & IRS raid Local Patients' Group, arrest owner **Shon Squier**, 34 and manager **Valerie Herschel**, 23, seize \$2 million in assets. LPG had already agreed to shut its doors at the end of the month after having

- Modesto - July 18th, 2005. DEA arrests **Thunder Rector** and two others on charges stemming from a raid on his property by Stanislaus Co sheriffs, who reported discovering 49 plants and 235 pounds of marijuana there. Rector and his wife Rayleen Edson had been providing medical marijuana for patients at a San Francisco dispensary. Also charged was a neighbor, John Hellanger. Thunder awaiting trial on bail.
- Sacramento - July 7, 2005. **Louis Wayne Fowler**, director of Alternative Specialities dispensary, charged by feds following raid by Sacramento County Sheriff that uncovered two indoor gardens with an alleged 800 plants. Sheriffs say Fowler had a criminal record for embezzlement and failed to file for a business license. Charged for manufacture of marijuana and illegal possession of weapons.
- Roseville - DEA raids Capitol Compassionate Care Center in Roseville and the Newcastle home of its proprietor, **Richard Marino**, on Sept 3, 2004, seizing 250 plants, 20 pounds of processed marijuana, and \$105,000 cash. Government files for forfeiture of Marino's home and for his rented storefront premises owned by landlord **Richard Ryan**. Marino indicted Jan 2006 on 19 counts for distribution, manufacture, and money laundering.
- \*San Francisco - June 22, 2005. Feds raid 3 dispensaries and indict 20, mainly Asian-Americans, in what is described as a major organized crime operation. Some defendants charged with money laundering and sales of ecstasy. Others include **Van Nguyen**, director of first Asian-American medical cannabis dispensary. [More details.](#)
- El Dorado Co: **Dr Mollie Fry & Dale Schafer**. Operated medical marijuana clinic in Cool, California with 6000 patients; DEA raided Sep. 28, 2001; seized patient records. Indicted Jun 22, 2005 for marijuana found on premises.
- Lake Co. - DEA raids **Eddy Lepp's** medicinal gardens Aug. 18th, 2004. Over 32,000 plants destroyed, Lepp says plants belonged to 2,000 - 3,000 patient shareholders. Lepp arrested and released on bail pending trial on marijuana charges with possible sentence of 12 years to life. 13 others arrested with Lepp but not charged. Feb 16, 2005: Lepp re-arrested along with Daniel Barnes after allegedly selling one pound of marijuana to DEA agents, who claim they did not mention medical purposes. Several hundred clones taken.
- Calaveras County, Jan. 2005. Federal government files forfeiture suit against **Wesley Crosiar**, 52, after local sheriff finds 134 marijuana plants on his property. Government seeks to forfeit Crosiar's home and five acres of land inherited from father. Crosiar, who was living on the property with his wife and sons, says he was growing for half a dozen friends and family members and had checked with local authorities to make sure he was within legal guidelines.

**Sentenced:**

- SF/Oakland - Marijuana author/advocate Ed Rosenthal re-indicted Oct 12th, 2006, after conviction had been overturned by appeals court. Originally convicted Jan 31, 2003 for cultivating and maintaining a place in Oakland and conspiring to cultivate over 100 plants for the Harm Reduction Center in San Francisco. Jurors renounced their verdict after the first trial upon finding out that important evidence that Rosenthal had been deputized by the city of Oakland had been withheld. Rosenthal sentenced to 1 day time served and 3 years probation and \$1300 fine Jun 4, 2003. Money laundering charges (for four checks totaling \$1855) added on re-indictment, but dismissed by judge for vindictive prosecution. Judge announced before second trial that he would not change his original sentence. Rosenthal re-convicted in May, 2007 on three of five counts; acquitted on one count and jury hung on remaining count. Seven witnesses refused to testify for the state despite threat of contempt of court. Full ccount of Rosenthal trial.
- Kern Co - July 20, 2005. **Joe Fortt**, 42, director of American Kenpo Kungfu School of Public Health, arrested for cultivating over 2,000 plants at three different locations. Charged with conspiracy to distribute and possess more than 1,000 plants (10 year mandatory minimum). Sentenced to 21 months, released in April 2007 and deported to Canada. Also charged: **Dau Venh Lieng**.
- Bakersfield - Sep 8th, 2005. DEA arrests **James Holland** and two associates in raid on the Free and Easy cannabis dispensary. Kern County sheriffs summoned the DEA after being called to investigate a robbery at the facility. Police found plants growing at Holland's home plus 20 lbs of marijuana, and illegally possessed firearms. Holland, who had prior drug convictions, sentenced to 9 years in prison Feb 2007.
- Merced - Aug 10th, 2005. Patient activist **Dustin "DC" Costa** arrested on federal charges. The charges stemmed from a raid in February 2004, when some 900 plants were seized from Costa's greenhouse. Costa had maintained that the plants were all for legal Prop. 215 patients. After 18 months of court continuances, state officials turned DC's case over for federal prosecution. Convicted & **Sentenced to 13 Years in prison** under federal mandatory minimums Jan 2007.
- Oakland, March 16, 2006. DEA raids cannabis candy manufacturer, "Beyond Bomb," at three different East Bay sites, seizing over 5,000 plants, \$150K cash, and the company's stash of cannabis candies & soda pop. Arrested are alleged ringleader **Kenneth "Kena" Affolter**, 39, and 11 other employees. DEA says products were packaged in eye-catching candy wrappers that might pose danger to kids. Supporters say that products were distributed for use by medical marijuana patients. Affolter sentenced to 70 months; co-defendants **Amy Teresa Arata** and **Jesse Monko** sentenced to 18 months; **Jaime Alvarez-Lopez** and **Elizabeth Ramirez** sentenced to 1 year. Sep 26-06.

- El Dorado Co. - **Roy Lee Sharpnack**, 55 patient sentenced to 57 months on Mar 4, 2002 for growing 957 plants for an El Dorado patients' dispensary. Other defendants in the case: **Jacob Sink** released from prison in 2002; **Traci Coggins**, released from prison Nov. 02; **Paul Maggi**, released after agreeing to inform.
- Sonoma Co - **Mark Whitney** arrested March 2002 for 660 plant caregiver garden. Pled guilty Jul 2003, sentenced to 1 year prison, 3 years supervised release; out pending appeal.
- San Diego - **Steve McWilliams**, co-partner of **Shelter from the Storm** medical marijuana collective, arrested by DEA Oct. 11, 2002 for cultivating a small sideyard garden for a half dozen patients. Pled guilty to cultivation of 25 plants, with right to appeal. Sentenced to 6 months Apr 28th, 2003; released on bail pending appeal but denied access to marijuana. Suffering intense pain and depression, McWilliams committed suicide July 11, 2005.
- West Hollywood - **Los Angeles Cannabis Resource Center** - Raided and closed by DEA Oct. 25th on orders of US Justice Dept against wishes of local authorities. Served 960 seriously ill patients In Hollywood. Forfeiture charges filed against the LACRC's building Jun 2002. LACRC director **Scott Imler, Jeff Yablan and Jeff Farrington** pled guilty to avoid a potential 30-year sentence. Sentenced to 1 year's probation plus community service in November 2003 by Judge Howard Matz, who praised the defendants and excoriated the government for bringing the case in the first place.
- Ventura Co. - **Lynn and Judy Osburn** raided Sept 28, 2001 for cultivating for the LACRC. Forfeiture filed against Osburns' property, including home they built for themselves, in July 02. Raided again and arrested for personal use garden of 35 plants in Aug 02; charged with cultivation. Pled guilty Sep 03. Lynn sentenced to 1 year. Ninth Circuit denied appeal March 2006.
- Mendocino Co. - **David Arnett** and **David Kephart** charged federally Jun 02 with growing 27 plants on BLM land after case was dismissed in state court. Arnett sentenced to 3 years probation and \$1,000 fine Jun 20, 03.
- Sonoma Co - Patient **Mike Foley** arrested with a home garden by FBI in the course of an unrelated investigation of his housemate, Jun 2002. Pled guilty to cultivation of 95 plants. Foley had previously been acquitted by a Sonoma jury for cultivating marijuana with Ken Hayes for the CHAMP patients' group in San Francisco. Sentenced to 6 months home detention plus 3 years probation Mar 31, 2004.

#### Raided by DEA, no charges filed (yet):

- Los Angeles, Jan. 17, 2007. DEA agents raid eleven LA-area cannabis

- Bremerton, WASH. - **Monte Levine and Marc Derenzy** raided by the DEA and threatened with arrest by U.S. attorney in August 2002 for openly growing medical marijuana (42 plants) for themselves and two other patients under Washington state law.
- Steamboat Springs, CO - **Don Nord**, 57-year-old patient with serious chronic illness, raided Nov 2003 for 3-plant medical garden. Charges dismissed under Colorado medical marijuana law, but Nord's medicine turned over to DEA. Nord is suing federal government for return of medicine.
- Aurora, Co - **Dana May** raided by DEA April 2004 for personal use garden. Colorado D.A. declines to press charges. May plans to file suit against feds for \$3,000 in cultivation equipment and lost medicine.



# CITY OF ROCKLIN

## MEMORANDUM

DATE: July 13, 2004

TO: Honorable Mayor and Members of the City Council

FROM: Mark Siemens, Chief of Police

RE: Medical Marijuana Dispensaries

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### SUMMARY AND RECOMMENDATION:

California voters approved Proposition 215, which codified into the California Health and Safety Code the "The Compassionate Use Act of 1996". The intent of Proposition 215 was to enable people in need of marijuana for medical purposes the ability to obtain and use it without fear of criminal prosecution under limited, specific circumstances.

Some entrepreneurial types have used the situation to spawn commercial endeavors to distribute marijuana to those who qualify under "The Compassionate Use Act of 1996". Unfortunately, the proposition is unclear about the details of doctor recommendation and how the substance is distributed. The act was specifically developed far enough away from traditional prescriptive drug distribution systems and activities to be distinguishable from them. This was done purposefully as prescription medicines are controlled by the Federal Food and Drug Administration and in Federal law the use, possession, transportation and distribution of marijuana is specifically illegal. At any rate, the use of marijuana under "The Compassionate Use Act of 1996" is not the issue before the Commission. At issue here is the location of commercial distribution of marijuana businesses and the potential impacts to the public health, safety and welfare of our community.

**RECOMMENDATION:** The City of Rocklin is now addressing how the issue of commercial marijuana distribution under the guise of Proposition 215 will be allowed to impact our community. Staff has given the Council three options as discussed in the Planning Department Staff Report for consideration. As the Police Chief, I recommend the change to zoning law, specifically the approval of the Ordinance adding Section 17.04.348 and adding Subpart D to Section 17.64.030 of the Rocklin Municipal Code regarding medical marijuana dispensaries to avoid the impacts experienced in other communities.

July 23, 2007

Page 3

- Dispensary management has told the police that they cannot keep the criminal element out.

During early July, I was also able to contact several other law enforcement agencies that had experience with marijuana dispensaries. I received the following information:

#### CITY OF HAYWARD IMPACTS:

In conversation with Acting Chief Lloyd Lowe, I learned the following:

- Hayward has three dispensaries total, two legal under local ordinance and one illegal.
- They have had robberies outside the dispensaries
- They have noticed more and more people hanging around the park next to one of the dispensaries and learned that they were users in between purchases
- They have problems with user recommendation cards – not uniform, anyone can get them
- One illegal dispensary sold coffee, marijuana and hashish – DA would prosecute the hashish sales and possession violations after arrests were made
- They have received complaints that other illegal drugs are being sold inside of dispensaries
- The dispensaries are purchasing marijuana from growers that they will not disclose
- Chief Lowe believes that the dispensaries do not report problems or illicit drug dealers around their establishments because they do not want the police around
- Hayward Police arrested a parolee attempting to sell three pounds of marijuana to one of the dispensaries
- Hayward has recently passed an ordinance that will make marijuana dispensaries illegal under zoning law in 2006

#### LAKE COUNTY IMPACTS

In conversation with Sheriff Rod Mitchell, I learned the following:

- Lake County has one marijuana dispensary in Upper Lake
- The biggest problem is the doctor, close by the dispensary who is known across the state for being liberal in his recommendations to use marijuana for a fee of \$175
- Many “patients” come from hours away and even out of state, Oregon specifically, to get a marijuana recommendation from the doctor
- Upper Lake has been impacted by the type of people coming for the marijuana doctor and dispensary. Citizens report to the Sheriff that the people coming to Upper Lake for marijuana look like drug users (“dopers”).
- One quilt shop owner has told the sheriff that she does not feel safe anymore because of the type of people drawn to the marijuana doctor and the dispensary, which are located close together in the very small town.

**ATTACHMENT 9:  
A REPORT PREPARED BY THE  
ANAHEIM POLICE DEPARTMENT ON  
THE TOPIC A OF MEDICAL MARIJUANA  
DISPENSARY BAN**

The California Medical Marijuana Information Report by the United States Department of Justice indicates large-scale drug traffickers have been posing as "care givers" to obtain and sell marijuana. The local news is frequented with reports of large-scale marijuana grows being discovered on public lands, such as the Cleveland National Forest in Orange County recently, and the Angeles and Los Padres National Forests, just to our north. These large cultivations on public lands are of minimal cost to the growers, yet cost the State tens of millions of dollars to locate and eradicate. Since there is no "government grown" marijuana for dispensaries, it is apparent the dispensaries obtain their marijuana from a variety of sources, including marijuana grown illegally on public land.

Marijuana is also obtained by the dispensaries through traditional illicit drug smuggling routes. Organized crime and other drug trafficking organizations are earning millions of dollars through the drug trade involving "medical marijuana." Some marijuana may arrive in California through interstate routes; however international corridors through Canada and Mexico are most common. Billions of dollars have been spent nationally attempting to eradicate these sources of illegal drugs, yet Proposition 215 encourages their continued use and actually makes them even more profitable with less risk. Law Enforcement officials in Mexico are currently being killed with greater frequency in part due to increased demand for marijuana in parts of the United States. California is one of the nation's leading consumers of marijuana. Marijuana is considered to be one of California's highest grossing crops, along with grapes.

There are no scientific studies demonstrating a medical benefit from "smoking" marijuana. Marijuana is a "gateway drug" to other "harder" drug use and is dangerous, psychologically addictive and has a high potential for abuse. The Office of National Drug Control Policy has reported more persons are being admitted to treatment for marijuana use than heroin addiction.

Marijuana could never pass the Food and Drug Administrations pure drug standards. With hundreds of crude chemicals, including carcinogens stronger than those found in tobacco, the California and American Medical Associations and every other credible medical group oppose the use of medical marijuana. Since marijuana is not approved by the FDA, and is still a Schedule I drug, Prop 215 encourages citizens to violate Federal Law. There are only a few medical doctors who support marijuana's medical use and, will actually issue marijuana recommendations.

Proposition 215 does not address the consumption of marijuana by minors. Although the age limit for smoking tobacco is 18 and for the consumption of alcohol it is 21, there is no age restriction for marijuana consumption under the provisions of Proposition 215.

Marijuana is the most widely available drug and most abused illegal drug in California and the United States. Juvenile aged high school student's use of marijuana is a significant and growing problem. Marijuana is responsible for behavioral, intellectual and cognitive deficits. Marijuana use been linked to a higher incidence of throat cancer, and has severe pulmonary, reproductive and immune system side effects. Marijuana use is also known to trigger attacks of manic depression, schizophrenia and memory loss and an increase in teen suicides has reportedly been linked to marijuana use. Marijuana is a predominant component of "polydrug" use, which is more frequently encountered today by law enforcement.

Different jurisdictions have dealt with the medical marijuana issues in a variety of ways throughout the state. One jurisdiction in Los Angeles County researched the concept of having a "City operated" and regulated dispensary; however the project was discontinued prior to implementation.

The Northern California City of Hayward adopted ordinances to regulate the establishment and operation of medical marijuana facilities. However, after experiencing many problems at and around their dispensary, Hayward passed an ordinance to ban dispensaries in 2006.

In July 2004, the Northern California City of Rocklin became the first city in the state to approve and adopt a zoning ordinance effectively prohibiting medical marijuana dispensaries in their jurisdiction. This ordinance has not been overturned. Numerous other cities in the state have followed Rocklin's suit, banning MMD's, including Costa Mesa and Cypress. Fullerton is in the process of modifying their zoning ordinance to prohibit MMD's.

According to the California League of Cities as of September 2006, 141 cities surveyed have taken some action regarding MMD's. Seventy three cities have enacted moratoriums on these businesses allowing the city more time to study the issue. Twenty eight cities have chosen to allow MMD's and forty cities are prohibiting MMD's in their community. See Attachment 2.

San Diego, San Bernardino, Merced and Riverside Counties have joined in a lawsuit against the State of California seeking to overturn the Compassionate Use Act. These counties cite the state law conflicts with federal law and an international narcotics treaty signed by the United States in 1961.

Kurt Smith, the Director of Community Analysis and Technology for the City of Redlands summed up that community's response to medical marijuana. "Prevalence should not equal acceptance. Furthering the distribution and availability of marijuana increases the opportunity for crime and may further destabilize neighborhoods and endanger those at highest risk for its use- children in our community."

The Anaheim City Attorney's Office, Planning Department and Police Department have worked to be leaders in researching the topic of medical marijuana and dispensaries. We have shared our experience with an MMD, documentation and research with numerous other jurisdictions in California. We are proud to say three of those cities in this county and at least one outside the county have adopted ordinances prohibiting marijuana dispensaries.

In October 2006, the City of Los Angeles announced, while they had previously regulated MMD's, they have initiated a lengthy moratorium on the establishment of any new dispensaries. They have discovered the open dispensaries are not complying with regulations and appear to be in violation of criminal statutes.

#### IMPACT ON ANAHEIM

The "420 Primary Caregivers" at 421 N. Brookhurst Street, Suite # 130 obtained a business license from the City of Anaheim on May 19, 2004. The type of business was listed as a primary caregiver. By the fall of 2004 the Police Department began to receive

Under the Federal Controlled Substances Law there is no Compassionate Use Act. However, eleven states including California have laws allowing medical marijuana or are sympathetic to the issue. The United States Supreme Court addressed the issue of medical marijuana distribution by dispensaries in *United States v. Oakland Cannabis Buyers' Cooperative and Jeffrey Jones* (532 U.S. 483) in May 2001, ruling there is no medical necessity defense under federal law. This makes the distribution of marijuana through a medical marijuana dispensary illegal under federal law.

On June 6, 2005 the United States Supreme Court ruled on the *Raich and Monson v. Ashcroft* (352 F. 3d. 1222, 1228) case. The decision on this medical marijuana case from Northern California allows Federal Agencies to continue to enforce Federal Law in states with Compassionate Use/ Medical Marijuana laws.

Numerous investigations into California medical marijuana dispensaries and providers have resulted in seizures of marijuana and assets valued in the hundreds of millions of dollars. The United States Attorney has indicated the marijuana dispensaries are illegally cultivating marijuana, laundering money and distributing other illegal drugs.

Due to the extensive financial success of the "420 Primary Caregivers" in Anaheim, numerous individuals and groups have inquired about obtaining business licenses to open and operate marijuana dispensaries in Anaheim. The Planning Department has referred these applicants to the Police Department and most have been successfully discouraged from pursuing their interest here. One businessman was not dissuaded and signed a commercial lease for five years on North Harbor Boulevard to open a marijuana dispensary. The Police Department contacted the property owner prior to the business opening to inquire about the owner's knowledge of the type of business. The owner was unaware of the businessman's intent and the owner terminated the lease agreement.

The Raich decision caused the "420 Primary Caregivers" to cease selling marijuana from their business on Brookhurst temporarily. The business was still operating at the location to register new "patients," take orders for delivery and to supply customers with a secret access code to order marijuana from the business via the internet.

In recent months "420 Primary Caregivers" has reopened its doors for retail sales of marijuana. Since reopening, the Police Department has received complaints from two businesses regarding the marijuana dispensary. One business is in the complex at 421 N Brookhurst and cites concerns regarding marijuana smoking on the property, the proximity to local schools and the children who pass directly by the business on their way to and from school. Another business, not in the complex but nearby, has been mistaken for being a marijuana dispensary and has expressed concern for its employees due to the aggressive nature of the subjects demanding marijuana.

### CONCLUSION

Jurisdictions deciding to allow and regulate medical marijuana dispensaries report experiencing numerous negative impacts or secondary effects on their communities. The information provided comes from the following jurisdictions: Roseville, Oakland, Hayward, Lake County and Fairfax, but many effects have already been felt in Anaheim.

These negative experiences include:

**ATTACHMENT 10:  
A REPORT FROM CONCORD POLICE  
CHIEF DAVID LIVINGSTON ON THE  
TOPIC OF MEDICAL MARIJUANA  
DISPENSARIES – POTENTIAL  
SECONDARY IMPACTS**

- > Trading of marijuana purchased at a dispensary to a minor for sex
- > Purchasers congregating and smoking marijuana in areas frequented by children
- > Sales of marijuana to persons not holding the appropriate certificate

The representatives of each of the agencies polled by Chief Siemens expressed regret that the dispensaries existed in their respective communities. Each was struggling with the immediate impacts and developing a method by which to regulate such businesses.

## DISCUSSION

There are two medical marijuana dispensaries currently operating in the City of Concord. One is located at 2155 Colfax Street, and the other is located at 1120 Contra Costa Blvd. While the Police Department has no record of any complaints related to the business on Colfax Street, the department has responded to a citizen's complaint regarding activity associated with the business on Contra Costa Blvd.

That complaint was referred to the Police Department by the City Attorney's Office, on July 26, 2005. A representative of a neighboring business called to report that a "bad element" was loitering near the dispensary and "harassing" female customers of the complaining business. Officer Ken Carlson investigated the complaint and found no such activity at the time of his contact; however, Officer Carlson has continued to monitor the activity near the dispensary and is prepared to take the appropriate action against any criminal violations or nuisance issues.

While the City of Concord has responded to only the one complaint to date, it is likely that the city would experience an increase in complaints similar to those reported by the agencies referenced in this memorandum if additional dispensaries were authorized. The chance of such activity will also likely increase as word spreads about the existence of the two dispensaries currently operating in the City of Concord.

In addition to facts provided in Chief Siemens' memorandum, there have been two recent events of particular note in our region. The first incident was a recent robbery of a dispensary and homicide in unincorporated San Leandro and the second was a revocation of operating authorization for a dispensary by the City of Modesto.

### *San Leandro – Unincorporated Area*

On August 19, 2005, a number of subjects concealed themselves near the entrance to the facility prior to the opening of the business. The subjects then confronted arriving employees at gunpoint and forced them into the building where they committed a "take over" robbery of marijuana and cash. An employee retrieved a firearm that was kept at the business for protection and exchanged gunfire with the robbers. One of the suspected robbers later died from wounds received in the shootout.

A representative of the Alameda County Sheriff's Office advised Concord staff that not unlike Concord's experience, the Sheriff's Office had also received very few complaints relative to the operation of the medical marijuana dispensaries in the unincorporated area. In fact, most criminal investigations did not involve the actual operation of the dispensary but instead the robberies of individuals after they left the facility. The victims were targeted for the marijuana they had just purchased.

**ATTACHMENT 11:  
LETTER FROM THE LOS ANGELES  
POLICE COMMISSION ON MEDICAL  
MARIJUANA DISPENSARIES**

INTRADPARTMENTAL CORRESPONDENCE

BPC # 05-0235

9A

July 19, 2005  
8.4  
OCOP #2005-05-02

RECEIVED

JUL 13 2005

TO: The Honorable Board of Police Commissioners

POLICE COMMISSION

FROM: Chief of Police

*Richard M. Sefor* 7/13/05

SUBJECT: REPORT ON FACILITIES THAT DISTRIBUTE MEDICAL MARIJUANA  
WITHIN THE CITY OF LOS ANGELES

RECOMMENDED ACTIONS

1. That the Board approve and transmit this report to the City Council, Public Safety Committee.
2. That the Board recommend to the City Council, should the City Council choose to allow the existence of medical marijuana dispensaries, that such facilities only be allowed to operate in commercial areas of the City and be prohibited in residential areas, near schools and colleges, or near public and private recreational areas.

DISCUSSION

There are four known medical marijuana dispensaries located in the City of Los Angeles. These dispensaries are located in the communities of Hancock Park in Wilshire Area, Van Nuys in Van Nuys Area, Rancho Park and Cheviot Hills in West Los Angeles Area. There are other dispensaries located near City boundaries in West Hollywood and Inglewood. Narcotics Division (ND) has received 21 complaints from patrol officers working in geographic Areas about the existence of these dispensaries, the public use of marijuana and possession of illegal amounts of marijuana. In addition, 50 citizen complaints have been received with the same observations. Geographic Area, Narcotics Enforcement Detail (NED), personnel have conducted criminal investigations at the Hancock Park dispensary and at a West Hollywood dispensary adjacent to the border of Los Angeles. A total of 15 felony and one misdemeanor arrests have been made. The Los Angeles County District Attorney's Office is still evaluating those arrests for criminal prosecution.

One additional dispensary, in the community of Venice in Pacific Area, was investigated last year and closed after three arrests were made. One defendant pled guilty to felony possession of marijuana for sale and two defendants pled guilty to felony possession of marijuana. A citizen complaint about this location caused the Pacific Area NED to initiate this investigation.

Anecdotal information indicates that several other unidentified medicinal marijuana "clubs" exist in the City of Los Angeles, however these are more secretive, tend to be mobile, and do not operate storefront dispensaries.

Staff Report to City Council  
August 27, 2004  
Page 3

## EXCERPT

### Option #3 - Regulation

The City of Davis could move to regulate dispensaries. For example, the City could, by establishing clear zoning requirements and a new ordinance, regulate location, hours of operation, on site activities (e.g., no alcohol sales), age of people allowed on site, and the registering of employees and background checks on those employees. Additionally, regulating the enterprise gives the City a process by which a facility's permit can be discontinued or modified if it becomes a public nuisance. It also gives the operator a process to appeal the denial or cancellation of a permit.

### Other Jurisdictions' Experiences

Police departments who have had dispensaries in their jurisdiction for some time were polled. The following are the comments received from those agencies:

#### City of Arcata

- There are two dispensaries in town that share a building.
- The two dispensaries have an ongoing disagreement with each other that has resulted in numerous calls for police services to settle disputes.
- The facilities do not have the correct electrical support and continuously blow out the electricity in the area. They have not complied with upgrading their electrical systems or responded to fire department concerns regarding proper exits and signage.
- There have been numerous instances where people have purchased marijuana at the dispensary and then resold it at a nearby park.
- A doctor has come to the dispensaries and, for a fee, will provide a medicinal marijuana recommendation for just about any complaint the patient makes.

#### City of Roseville:

- They currently have one dispensary in town. This dispensary was established prior to their current regulations and was grandfathered in.
- Street level dealers are trying to sell to those going to the dispensary at a lower price.
- People are smoking marijuana in public around the facility.
- People are coming to the community from out of town and out of state to obtain marijuana (Nevada State and San Joaquin County, etc).
- Marijuana DUI by people who have obtained marijuana from dispensary.
- There has been at least one burglary attempt into the dispensary building.

#### City of Oakland

- They had more than 15 in Oakland, now limited to four by ordinance but control is not very strong. The fines are too small to control a lucrative business.
- Large criminal element drawn to the dispensary location.

## EXCERPT

### Lake County:

- Lake County has one marijuana dispensary in Upper Lake.
- The biggest problem is the doctor close by the dispensary who is known across the state for being liberal in his recommendations to use marijuana for a fee of \$175.
- Many "patients" come from hours away and even out of state, Oregon specifically, to get a marijuana recommendation from the doctor.
- Upper Lake has been impacted by the type of people coming from the marijuana doctor and dispensary. Citizens report to the Sheriff that the people coming to Upper Lake for marijuana look like drug users ("dopers").
- One quilt shop owner has told the Sheriff that she does not feel safe anymore because of the type of people drawn to the marijuana doctor and the dispensary, which are located close together in a very small town.
- They also have a notorious marijuana grower who beat prosecution for cultivation by make a medical claim. Law enforcement has taken a hands-off approach even though he is blatantly violating the law.
- The marijuana grower has recently claimed to be a church to avoid paying taxes.

### City of Fairfax:

- Fairfax has one marijuana dispensary.
- Fairfax has had some problems with patients selling to non-patients.
- They have had problems with purchasers from dispensary congregating at a baseball field to smoke their marijuana.
- Fairfax police arrested one person who purchased marijuana at the dispensary and then took it to a nearby park where he tried to give it to a minor for sex.
- Very small town and low crime rate.

### Berkeley

- Has four facilities operating in the City currently (last 3-4 years).
- There have been several take over robberies of the dispensaries.
- There have been arrests where legitimate purchasers have resold marijuana on the street to well individuals.
- Obvious young people entering and purchasing marijuana from the dispensary.
- Recommended that if we did not currently have the dispensaries, we should not allow them.
- Police department has been given explicit instructions by their City Council not to ~~take any kind of enforcement action against the dispensaries or people going in or out of the facility.~~
- Facilities will accept any Health Department cards, even those obviously forged or faked.

Below is a list of other California cities that do not have dispensaries and what they have or have not done on the issue.

## FACT SHEET

### MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES

December 14, 2006

#### Counties with Established Ordinances (7)

Alameda  
Calaveras

Kern  
Los Angeles

San Luis Obispo  
Santa Barbara

Santa Clara

On August 16, 2006, the City of Monterey Park joined several other counties and cities in California, including Roseville, Pasadena, and Torrance, and banned medical marijuana dispensaries. The City of Corona has also begun to examine this issue as well. On August 29, 2006, the City of Cypress banned medical marijuana dispensaries from operating within its City limits. The Cities of Placentia and Tustin each passed a 45-day moratorium in an effort to sort out the discrepancies among the California and Federal laws concerning the possession and use of marijuana.

Torrance City Attorney, Robert Acciani, stated that the City of Torrance immediately adopted a moratorium on medical marijuana dispensaries when it was first learned that the Green Cross of Torrance was operating in the City of Torrance. An ordinance was adopted that stated the City of Torrance would allow Medical Marijuana so long as they complied with all City Ordinances; as would be expected of all businesses operating in the City of Torrance. The City of Torrance has an ordinance that states any business operating in the City of Torrance must comply with all local, State, and Federal laws, which effectively precludes the dispensing of medical marijuana as it is a violation of Federal law. Mr. Acciani stated that most municipalities have similar ordinances; it is just a matter of enforcement. Torrance has not received a single legal challenge against their ordinance. They have issued a notice to the Green Cross that they are in violation of the aforementioned ordinance and must relinquish their business permit within 30 days; no legal action has been forthcoming. The Drug Enforcement Administration (DEA) conducted an investigation of Green Cross at the end of October 2006 and closed the dispensary due to a number of violations. The City of Torrance now has no medical marijuana dispensaries.

Monterey Park Sergeant Ruben Echeverria stated that Monterey Park also issued a moratorium to further investigate the issue of medical marijuana. After consulting with several other municipalities, the final solution to the problem was the adoption of the City of Torrance's model to ban medical marijuana dispensaries. Monterey Park, like the City of Torrance, has not incurred any legal challenges to either its moratorium or its business ordinance, which in essence bans medical marijuana dispensaries.

Attorney Kimberly Barlow, who is a contract attorney for several municipalities, including the City of Los Angeles, stated that she drafted an ordinance for both the cities of Costa Mesa and Whittier to ban medical marijuana dispensaries. Both municipalities considered using the City of Torrance model to ban the medical marijuana dispensaries, but desired an ordinance that was very specific and unequivocal. Proponents of medical marijuana usage were in attendance at each City Council session, but no legal challenges have been levied against either of the two cities' ordinances.

FACT SHEET

MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES  
December 14, 2006

South Bureau

Southwest Area - 0  
Harbor Area - 2  
77<sup>th</sup> Area - 2  
Southeast Area - 0

Valley Bureau

Van Nuys Area - 14  
West Valley Area - 10  
North Hollywood Area - 17  
Foothill Area - 3  
Devonshire Area - 7  
Mission Area - 2

Marijuana seizures have increased in the City of Los Angeles for the time period January through September 2005 versus January through September 2006. Anecdotal evidence, such as the increased number of clinics, suggests that these increased seizures are due to the increase in usage in California since the passage of the CUA. The proponents of the CUA point to the increased seizures and arrests of marijuana users as further evidence of their vilification and targeting of medical marijuana dispensaries for law enforcement action. The increase in seizures and arrests can be attributed to the greater frequency of encountering the drug on the street without the proper credentials per the CUA.

	2005	2006	2005/2006 % Change
Marijuana Seized	7380.87 lbs	17,749.78 lbs	140.48%
Marijuana Arrests	4,720	5,506	16.65%

Proximity of Clinics to Schools

The ND Crime Analysis Detail is completing a comprehensive review of the proximity of all medical marijuana dispensaries to schools, churches, and other community infrastructures. Medical marijuana dispensaries receiving chronic public complaints and within 1,000 feet of Los Angeles Unified School District schools, private schools, and day care centers are located in Reporting Districts (RD) 567 (Harbor); 1524, 1557, 1558, 1562 (North Hollywood); 1072, 1084 (West Valley); 963, 945, 941, 969 (Van Nuys); and 1972 (Mission). Grant High School found a number of flyers placed on students' vehicles advertising the local medical marijuana dispensary and the ease with which marijuana could be obtained. The restriction of locating liquor stores, adult oriented entertainment, and smoke shops within 1,000 feet of any school has been effective and should be extended to medical marijuana dispensaries as well.

Using Google Earth, all medical marijuana dispensaries showed proximity of less than 1,000 yards to a house of worship, public or private school, or other location where children are likely to congregate, such as a public park.

Some dispensaries are located less than a mile from public locations of concern, such as Miracle Healing Alliance, 12805 Victory Boulevard, Van Nuys, which is .86 miles from Grant High School at 13000 Oxnard Street, Van Nuys. Two complaints were received concerning flyers from Miracle Healing Alliance placed on vehicles parked at Grant High School. In fact, a teacher at Grant High School had allowed his students to "borrow" his medicinal marijuana card

## FACT SHEET

### MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES

December 14, 2006

the fact that many of these marijuana dispensaries are actively recruiting and peddling marijuana to the young and healthy, it is readily evident they are not the altruistic caregivers to the chronically ill they purport themselves to be. Their motive is profit driven and the desire to maintain a stable business foundation. Future business growth and *profit* is dependent upon the attraction of healthy youths and adults and their continued recreational use of medical marijuana, not the treatment of specific medical ailments as was intended by the CUA. (Addendum No. 4)

#### Part I Crimes.

There have been many recorded incidents of violence at these dispensaries. In San Pedro, the owner of one dispensary, who was armed with an assault rifle and a handgun, denied a Los Angeles Fire Department Inspector entry. In Van Nuys, a DEA Agent was held captive and was subsequently rescued. The amount of money and marijuana at these dispensaries also make them prime targets for robbery and burglary. The following crimes were recorded at these dispensaries: 5 felony and 7 misdemeanor vandalisms; 3 grand and 5 petty thefts; 21 burglaries; 8 disorderly conducts; 6 robberies; 4 possessions of controlled substances; 6 possessions for sales of marijuana; 5 possessions of marijuana; 5 embezzlements; 3 stolen vehicles; 1 attempted murder; 1 contributing to the delinquency of a minor; 4 arrests for keeping a house of ill fame; 4 for supervising a prostitute; 3 for prostitution; and 3 arrests for pimping. These statistics do not include the area around the location of the dispensaries, only the addresses. This clearly was not the intent of the CUA, which was meant to assist the gravely ill and not for profiteering or recreational drug abuse.

The following tables depict the changes of Part I crimes in the RDs in and around the medical marijuana dispensaries where ND has received complaints. Part I crimes include homicide, rape, robbery, aggravated assault, burglary, grand theft auto, motor vehicle theft, and theft from motor vehicle. The time period under consideration is from July 30, 2006, to October 28, 2006 versus July 30, 2005, to October 29, 2005, and the comparative crime rate of the five RDs receiving the most complaints adjacent to each medical marijuana dispensary. This time frame is arbitrary in nature as ND does not know when the medical marijuana dispensaries actually initiated business. While the factors that influence Part I crimes are varied, the anecdotal evidence and data suggests the significant likelihood that these medical marijuana dispensaries affect crime in adjacent communities. Comparatively, the total Part I crime rate Citywide for the same time period is as follows: Operations-Valley Bureau had an 8.95% reduction; Operations-West Bureau had an 11.36% reduction; Operations-South Bureau had a 14.22% reduction; and Operations-Central Bureau had an 8.44% reduction. It should be noted that a change in the tabulation of child/spousal abuse occurred during the week of May 13, 2006, and those figures are no longer included in Part I crimes. The areas under review are also where ND received the most complaints concerning the blatant sales and use of marijuana.

## FACT SHEET

### MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES

December 14, 2006

utilized for the exclusive care of children between the ages of 0-18 years old. The hours of operation shall be restricted to the hours of 10:00 A.M. until 6:00 P.M. No facility shall be grandfathered in and must comply with these conditions within six months of the adoption of the moratorium.

It is recommended that the following restrictions be imposed on all new medical marijuana dispensaries and all existing medical marijuana dispensaries. Existing medical marijuana dispensaries shall be allowed 6 months to comply.

1. A medical marijuana dispensary may not be located within 1,000 feet of any school, day care facility, church or house of worship, nursery, public park, or any location utilized for the exclusive care of children between the ages of 0-18 years old.
2. There may only be one medical marijuana dispensary operating within any three-mile radius and must be easily accessible via public transportation.
3. The hours of operation for a medical marijuana dispensary are restricted to the hours of 10:00 A.M. until 6:00 P.M., with no exceptions.
4. Pay phones and/or vending machines, if any, shall be located inside the dispensary only. Only outgoing calls shall be allowed to take place from pay phones located on the premises of a medical marijuana dispensary.
5. Consistent with Section 25612.5 (a)(1) of the Business and Professions Code, a prominent and permanent sign stating "NO LOITERING IS ALLOWED ON OR IN FRONT OF THESE PREMISES" shall be posted in a place that is clearly visible to patrons of the dispensary. As depicted by the signage, no loitering is allowed on or in front of the premises of the medical marijuana dispensary.
6. The applicant shall post signs on the property stating: "No Loitering or Public Drinking," and "It's a Violation of Section 41.27(d) of the Los Angeles Municipal Code to possess any bottle, can, or other receptacle containing any alcoholic beverage which has been opened, seal broken, or the contents of which have been partially removed, on or adjacent to the this premises." Such signs shall be posted in English and the predominant language of the facility's clientele, if different.
7. Consistent with Section 25612 of the Business and Professions Code, no signs, advertising, or any other advertising matter used in connection with the medical marijuana dispensary shall be of any obnoxious, gaudy, blatant, or offensive nature and shall, in no matter be contrary to the rules of the City, or obstruct the view of the interior of the premises viewed from outside.
8. The facility must have an alarm system, which must be properly permitted and maintained. All alarms will have video and voice surveillance coverage at all times and will have

## FACT SHEET

### MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES

December 14, 2006

15. The establishment and operation of any medical marijuana dispensary requires a background check of the owner/operator and all employees. The background check shall consist of a clearance letter from the Department of Justice and fingerprint verification of the identity and criminal history of all employees and potential owners. Disqualification from operating or working in a medical marijuana dispensary shall include any past conviction for any crime specified in California Penal Code Sections 654-678 and/or participation with any group that advocates violence against individuals because of their race, religion, orientation, political affiliation, ethnic origin, nationality, sexual preference, or disability.
16. It shall be unlawful for any medical marijuana dispensary to employ any person who is not at least 18 years of age.
17. The facility must have adequate licensed and duly bonded security personnel during business hours sufficient for the safety of its employees and clientele. All security guards must be licensed and possess a valid California Department of Consumer Affairs "security guard card" at all times. All security personnel must undergo a thorough background investigation and must not have any gang affiliations. The background investigation must pass the scrutiny of the Police Commission Permitting and Compliance Section, which will create a processing and permitting section for security officers operating at all medical marijuana dispensaries in the City of Los Angeles. All costs for the background audit conducted by the Police Commission shall be borne solely by the medical marijuana dispensary, whether or not the security officer candidate passes the background check. The cost for the background audit will vary depending upon the number of investigative hours utilized to conduct the audit and shall be cost neutral for the City.
18. Each medical marijuana dispensary is to dispense a safe product. Consistent with Los Angeles Municipal Code Section, 46.14, DISCLOSURE OF CONTENTS, medical marijuana should be amended to the list of drugs, along with those containing caffeine, ephedrine or phenylpropanolamine that are displayed or offered for sale, or sold, unless the name and quantity of each active ingredient is stated on the label of the container in which such drug is displayed or offered for sale or sold. It is the sole responsibility of each medical marijuana dispensary or its supplier to test their products and list the name, quantity, and percentage of active ingredients on the labels of its products. When the product is dispensed, it shall be in an opaque container, packaged in childproof tamper resistant packaging, sealed, and the contents will be clearly marked with its potency and weight.
19. In the interests of public health and safety, the clients of medical marijuana dispensaries should be versed in the hazards of the drugs they ingest. Consistent with the City of Los Angeles Municipal Code Section, 46.13, DISCLOSURE OF HAZARDS, medical marijuana shall be amended to the list of drugs, including those containing caffeine, ephedrine or phenylpropanolamine, that are displayed or offered for sale, or sold unless there appears on the package or container in which said drug is displayed or offered for sale, or

## FACT SHEET

### MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES

December 14, 2006

remain in effect so long as the system for distributing or assigning MMICs preserves the anonymity of the qualified patient or primary caregiver. Under no circumstances are flyers to be handed out, placed on windshields, residences, or posted. No advertisements are to be directed at children under the age of 18 years or areas where they congregate.

26. All litter must be removed from the premises, including the parking lot, sidewalk, and all areas visible to the public within 100 feet of the premises at least twice daily.
27. The medical marijuana dispensary shall provide the Police Department, local Council offices, and all neighbors located within fifty (50) feet of the establishment with the name, phone number, and facsimile number of an on-site community relations staff person to whom one can provide notice if there are operating problems associated with the establishment.
28. Any graffiti applied to property under control of the medical marijuana dispensary must be reported to the Los Angeles Police Department and then must be removed within 24 hours.
29. In accordance with Los Angeles Municipal Code Section 41.50, the smoking of marijuana cigarettes, *or any other mode of ingestion*, in and at least 100 feet around the perimeter of the marijuana dispensary shall be prohibited.
30. Medical marijuana dispensaries may not dispense more than **one ounce** of dried marijuana per qualified patient to a qualified patient or primary caregiver per visit to the medical marijuana dispensary. Medical marijuana dispensaries may not maintain more than ninety-nine (99) marijuana plants in up to 100 square feet of total garden canopy measured by the combined vegetative growth area. Medical marijuana dispensaries shall use MMIC numbers to ensure compliance with this provision. If a qualified patient or a primary caregiver has a doctor's recommendation that this quantity does not meet the qualified patient's medical requirements, the qualified patient or the primary caregiver may possess, and the medical marijuana dispensary may dispense, an amount of dried marijuana and maintain a number marijuana plants consistent with those needs. Only the dried mature processed flowers of female marijuana plant or the plant conversion shall be considered when determining allowable quantities of marijuana under this restriction.
31. Each medical marijuana dispensary must be operated by a legitimate medical marijuana caregiver as designated in SB 420 and Proposition 215.
32. The medical marijuana dispensary shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. Nor shall alcoholic beverages be consumed on the premises or in the public right-of-way within one hundred feet of a medical marijuana dispensary.
33. Medical marijuana dispensaries shall meet all the operating criteria for the dispensing of medical marijuana as is required pursuant to California Health and Safety Code Section 11362.7 et seq.

**FACT SHEET**

**MEDICAL MARIJUANA FACILITIES WITHIN THE CITY OF LOS ANGELES**

December 14, 2006

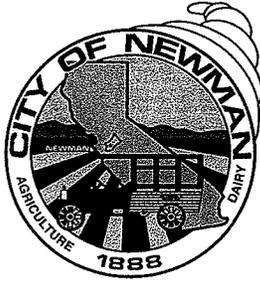
news organizations have conducted their own investigations and found widespread fraud and profiteering in the manner the Compassionate Use Act has been implemented, contrary to its intent to assist terminally or adversely ill people. In a taped investigation, Channel 2 News depicts a physician handing out medical marijuana recommendations without an examination for \$175 each, cash. The physician does not even stand up from behind his desk. In the physician's waiting room, where there is an hour wait to see him, the prospective "patients" are overheard joking about what they are going to tell the physician they need the medical marijuana recommendation for. (See Addendum No. 6)

It is essential that proactive enforcement efforts and controls be undertaken in the City of Los Angeles to regulate these dispensaries and ensure they are operating as the voters originally intended under Proposition 215, The Compassionate Use Act of 1996. It is recommended that the City Council enact a strict ordinance that establishes the criteria by which these medical marijuana dispensaries operate. The above captioned list of 41 recommendations is an excellent basis for this ordinance, yet allows for the spirit of Proposition 215 as the voters originally intended.

Prepared by:

NARCOTICS DIVISION

Attachments



## City of Newman Memorandum

**Date:** October 9, 2008  
**To:** City Council  
**From:** Sonya Silva *gms*

**Subject: Item 10a – Presentation of Quarterly Budget Update**

At the annual Budget Workshop, Staff acknowledged that budget updates would be presented to council on a quarterly basis in order to maintain a balanced and efficient budget in view of the changing economy. I will give an oral presentation to the Council addressing the numerous events which have transpired over the past several months and how they affect our current budget. Spreadsheets will be provided at the council meeting outlining budget updates.

Honorable Chairman and Members  
of the Newman Redevelopment Agency

Agenda Item: **10.b.**  
Newman Redevelopment Meeting  
of October 14, 2008

**REIMBURSEMENT REQUEST FOR INSTALLATION OF PUBLIC  
IMPROVEMENTS BY NEWMAN CITY TOW**

**RECOMMENDATION:**

Review request and determine level of reimbursement for public improvements (curb, gutter and sidewalk) installed by Newman City Tow.

**BACKGROUND:**

Newman City Tow recently purchased property on the southeast corner of Inyo Avenue and 'L' Street. Currently, the Newman City Tow operates from the former Leprino site located at Main Street and Merced Street. All project approvals and permits have been secured and the site is nearing completion. The attached letter was submitted by the owner of Newman City Tow.

**ANALYSIS:**

Mr. Madruga is requesting reimbursement for public improvements installed as part of his project. Improvements include installation of curb, gutter and sidewalk along the project frontage. The attached invoice identifies \$17,358.00 in improvements.

**FISCAL IMPACT:**

\$10,000. This request is a non-budgeted item. Based upon the increase in tax increment, the Agency will recover said amount within an estimated 4 years.

**CONCLUSION:**

Staff recommends the Council approved a \$10,000 reimbursement to Newman City Tow for installation of public improvements.

Respectfully submitted,



---

Michael Holland  
City Manager

**Newman City Tow Service, Inc.**

P.O. Box 237

Newman, CA 95360

209-862-2821 Fax 209-862-0436

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September 22, 2008

City of Newman  
PO Box 787  
Newman, CA 95360

Re: Newman City Tow  
1908 L Street  
Newman, CA 95360

To Whom It May Concern,

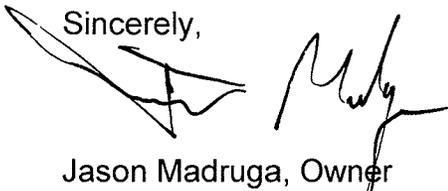
We are proud to announce that our new building constructed in the City of Newman is near completion and we at Newman City Tow look forward to many years of business in the Westside area.

We are writing today in the hope of seeking support in one specific area. As you well know, the construction costs involved in a sizeable project such as ours are considerable. Moreover, the addition of curbs, gutters and sidewalks are also an improvement to the City of Newman. We are thrilled about creating an aesthetically pleasing area in Newman's industrial park, especially since we are the first building seen when entering the vicinity. As previously mentioned, these infrastructure expenses are costly. We respectfully request that you consider reimbursing Newman City Tow for the costs of these improvements, which were requested by the City of Newman, totaling \$17,358.00 (please see attached).

It is gratifying to know that we have played a part in the beautification of the City of Newman. We genuinely appreciate the opportunity of doing business in your fine city for years to come. Please notify me of your decision or if additional information is needed. I can be reached at (209) 602-8155.

Thank you for your time and consideration in this matter.

Sincerely,



Jason Madruga, Owner

# Arnold Cement Inc.

*"It stays up longer and harder with Concrete."*

P.O. Box 787  
 Ceres, CA 95307  
 Phone (209) 544-0439 Fax (209) 538-6800

**DATE:** June 30, 2008  
**INVOICE #** 136  
**FOR:** Offsite Work

**Bill To:**  
 Newman City Tow

DESCRIPTION	AMOUNT
5' city sidewalk, 1 return with truncated dome, curb and gutter on L street.	17,358.00
<b>TOTAL</b>	<b>\$ 17,358.00</b>

Payments are to be paid within 30 days of date above.

Make all checks payable to: Arnold Cement Inc.  
 If you have any questions concerning this invoice, contact Rick Arnold, at (209) 479-8487.

**THANK YOU FOR YOUR BUSINESS!**

October 1, 2008

WEST SIDE THEATRE FOUNDATION  
P.O. BOX 202  
NEWMAN, CA 95360

Dear BOARD OF DIRECTORS:

Enclosed is your 2007 Federal Return of Organization Exempt from Income Tax. The original should be signed at the bottom of page nine. No tax is payable with the filing of this return. Mail your Federal return on or before November 17, 2008 to:

DEPARTMENT OF TREASURY  
INTERNAL REVENUE SERVICE  
OGDEN, UT 84201-0027

Enclosed is your 2007 California Exempt Organization Annual Information Return. The original should be signed at the bottom of page one. There is a balance due of \$10 payable by November 17, 2008. Mail the California return on or before November 17, 2008 and make the check payable to:

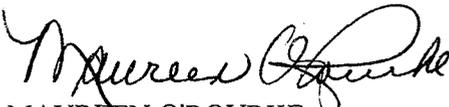
FRANCHISE TAX BOARD  
P.O. BOX 942857  
SACRAMENTO, CA 94257-0701

Enclosed is your California Registration/Renewal Fee Report to the Attorney General. The original should be signed at the bottom of page one. There is a fee due of \$50 payable by November 17, 2008. Make the check or money order payable to "Attorney General's Registry of Charitable Trusts" and mail your California report on or before November 17, 2008 to:

REGISTRY OF CHARITABLE TRUSTS  
P.O. BOX 903447  
SACRAMENTO, CA 94203-4470

Please be sure to call us if you have any questions.

Sincerely,

  
MAUREEN O'ROURKE

## WEST SIDE THEATRE FOUNDATION

770433241

	2007	2006	Diff
<b>REVENUE</b>			
Contributions, gifts, and grants.....	16,530	2,564	13,966
Program service revenue.....	110,701	93,527	17,174
Total revenue.....	127,231	96,091	31,140
<b>EXPENSES</b>			
Program services.....	128,559	0	128,559
Management and general.....	158	0	158
Fundraising.....	1,784	0	1,784
Payments to affiliates.....	250	0	250
Total expenses.....	130,751	128,480	2,271
<b>NET ASSETS OR FUND BALANCES</b>			
Excess or (deficit) for the year.....	-3,520	-32,389	28,869
Net assets/fund bal. at beg. of year.....	75,467	107,856	-32,389
Net assets/fund bal. at end of year.....	71,947	75,467	-3,520

## WEST SIDE THEATRE FOUNDATION

770433241

	2007	2006	Diff
<b>REVENUE</b>			
Other income.....	110,701	93,527	17,174
Gross contributions, gifts, & grants.....	16,530	2,564	13,966
Total income.....	127,231	96,091	31,140
<b>EXPENSES AND DISBURSEMENTS</b>			
Interest.....	43	0	43
Rents.....	0	5,224	-5,224
Depreciation and depletion.....	10,939	12,547	-1,608
Other deductions.....	119,769	110,709	9,060
Total deductions.....	130,751	128,480	2,271
Excess of receipts over disbursements.....	-3,520	-32,389	28,869
<b>FILING FEE</b>			
Filing fee.....	10	10	0
Balance due.....	10	10	0
<b>SCHEDULE L</b>			
Beginning Assets.....	75,706	107,956	-32,250
Beginning Liabilities & Net Worth.....	75,706	107,956	-32,250
Ending Assets.....	71,947	75,706	-3,759
Ending Liabilities & Net Worth.....	71,947	75,706	-3,759

**Forms needed for this return**

Federal: 990, Sch A, 4562-FY  
California: 199, 3885, RRF-1

**Carryovers to 2008**

None

## WEST SIDE THEATRE FOUNDATION

770433241

**Projected Support Schedule for 2008**

This worksheet projects if the organization will meet the support test for the tax year 2008 based on the data entered in screen 55 for the column 2007 .

Support Items	2007 (a)	2006 (b)	2005 (c)	2004 (d)	Total (e)
15. Gifts, grants, and contributions	16,530.	2,564.	2,555.	24,021.	45,670.
16. Membership fees received					0.
17. Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable purpose	110,701.	93,091.	112,114.	100,570.	416,476.
18. Gross income from interest, dividends, samount received from payments on securities loans, rents, royalties, and unrelated business taxable income from businesses acquired by the organization after 6/30/1975					0.
19. Net income from unrelated business activities not included in line 18					0.
20. Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21. The value of services or facilities furished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0.
22. Other income. Do not include gain (or loss) from sale of capital assets					0.
23. Total of lines 15 through 22	127,231.	95,655.	114,669.	124,591.	462,146.
24. Line 23 minus line 17	16,530.	2,564.	2,555.	24,021.	45,670.
25. Enter 1% of line 23	1,272.	957.	1,147.	1,246.	
<b>Organizations described on line 12:</b>					
27a. Total amounts from lines 15, 16, and 17 from disqualified persons					0.
27b. Line 17 amounts from disqualified persons larger than line 25 or \$5,000					0.
27c. Amounts from column (e) for lines 15, 16, 17, 20, and 21					462,146.
27d. Total of lines 27a and 27b					0.
27e. Public support (line 27c minus line 27d)					462,146.
27f. Total support for section 509(a) (2) test (line 23, column (e))					462,146.
27g. Public support percentage (line 27e divided by line 27f)					100.00%
27h. Investment income percentage (line 18, column (e) divided by line 27f)					0.00%

Return of Organization Exempt From Income Tax

2007

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service(77)

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning 7/01, 2007, and ending 6/30, 2008

B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending. C WEST SIDE THEATRE FOUNDATION, P.O. BOX 202, NEWMAN, CA 95360. D Employer Identification Number 77-0433241. E Telephone number 209-862-4490. F Accounting method: X Cash, Accrual, Other (specify)

G Web site: N/A. H (a) Is this a group return for affiliates? X No. H (b) If 'Yes,' enter number of affiliates. H (c) Are all affiliates included? X Yes. H (d) Is this a separate return filed by an organization covered by a group ruling? X No.

J Organization type (check only one) X 501(c) 3 (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 127,231. M Check X if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Group Exemption Number. M Check X if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 127,231.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with columns for Revenue, Expenses, and Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss) (attach schedule); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses other than fundraising expenses; 9c Net income or (loss) from special events; 10a Gross sales of inventory, less returns and allowances; 10b Less: cost of goods sold; 10c Gross profit or (loss) from sales of inventory; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

**Part II Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See *instructions*.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b> Grants paid from donor advised funds (attach sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here... <input type="checkbox"/>	<b>22a</b>				
<b>22b</b> Other grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here... <input type="checkbox"/>	<b>22b</b>				
<b>23</b> Specific assistance to individuals (attach schedule)	<b>23</b>				
<b>24</b> Benefits paid to or for members (attach schedule)	<b>24</b>				
<b>25a</b> Compensation of current officers, directors, key employees, etc. listed in Part V-A	<b>25a</b>	0.	0.	0.	0.
<b>b</b> Compensation of former officers, directors, key employees, etc. listed in Part V-B	<b>25b</b>	0.	0.	0.	0.
<b>c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	<b>25c</b>	0.	0.	0.	0.
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c	<b>26</b>				
<b>27</b> Pension plan contributions not included on lines 25a, b, and c	<b>27</b>				
<b>28</b> Employee benefits not included on lines 25a - 27	<b>28</b>				
<b>29</b> Payroll taxes	<b>29</b>				
<b>30</b> Professional fundraising fees	<b>30</b>				
<b>31</b> Accounting fees	<b>31</b>				
<b>32</b> Legal fees	<b>32</b>				
<b>33</b> Supplies	<b>33</b>	21,913.	21,913.		
<b>34</b> Telephone	<b>34</b>				
<b>35</b> Postage and shipping	<b>35</b>	1,205.	1,205.		
<b>36</b> Occupancy	<b>36</b>				
<b>37</b> Equipment rental and maintenance	<b>37</b>	4,616.	4,616.		
<b>38</b> Printing and publications	<b>38</b>				
<b>39</b> Travel	<b>39</b>				
<b>40</b> Conferences, conventions, and meetings	<b>40</b>				
<b>41</b> Interest	<b>41</b>	43.		43.	
<b>42</b> Depreciation, depletion, etc (attach schedule)	<b>42</b>	10,939.	9,155.		1,784.
<b>43</b> Other expenses not covered above (itemize):					
<b>a</b> See Statement 2	<b>43a</b>	91,785.	91,670.	115.	
<b>b</b> _____	<b>43b</b>				
<b>c</b> _____	<b>43c</b>				
<b>d</b> _____	<b>43d</b>				
<b>e</b> _____	<b>43e</b>				
<b>f</b> _____	<b>43f</b>				
<b>g</b> _____	<b>43g</b>				
<b>44</b> Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	<b>44</b>	130,501.	128,559.	158.	1,784.

**Joint Costs.** Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ See Statement 3

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)

a PRODUCING PLAYS, HOLDING CONCERTS, AND PROVIDING A BUILDING FOR OTHERS TO PRESENT PROGRAMS OF A CULTURAL NATURE

(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶

128,559.

b

(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶

c

(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶

d

(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶

e Other program services

(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶

f Total of Program Service Expenses (should equal line 44, column (E), Program services) ▶

128,559.

**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
ASSETS	45 Cash – non-interest-bearing .....	3,761.	45	5,472.	
	46 Savings and temporary cash investments .....		46		
	47 a Accounts receivable .....	47 a			
	b Less: allowance for doubtful accounts .....	47 b		47 c	
	48 a Pledges receivable .....	48 a			
	b Less: allowance for doubtful accounts .....	48 b		48 c	
	49 Grants receivable .....		49		
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule) .....		50 a		
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule) .....		50 b		
	51 a Other notes and loans receivable (attach schedule) .....	51 a			
	b Less: allowance for doubtful accounts .....	51 b		51 c	
	52 Inventories for sale or use .....		52		
	53 Prepaid expenses and deferred charges .....		53		
	54 a Investments – publicly-traded securities .....	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54 a	
	b Investments – other securities (attach sch) .....	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54 b	
	55 a Investments – land, buildings, & equipment: basis .....	55 a			
	b Less: accumulated depreciation (attach schedule) .....	55 b		55 c	
	56 Investments – other (attach schedule) .....		56		
	57 a Land, buildings, and equipment: basis .....	57 a	149,312.		
	b Less: accumulated depreciation (attach schedule) .....	57 b	84,866.		
58 Other assets, including program-related investments (describe ▶ <u>See Statement 5</u> .....		71,945.	57 c	64,446.	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58 .....		75,706.	59	71,947.	
LIABILITIES	60 Accounts payable and accrued expenses .....		60		
	61 Grants payable .....		61		
	62 Deferred revenue .....		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule) .....		239.	63	
	64 a Tax-exempt bond liabilities (attach schedule) .....			64 a	
	b Mortgages and other notes payable (attach schedule) .....			64 b	
	65 Other liabilities (describe ▶ .....			65	
66 <b>Total liabilities.</b> Add lines 60 through 65 .....		239.	66	0.	
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted .....	75,467.	67	71,947.	
	68 Temporarily restricted .....		68		
	69 Permanently restricted .....		69		
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds .....		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund .....		71		
	72 Retained earnings, endowment, accumulated income, or other funds .....		72		
	73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) .....	75,467.	73	71,947.	
	74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73 .....	75,706.	74	71,947.	

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements .....	<b>a</b>	127,231.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12:		
	1 Net unrealized gains on investments .....	<b>b1</b>	
	2 Donated services and use of facilities .....	<b>b2</b>	
	3 Recoveries of prior year grants .....	<b>b3</b>	
	4 Other (specify): .....	<b>b4</b>	
	Add lines <b>b1</b> through <b>b4</b> .....	<b>b</b>	
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> .....	<b>c</b>	127,231.
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :		
	1 Investment expenses not included on Part I, line 6b .....	<b>d1</b>	
	2 Other (specify): .....	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b> .....	<b>d</b>	
<b>e</b>	<b>Total revenue</b> (Part I, line 12). Add lines <b>c</b> and <b>d</b> .....	<b>e</b>	127,231.

**Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements .....	<b>a</b>	130,751.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 17:		
	1 Donated services and use of facilities .....	<b>b1</b>	
	2 Prior year adjustments reported on Part I, line 20 .....	<b>b2</b>	
	3 Losses reported on Part I, line 20 .....	<b>b3</b>	
	4 Other (specify): .....	<b>b4</b>	
	Add lines <b>b1</b> through <b>b4</b> .....	<b>b</b>	
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> .....	<b>c</b>	130,751.
<b>d</b>	Amounts included on Part I, line 17, but not on line <b>a</b> :		
	1 Investment expenses not included on Part I, line 6b .....	<b>d1</b>	
	2 Other (specify): .....	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b> .....	<b>d</b>	
<b>e</b>	<b>Total expenses</b> (Part I, line 17). Add lines <b>c</b> and <b>d</b> .....	<b>e</b>	130,751.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
See Statement 6		0.	0.	0.



Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed ▶ <u>None</u>		
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)	90b	0
91 a	The books are in care of ▶ <u>PAULA LOWRY</u> Telephone number ▶ <u>209-862-4490</u> Located at ▶ <u>P.O. BOX 202 NEWMAN, CA</u> ZIP + 4 ▶ <u>95360</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If 'Yes,' enter the name of the foreign country ▶ _____	91b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

**Part VI Other Information** (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States?  91c   X

If 'Yes,' enter the name of the foreign country ▶

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here.  N/A

and enter the amount of tax-exempt interest received or accrued during the tax year. ▶ 92  N/A

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a THEATER RECEIPTS	711110		2		107,352.
b THEATER SPECIAL EVENT	711110		1		3,349.
c					
d					
e					
f Medicare/Medicaid payments.					
g Fees & contracts from government agencies					
94 Membership dues and assessments.					
95 Interest on savings & temporary cash invmnts.					
96 Dividends & interest from securities.					
97 Net rental income or (loss) from real estate:					
a debt-financed property.					
b not debt-financed property.					
98 Net rental income or (loss) from pers prop.					
99 Other investment income.					
100 Gain or (loss) from sales of assets other than inventory.					
101 Net income or (loss) from special events.					
102 Gross profit or (loss) from sales of inventory.					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E)).					110,701.
105 Total (add line 104, columns (B), (D), and (E)).					110,701.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

N/A	

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI Information Regarding Transfers To and From Controlled Entities.** Complete only if the organization is a controlling organization as defined in section 512(b)(13).

	Yes	No
106 Did the reporting organization <b>make</b> any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity.....		X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
<b>Totals</b>				

	Yes	No
107 Did the reporting organization <b>receive</b> any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If 'Yes,' complete the schedule below for each controlled entity.....		X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
<b>Totals</b>				

	Yes	No
108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above? .....		X

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: FARRIS LARSEN, GENERAL DIRECTOR Date: \_\_\_\_\_

Type or print name and title.

<b>Paid Preparer's Use Only</b>	Preparer's signature	Non-Paid Preparer	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See General Instruction X)
	Firm's name (or yours if self-employed), address, and ZIP + 4		EIN	Phone no.	

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under  
Section 501(c)(3)**

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**2007**

Supplementary Information — (See separate instructions.)

Department of the Treasury  
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Name of the organization

Employer identification number

WEST SIDE THEATRE FOUNDATION

770433241

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$50,000	0			

**Part II - A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services	0	

**Part II - B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services	0	

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2007

**Part III** Statements About Activities (See instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities . . . . ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) . . . . .	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property? . . . . .	2a	X
b Lending of money or other extension of credit? . . . . .	2b	X
c Furnishing of goods, services, or facilities? . . . . .	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	2d	X
e Transfer of any part of its income or assets? . . . . .	2e	X
3a Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments.) . . . . .	3a	X
b Did the organization have a section 403(b) annuity plan for its employees? . . . . .	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement . . . . .	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? . . . . .	3d	X
4a Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g . . . . .	4a	X
b Did the organization make any taxable distributions under section 4966? . . . . .	4b	N/A
c Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	4c	N/A
d Enter the total number of donor advised funds owned at the end of the tax year . . . . . ▶ <u>N/A</u>		N/A
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year . . . . . ▶ <u>N/A</u>		N/A
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts . . . . . ▶ <u>0</u>		0
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year. . . ▶ <u>0.</u>		0.

**Part IV Reason for Non-Private Foundation Status** (See instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ -----
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11 a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11 b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives: **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions – subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization: ▶  
 Type I     Type II     Type III-Functionally Integrated     Type III-Other

**Provide the following information about the supported organizations.** (See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b> .....					<b>0.</b>

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) .....	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) .....	2,564.	2,555.	24,021.	29,415.	58,555.
<b>16</b> Membership fees received .....					0.
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose .....	93,091.	112,114.	100,570.	91,988.	397,763.
<b>18</b> Gross income from interest, dividends, amts rec'd from payments on securities loans (sec. 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less sec. 511 taxes) from businesses acquired by the organization after June 30, 1975 .....					0.
<b>19</b> Net income from unrelated business activities not included in line 18 .....					0.
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .....					0.
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge .....					0.
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets .....					0.
<b>23</b> Total of lines 15 through 22 .....	95,655.	114,669.	124,591.	121,403.	456,318.
<b>24</b> Line 23 minus line 17 .....	2,564.	2,555.	24,021.	29,415.	58,555.
<b>25</b> Enter 1% of line 23 .....	957.	1,147.	1,246.	1,214.	
<b>26 Organizations described on lines 10 or 11:</b>					
<b>a</b> Enter 2% of amount in column (e), line 24 .....	N/A				<b>26a</b>
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts .....					<b>26b</b>
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e) .....					<b>26c</b>
<b>d</b> Add: Amounts from column (e) for lines:	<b>18</b> _____	<b>19</b> _____			<b>26d</b>
	<b>22</b> _____	<b>26b</b> _____			
<b>e</b> Public support (line 26c minus line 26d total) .....					<b>26e</b>
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator)) .....					<b>26f</b> %
<b>27 Organizations described on line 12:</b>					
<b>a</b> For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2006) _____ 0. (2005) _____ 0. (2004) _____ 0. (2003) _____ 0.					
<b>b</b> For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) _____ 0. (2005) _____ 0. (2004) _____ 0. (2003) _____ 0.					
<b>c</b> Add: Amounts from column (e) for lines:	<b>15</b> _____	<b>16</b> _____			<b>27c</b>
	<b>17</b> 397,763.	<b>20</b> 58,555.	<b>21</b> _____		
<b>d</b> Add: Line 27a total .....	0.		and line 27b total .....		<b>27d</b> 0.
<b>e</b> Public support (line 27c total minus line 27d total) .....					<b>27e</b> 456,318.
<b>f</b> Total support for section 509(a)(2) test: Enter amount from line 23, column (e) .....					<b>27f</b> 456,318.
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator)) .....					<b>27g</b> 100.00 %
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) .....					<b>27h</b> 0. %

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

**Part V Private School Questionnaire** (See instructions.)  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....		
If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.)			
-----			
-----			
-----			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....		
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....		
If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.)			
-----			
-----			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges? .....		
b	Admissions policies? .....		
c	Employment of faculty or administrative staff? .....		
d	Scholarships or other financial assistance? .....		
e	Educational policies? .....		
f	Use of facilities? .....		
g	Athletic programs? .....		
h	Other extracurricular activities? .....		
If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.)			
-----			
-----			
34a	Does the organization receive any financial aid or assistance from a governmental agency? .....		
b	Has the organization's right to such aid ever been revoked or suspended? .....		
If you answered 'Yes' to either 34a or b, please explain using an attached statement.			
-----			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.....		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a**  if the organization belongs to an affiliated group. Check **b**  if you checked 'a' and 'limited control' provisions apply.

<b>Limits on Lobbying Expenditures</b>		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying) .....	37	
38	Total lobbying expenditures (add lines 36 and 37) .....	38	
39	Other exempt purpose expenditures .....	39	
40	Total exempt purpose expenditures (add lines 38 and 39) .....	40	
41	Lobbying nontaxable amount. Enter the amount from the following table –		
	<b>If the amount on line 40 is –</b>		
	<b>The lobbying nontaxable amount is –</b>		
	Not over \$500,000 .....		20% of the amount on line 40 .....
	Over \$500,000 but not over \$1,000,000 .....		\$100,000 plus 15% of the excess over \$500,000 .....
	Over \$1,000,000 but not over \$1,500,000 .....	41	\$175,000 plus 10% of the excess over \$1,000,000 .....
	Over \$1,500,000 but not over \$17,000,000 .....		\$225,000 plus 5% of the excess over \$1,500,000 .....
	Over \$17,000,000 .....		\$1,000,000 .....
42	Grassroots nontaxable amount (enter 25% of line 41) .....	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	44	
<b>Caution:</b> If there is an amount on either line 43 or line 44, you must file Form 4720.			

**4 -Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
 See the instructions for lines 45 through 50.)

	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45	Lobbying nontaxable amount .....				
46	Lobbying ceiling amount (150% of line 45(e)) .....				
47	Total lobbying expenditures .....				
48	Grassroots non-taxable amount .....				
49	Grassroots ceiling amount (150% of line 48(e)) .....				
50	Grassroots lobbying expenditures .....				

**Part VI-B Lobbying Activity by Nonelecting Public Charities** (See instructions.)  
 (For reporting only by organizations that did not complete Part VI-A)

N/A

	Yes		No		Amount
	Yes	No	Yes	No	
a	Volunteers .....				
b	Paid staff or management (Include compensation in expenses reported on lines c through h.) .....				
c	Media advertisements .....				
d	Mailings to members, legislators, or the public .....				
e	Publications, or published or broadcast statements .....				
f	Grants to other organizations for lobbying purposes .....				
g	Direct contact with legislators, their staffs, government officials, or a legislative body .....				
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....				
i	Total lobbying expenditures (add lines c through h.) .....				

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.



**Depreciation and Amortization  
(Including Information on Listed Property)**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return  
**WEST SIDE THEATRE FOUNDATION**

Identifying number  
**770433241**

Business or activity to which this form relates

Form **990/990-PF**

**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$125,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$500,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2006 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	2,126.

**Part III MACRS Depreciation (Do not include listed property.)** (See instructions)

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2007	17	8,499.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

**Section B – Assets Placed in Service During 2007 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property		3,440.	7	MQ	200DB	314.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

**Section C – Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary** (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	10,939.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**Part V Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

24a Do you have evidence to support the business/investment use claimed? . . . . .										Yes		No		24b If 'Yes,' is the evidence written? . . . . .										Yes		No	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)																			
Type of property (list vehicles first)	Date placed in service	Business/investment use percentage	Cost or other basis	Basis for depreciation (business/investment use only)	Recovery period	Method/Convention	Depreciation deduction	Elected section 179 cost																			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) . . . . .										25																	
26 Property used more than 50% in a qualified business use:																											
27 Property used 50% or less in a qualified business use:																											
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . . . .										28																	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 . . . . .												29															

**Section B – Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles) . . . . .	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6						
31 Total commuting miles driven during the year . . . . .												
32 Total other personal (noncommuting) miles driven . . . . .												
33 Total miles driven during the year. Add lines 30 through 32 . . . . .												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours? . . . . .												
35 Was the vehicle used primarily by a more than 5% owner or related person? . . . . .												
36 Is another vehicle available for personal use? . . . . .												

**Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? . . . . .	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners. . . . .		
39 Do you treat all use of vehicles by employees as personal use? . . . . .		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? . . . . .		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) . . . . .		
<b>Note:</b> If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.		

**Part VI Amortization**

(a)	(b)	(c)	(d)	(e)	(f)
Description of costs	Date amortization begins	Amortizable amount	Code section	Amortization period or percentage	Amortization for this year
42 Amortization of costs that begins during your 2007 tax year (see instructions):					
Radioi Station startup ex	1/01/08	2,029.			
43 Amortization of costs that began before your 2007 tax year . . . . .				43	
44 Total. Add amounts in column (f). See the instructions for where to report. . . . .				44	

## WEST SIDE THEATRE FOUNDATION

770433241

Statement 1  
Form 990, Part I, Line 16  
Payments to Affiliates

Name and Address	Purpose of Payment	Amount
TOSCA NEWMAN, CA 95360	SCHOLARSHIPS	\$ 250.
Total		<u>\$ 250.</u>

Statement 2  
Form 990, Part II, Line 43  
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
ADVERTISING	5,399.	5,399.		
BANK CHARGES	793.	793.		
CONTRACT LABOR	14,368.	14,368.		
ENTERTAINER FEES	44,820.	44,820.		
Insurance	3,766.	3,766.		
License	2,573.	2,573.		
REPAIRS	13,342.	13,342.		
Scripts & fees	1,057.	1,057.		
Set	900.	900.		
SETS & DECORATIONS	2,760.	2,760.		
Taxes	115.		115.	
Utilities	1,892.	1,892.		
Total	<u>\$ 91,785.</u>	<u>\$ 91,670.</u>	<u>\$ 115.</u>	<u>\$ 0.</u>

Statement 3  
Form 990, Part III  
Organization's Primary Exempt Purpose

TO PROVIDE CULTURAL ACTIVITIES FOR THE COMMUNITY

Statement 4  
Form 990, Part IV, Line 57  
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Furniture and Fixtures	\$ 32,606.	\$ 30,444.	\$ 2,162.
Machinery and Equipment	65,633.	41,085.	24,548.
Improvements	49,157.	11,546.	37,611.
Miscellaneous	1,916.	1,791.	125.
Total	<u>\$ 149,312.</u>	<u>\$ 84,866.</u>	<u>\$ 64,446.</u>

## WEST SIDE THEATRE FOUNDATION

770433241

Statement 5  
Form 990, Part IV, Line 58  
Other Assets

Net Intangible Assets..... Total \$ 2,029.  
2,029.

Statement 6  
Form 990, Part V-A  
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
FARRIS LARSEN 1144 T STREET NEWMAN, CA 95360	Executive Direc 0	\$ 0.	\$ 0.	\$ 0.
LORNA SLOAN 541 FLOUR MILL DRIVE NEWMAN, CA 95360	Secretary 0	0.	0.	0.
SAM DAVIS 123 G STREET CROWS LANDING, CA 95313	Director 0	0.	0.	0.
DAVID LARSEN 1144 T STREET NEWMAN, CA 95360	Director 0	0.	0.	0.
KRISTINE NAGLE 404 JENSEN ROAD GUSTINE, CA 95322	Treasurer 0	0.	0.	0.
EDWARD PERRY 698 REAL AVENUE NEWMAN, CA 95360	President 0	0.	0.	0.
SUE PERRY 698 REAL AVENUE NEWMAN, CA 95360	Director 0	0.	0.	0.
RICK NAGLE 404 JENSEN ROAD GUSTINE, CA 95322	Director 0	0.	0.	0.
DEBRA DAVIS 123 G STREET CROWS LANDING, CA 95313	Director 0	0.	0.	0.
DAVID REED 1541 KERN STREET NEWMAN, CA 95360	President 0	0.	0.	0.

## WEST SIDE THEATRE FOUNDATION

770433241

Statement 6 (continued)  
Form 990, Part V-A  
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP &amp; DC</u>	<u>Expense Account/ Other</u>
JAMES TACHEIRA 1430 FRESNO STREET NEWMAN, CA 95360	0	\$ 0.	\$ 0.	\$ 0.
		Total \$ 0.	\$ 0.	\$ 0.

## WEST SIDE THEATRE FOUNDATION

770433241

THIS IS AN ALL VOLUNTEER ORGANIZATION. THERE ARE NO COMPENSATED OFFICERS OR DIRECTORS. THERE ARE NO BENEFITS PROVIDED OTHER THAN THE SATISFACTION OF BRINGING CULTURAL ACTIVITIES TO THE COMMUNITY.

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Form 990/990-PF																
Amortization																
108	Radioi Station startup ex	1/01/08		2,029							2,029		200DB			0
Total Amortization				2,029		0	0	0	0	0	2,029	0				0
Furniture and Fixtures																
1	SCENERY	7/05/01		541							541	468	200DB HY	7	.08930	48
4	TENTS	8/11/01		364							364	315	200DB HY	7	.08930	33
6	MUSIC STANDS	8/01/01		243							243	212	200DB HY	7	.08930	22
11	CHAIRS	8/01/01		200							200	200	200DB HY	5		0
12	TABLES	10/01/01		800							800	800	200DB HY	5		0
13	TABLES	11/01/01		104							104	104	200DB HY	5		0
14	COMPUTER	11/01/01		212							212	212	200DB HY	5		0
15	KEYBOARD	12/03/01		219							219	219	200DB HY	5		0
17	CURTAINS	1/01/02		221							221	193	200DB HY	7	.08930	20
18	COVER BACK ENTRANCE	1/01/02		1,410							1,410	1,221	200DB HY	7	.08930	126
29	BAR	8/03/98		249							249	60	S/L	40		6
32	STAGE DRAPERIES	5/07/99		392							392	82	S/L	40		10
37	CABINETS	1/29/98		90							90	75	S/L	12		8
38	TABLE	2/13/98		25							25	19	S/L	12		2
44	ANSWERING MACHINE	9/01/97		173							173	173	S/L	6		0
50	OLIVER SETS	12/07/99		2,000							2,000	1,266	S/L	12		167
55	SPEAKER STANDS	2/09/00		200							200	126	S/L	12		17
57	FAX MACHINE	3/27/00		169							169	169	S/L	6		0
61	PLAQUE, LOBBY DISPLAY	3/11/97		163							163	145	S/L	12		14

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
66	STAGE DRAPERIES	2/02/01		3,235							3,235	3,091	200DB HY	7	.04460	144
68	CHAIRS	8/01/02		14,850							14,850	13,995	200DB HY	5	.05760	855
72	CHAIRS	9/02/03		2,923							2,923	2,561	200DB MQ	5	.11010	322
74	TABLES	2/11/04		606							606	495	200DB MQ	5	.11300	68
78	COMPUTER	6/11/04		1,193							1,193	948	200DB MQ	5	.10940	131
80	RUGS	9/07/04		644							644	363	200DB HY	7	.12490	80
82	LINENS	11/19/04		1,043							1,043	586	200DB HY	7	.12490	130
91	MATS	3/08/06		69							69	27	200DB HY	7	.17490	12
102	BAR & OUTSIDE BENCH	6/15/07		268							268	38	200DB HY	7	.24490	66
Total Furniture and Fixtures				32,606		0	0	0	0	0	32,606	28,163				2,281
Improvements																
23	LEASEHOLD IMPROVEMENTS	12/19/96		2,875							2,875	756	S/L	40		72
24	BACK DOOR	2/02/98		397							397	311	S/L	12		33
25	STAGE FLOOR	2/04/98		2,035							2,035	480	S/L	40		51
26	STAGE LIGHTS	4/18/98		4,493							4,493	926	S/L	40		112
27	CARPET	8/04/97		750							750	624	S/L	12		63
28	CONCRETE & DOOR	10/31/97		458							458	107	S/L	40		11
31	STAGE ENLARGEMENT	4/07/99		286							286	58	S/L	40		7
34	NEON LIGHTS	3/20/01		27,497							27,497	4,328	S/L	40		687
59	CARPET	12/19/96		950							950	830	S/L	12		79
77	CARPETING	5/07/04		1,268							1,268	635	200DB MQ	10	.09980	127
79	CARPET	8/17/04		828							828	351	200DB HY	10	.11520	95
94	EXIT DOORS	8/15/06		1,965							1,965	74	150DB HY	20	.07219	142
96	ELECTICAL PANEL	11/15/06		4,228							4,228	159	150DB HY	20	.07219	305
103	ELECT SUPP FOR PANEL	1/15/07		1,127							1,127	42	150DB HY	20	.07219	81
Total Improvements				49,157		0	0	0	0	0	49,157	9,681				1,865

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Machinery and Equipment																
3	WATER COOLER	8/11/01		220							220	190	200DB HY	7	.08930	20
5	WINCH	8/01/01		234							234	202	200DB HY	7	.08930	21
7	FOG MACHINE	8/01/01		263							263	227	200DB HY	7	.08930	23
8	LADDER	8/01/01		260							260	224	200DB HY	7	.08930	23
9	LIGHTS	8/01/01		118							118	104	200DB HY	7	.08930	11
10	CHEESE WARMER	8/01/01		369							369	320	200DB HY	7	.08930	33
16	DISHWASHER	12/01/01		215							215	187	200DB HY	7	.08930	19
19	HEATERS	1/01/02		106							106	91	200DB HY	7	.08930	9
20	STEAM VACUUM	1/01/02		290							290	251	200DB HY	7	.08930	26
21	STOVE	1/01/02		848							848	735	200DB HY	7	.08930	76
22	LIFT	5/01/02		1,020							1,020	883	200DB HY	7	.08930	91
30	THEATER LIGHTS	10/06/98		1,704							1,704	376	S/L	40		43
33	INSIDE LIGHTING	4/12/00		7,427							7,427	1,348	S/L	40		186
35	STEPLADDER	3/15/97		534							534	465	S/L	12		45
36	ADDING MACHINE	1/29/98		38							38	38	S/L	6		0
39	SMALL KITCHEN APPLIANCES	1/29/98		52							52	38	S/L	12		4
40	PAPER CUTTER	1/29/98		49							49	38	S/L	12		4
41	SMALL TOOLS	2/25/98		100							100	75	S/L	12		8
42	HOOD FAN	8/01/97		40							40	30	S/L	12		3
43	HOT DOG MACHINE	8/04/97		200							200	168	S/L	12		17
45	MICROPHONES	12/04/97		1,568							1,568	1,568	S/L	6		0
46	KITCHEN EQUIPMENT	10/12/98		659							659	659	S/L	7		0
47	MICROPHONES	10/08/98		1,022							1,022	1,022	S/L	6		0
48	SMALL TOOLS - DRILL	12/02/98		54							54	54	S/L	7		0

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
49	SOUND EQUIPMENT	3/17/99		442							442	442	S/L	6		0
51	SOUND EQUIPMENT	12/15/99		1,691							1,691	1,691	S/L	6		0
52	FLOOR MONITORS	1/08/00		850							850	532	S/L	12		71
53	LIFT	1/29/00		1,396							1,396	860	S/L	12		116
54	SOUND SNAKE	1/29/00		805							805	805	S/L	6		0
56	MICROPHONES	2/15/00		383							383	383	S/L	6		0
58	HAND SANDER	4/03/00		56							56	36	S/L	12		5
60	POPCORN MACHINE	6/04/97		599							599	504	S/L	12		50
63	PIANO	11/26/98		1,921							1,921	1,373	S/L	12		160
64	CAMCORDER	11/04/00		521							521	498	200DB HY	7	.04460	23
65	VCR	11/12/00		313							313	300	200DB HY	7	.04460	13
67	WATER COOLER	5/18/01		213							213	203	200DB HY	7	.04460	10
69	AIR CONDITIONING DRESSING	3/01/03		591							591	459	200DB HY	7	.08920	53
70	DRILL	3/01/03		43							43	34	200DB HY	7	.08920	4
71	TELEPHONE	7/01/03		176							176	128	200DB MQ	7	.08750	15
73	MICROPHONE	11/05/03		397							397	279	200DB MQ	7	.08870	35
75	DRAPERIES	4/13/04		4,016							4,016	2,604	200DB MQ	7	.10040	403
76	MICROWAVE OVEN	4/13/04		322							322	208	200DB MQ	7	.10040	32
81	STAPLE GUN	9/13/04		120							120	67	200DB HY	7	.12490	15
83	P.A. SYSTEM	3/24/05		17,952							17,952	10,101	200DB HY	7	.12490	2,242
84	MICROPHONES	5/20/05		2,393							2,393	1,347	200DB HY	7	.12490	299
85	SOUND EQUIPMENT	7/12/05		25							25	10	200DB HY	7	.17490	4
86	AIR CONDITIONERS	8/06/05		343							343	133	200DB HY	7	.17490	60
87	SOUND EQUIPMENT	9/21/05		149							149	57	200DB HY	7	.17490	26
88	DVD PLAYER/PROJECTOR	11/18/05		901							901	350	200DB HY	7	.17490	158
89	MICROPHONES	1/07/06		437							437	169	200DB HY	7	.17490	76
90	SILVERWARE	2/03/06		340							340	132	200DB HY	7	.17490	59

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
92	LIGHTING	3/08/06		1,019							1,019	396	200DB HY	7	.17490	178
93	MICROPHONES	5/09/06		561							561	217	200DB HY	7	.17490	98
95	ELECTRONIC CAMERA	10/15/06		1,818							1,818	260	200DB HY	7	.24490	445
97	ELECTRICAL BAR	12/15/06		1,127							1,127	161	200DB HY	7	.24490	276
98	COMPUTER	12/15/06		245							245	49	200DB HY	5	.32000	78
99	POWER HAMMER	2/15/07		215							215	31	200DB HY	7	.24490	53
100	ELECTRICAL EQUIPMENT	2/15/07		2,151							2,151	307	200DB HY	7	.24490	527
101	STAGE LIGHTS	3/15/07		272							272	39	200DB HY	7	.24490	67
104	DIGITAL CAMERA	8/03/07		330							330		200DB MQ	7	.25000	83
105	DISHWASHER	1/14/08		500							500		200DB MQ	7	.10710	54
106	REFRIGERATOR	3/08/08		1,165							1,165		200DB MQ	7	.10710	125
107	REFRIGERATOR	5/09/08		1,445							1,445		200DB MQ	7	.03570	52
Total Machinery and Equipment				65,633		0	0	0	0	0	65,633	34,458				6,627
Miscellaneous																
2	COSTUMES	7/10/01		1,016							1,016	881	200DB HY	7	.08930	91
62	COSTUMES/SCENERY	8/04/97		900							900	744	S/L	12		75
Total Miscellaneous				1,916		0	0	0	0	0	1,916	1,625				166
Total Depreciation				149,312		0	0	0	0	0	149,312	73,927				10,939
Grand Total Amortization				2,029		0	0	0	0	0	2,029	0				0
Grand Total Depreciation				149,312		0	0	0	0	0	149,312	73,927				10,939

2007

California Exempt Organization Annual Information Return

199

For calendar year 2007 or fiscal year beginning month 07 day 01 year 2007, and ending month 06 day 30 year 2008

IMPORTANT: Your number is required.

California corporation number 1996325 Federal employer identification number (FEIN) 770433241

Corporation/Organization name WEST SIDE THEATRE FOUNDATION

Address (including suite, room, or PMB no.)

P.O. BOX 202 City State ZIP Code

NEWMAN, CA 95360

A Final return? Check applicable box. Yes No Dissolved Withdrawn Merged/Reorganized

B Check forms filed this year: State: 109 100 100S 100W Fed: 990 990EZ 990T 990PF 1041 1120H 1120

C If organization is exempt under R&TC Section 23701d and is a school, public charity, religious organization, or is controlled by a religious operation, check box. See General Instruction F. No filing fee is required.

D Is this a group filing? See General Instruction N. Yes No

E Accounting method used: Cash F Type of organization: Exempt under Section 23701 d (insert letter) IRC Section 4947(a)(1) trust

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Table with columns for Receipts and Revenues, Expenses, and Filing Fee. Rows include Gross sales, Total gross receipts, Total gross income, Total expenses, and Balance due.

- 15 If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)?
16 Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board?
17 Is the organization exempt under R&TC Section 23701g?
18 Did the organization file Form 100, Form 100S, Form 100W, or Form 109 to report taxable income?
19 The financial records are in care of: PAULA LOWRY Daytime telephone 209-862-4490 located at P.O. BOX 202 NEWMAN, CA 95360

Please Sign Here Signature of officer Date Title GENERAL DIRECTOR Daytime telephone 209-862-4490

Paid Preparer's Use Only Paid Preparer's signature Non-Paid Preparer Date Check if self-employed Paid preparer's SSN or PTIN Firm's name (or yours, if self-employed) and address FEIN Daytime telephone

**Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts – complete Part II or furnish substitute information. See Specific Line Instructions.**

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	1	
	2	Interest	2	
	3	Dividends	3	
	4	Gross rents	4	
	5	Gross royalties	5	
	6	Gross amount received from sale of assets	6	
	7	Other income. Attach schedule. See Statement 1	7	110,701.
	8	<b>Total</b> gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	110,701.
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	9	
	10	Disbursements to or for members	10	
	11	Compensation of officers, directors, and trustees. Attach schedule	11	0.
	12	Other salaries and wages	12	
	13	Interest	13	43.
	14	Taxes	14	
	15	Rents	15	
	16	Depreciation and depletion	16	10,939.
	17	Other. Attach schedule. See Statement 2	17	119,769.
	18	<b>Total</b> expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	130,751.

Schedule L Balance Sheets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		3,761.		5,472.
2 Net accounts receivable				
3 Net notes receivable. Attach schedule				
4 Inventories				
5 Federal and state government obligations				
6 Investments in other bonds. Attach schedule				
7 Investments in stock. Attach schedule				
8 Mortgage loans (number of loans _____)				
9 Other investments. Attach schedule				
10a Depreciable assets	145,872.		149,312.	
b Less accumulated depreciation	73,927.	71,945.	84,866.	64,446.
11 Land				
12 Other assets. Attach schedule. St. 3				2,029.
13 Total assets		75,706.		71,947.
<b>Liabilities and net worth</b>				
14 Accounts payable				
15 Contributions, gifts, or grants payable				
16 Bonds and notes payable. Attach schedule		239.		
17 Mortgages payable				
18 Other liabilities. Attach schedule				
19 Capital stock or principle fund		75,467.		71,947.
20 Paid-in or capital surplus. Attach reconciliation				
21 Retained earnings or income fund				
22 Total liabilities and net worth		75,706.		71,947.

**Schedule M-1 Reconciliation of income per books with income per return**

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000

1	Net income per books	-3,520.	7	Income recorded on books this year not included in this return. Attach schedule	
2	Federal income tax		8	Deductions in this return not charged against book income this year. Attach schedule	
3	Excess of capital losses over capital gains		9	Total. Add line 7 and line 8	
4	Income not recorded on books this year. Attach schedule		10	Net income per return. Subtract line 9 from line 6	-3,520.
5	Expenses recorded on books this year not deducted in this return. Attach schedule				
6	Total. Add line 1 through line 5	-3,520.			

2007

Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Corporation name <b>WEST SIDE THEATRE FOUNDATION</b>	California corporation number <b>1996325</b>
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**Part I Election to Expense Certain Property Under IRC Section 179**

1	Maximum deduction under Section 179 for California	1	\$25,000
2	Total cost of Section 179 property placed in service	2	
3	Threshold cost of Section 179 property before reduction in limitation	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected Section 179 cost)	7	
8	Total elected cost of Section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from prior years	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12	13	

**Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356**

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation	
	SCENERY	7/05/01	541.	468.	200DB	7	48.		
	COSTUMES	7/10/01	1,016.	881.	200DB	7	91.		
	WATER COOLER	8/11/01	220.	190.	200DB	7	20.		
	TENTS	8/11/01	364.	315.	200DB	7	33.		
	WINCH	8/01/01	234.	202.	200DB	7	21.		
	MUSIC STANDS	8/01/01	243.	212.	200DB	7	22.		
	FOG MACHINE	8/01/01	263.	227.	200DB	7	23.		
15	Add the amounts in column (g) and column (h). The combined total of column (h) may not exceed \$2,000. See instructions for line 14, column (h)						15	10,939.	

**Part III Summary**

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R & TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g)	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.)	18	

**Part IV Amortization**

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year	
	Radioi Station star	1/01/08	2,029.			0		
20	Total. Add the amounts in column (g)						20	
21	Total amortization claimed for federal purposes from federal Form 4562, line 44						21	
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12						22	

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table with 13 rows for Part I, including lines 1-13 for election to expense certain property under IRC Section 179.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 15 rows for Part II, including lines 14-15 for depreciation and election of additional first year expense deduction under R&TC Section 24356.

Part III Summary

Table with 3 rows for Part III, including lines 16-18 for summary calculations.

Part IV Amortization

Table with 22 rows for Part IV, including lines 19-22 for amortization calculations.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table with 13 rows for Section 179 election, including lines 1-13 for deduction calculations and carryovers.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 15 rows for depreciation, including columns (a) through (h) for property description, date, cost, depreciation, and first-year deduction.

Part III Summary

Table with 3 rows (16-18) summarizing total expenses, depreciation claimed, and adjustments.

Part IV Amortization

Table with 22 rows for amortization, including columns (a) through (g) for property description, date, cost, amortization, and adjustments.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325).

Part I Election to Expense Certain Property Under IRC Section 179

Table for Part I with 13 rows. Includes fields for maximum deduction, total cost, threshold cost, reduction in limitation, and carryover of disallowed deduction.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table for Part II with 15 rows. Columns include description of property, date acquired, cost, depreciation allowed, depreciation method, life or rate, depreciation for this year, and additional first year depreciation.

Part III Summary

Table for Part III with 3 rows. Includes total depreciation claimed for federal purposes and depreciation adjustment.

Part IV Amortization

Table for Part IV with 22 rows. Columns include description of property, date acquired, cost, amortization allowed, R&TC section, period or percentage, and amortization for this year.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table with 13 rows for Section 179 election, including maximum deduction (\$25,000), total cost, and final deduction (\$200,000).

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 8 columns (a-h) for depreciation details, listing items like BAR, THEATER LIGHTS, STAGE ENLARGEMEN, etc.

Part III Summary

Table with 3 rows (16-18) for summary of depreciation election and adjustments.

Part IV Amortization

Table with 7 columns (a-g) for amortization details, including description, date, cost, and amortization for this year.

**2007 Corporation Depreciation and Amortization**

**3885**

Attach to Form 100 or Form 100W. Form 199

Corporation name <b>WEST SIDE THEATRE FOUNDATION</b>	California corporation number <b>1996325</b>
---	---

**Part I Election to Expense Certain Property Under IRC Section 179**

1 Maximum deduction under Section 179 for California .....	1	\$25,000
2 Total cost of Section 179 property placed in service .....	2	
3 Threshold cost of Section 179 property before reduction in limitation .....	3	\$200,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0- .....	5	
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property (elected Section 179 cost) .....	7	
8 Total elected cost of Section 179 property. Add amounts in column (c), lines 6 and 7 .....	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8 .....	9	
10 Carryover of disallowed deduction from prior years .....	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 .....	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 .....	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 .....	13	

**Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356**

14 (a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
ADDING MACHINE	1/29/98	38.	38.	S/L	6		
CABINETS	1/29/98	90.	75.	S/L	12	8.	
TABLE	2/13/98	25.	19.	S/L	12	2.	
SMALL KITCHEN AP	1/29/98	52.	38.	S/L	12	4.	
PAPER CUTTER	1/29/98	49.	38.	S/L	12	4.	
SMALL TOOLS	2/25/98	100.	75.	S/L	12	8.	
HOOD FAN	8/01/97	40.	30.	S/L	12	3.	
15 Add the amounts in column (g) and column (h). The combined total of column (h) may not exceed \$2,000. See instructions for line 14, column (h) .....						15	

**Part III Summary**

16 Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R & TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g) .....	16	
17 Total depreciation claimed for federal purposes from federal Form 4562, line 22 .....	17	
18 Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.) .....	18	

**Part IV Amortization**

19 (a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year
20 Total. Add the amounts in column (g) .....						20
21 Total amortization claimed for federal purposes from federal Form 4562, line 44 .....						21
22 Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12 .....						22

**2007 Corporation Depreciation and Amortization**

**3885**

Attach to Form 100 or Form 100W. Form 199

Corporation name <b>WEST SIDE THEATRE FOUNDATION</b>	California corporation number <b>1996325</b>
---	---

**Part I Election to Expense Certain Property Under IRC Section 179**

1 Maximum deduction under Section 179 for California .....	1	\$25,000
2 Total cost of Section 179 property placed in service .....	2	
3 Threshold cost of Section 179 property before reduction in limitation .....	3	\$200,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0- .....	5	
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property (elected Section 179 cost) .....		
7		
8 Total elected cost of Section 179 property. Add amounts in column (c), lines 6 and 7 .....	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8 .....	9	
10 Carryover of disallowed deduction from prior years .....	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 .....	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 .....	12	
13 Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12 .....	13	

**Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356**

14 (a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation
HOT DOG MACHINE	8/04/97	200.	168.	S/L	12	17.	
ANSWERING MACHIN	9/01/97	173.	173.	S/L	6		
MICROPHONES	12/04/97	1,568.	1,568.	S/L	6		
KITCHEN EQUIPMEN	10/12/98	659.	659.	S/L	7		
MICROPHONES	10/08/98	1,022.	1,022.	S/L	6		
SMALL TOOLS - DR	12/02/98	54.	54.	S/L	7		
SOUND EQUIPMENT	3/17/99	442.	442.	S/L	6		
15 Add the amounts in column (g) and column (h). The combined total of column (h) may not exceed \$2,000. See instructions for line 14, column (h) .....						15	

**Part III Summary**

16 Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R & TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g) .....	16	
17 Total depreciation claimed for federal purposes from federal Form 4562, line 22 .....	17	
18 Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.) .....	18	

**Part IV Amortization**

19 (a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year	
20 Total. Add the amounts in column (g) .....						20	
21 Total amortization claimed for federal purposes from federal Form 4562, line 44 .....						21	
22 Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12 .....						22	

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325).

Part I Election to Expense Certain Property Under IRC Section 179

Table for Part I with 13 rows. Includes fields for maximum deduction, total cost, threshold cost, reduction in limitation, and dollar limitation.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table for Part II with 15 rows. Columns include description of property, date acquired, cost or other basis, depreciation allowed, depreciation method, life or rate, depreciation for this year, and additional first year depreciation.

Part III Summary

Table for Part III with 3 rows. Summary of election results, including total expense and depreciation adjustment.

Part IV Amortization

Table for Part IV with 22 rows. Columns include description of property, date acquired, cost or other basis, amortization allowed, R&TC section, period or percentage, and amortization for this year.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table with 13 rows for Section 179 election, including lines 1-13 for cost, deduction, and carryover.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 8 columns (a-h) for depreciation details, listing items like FAX MACHINE, HAND SANDER, CARPET, etc.

Part III Summary

Table with 3 rows (16-18) for summary of depreciation and adjustments.

Part IV Amortization

Table with 7 columns (a-g) for amortization details, including lines 19-22 for total and adjustments.

2007

Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table with 13 rows for Section 179 election, including lines 1-13 for cost, deduction, and carryover.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 8 columns (a-h) for depreciation details, including rows for CAMCORDER, VCR, STAGE DRAPERIES, WATER COOLER, CHAIRS, AIR CONDITIONING, and DRILL.

Part III Summary

Table with 3 rows (16-18) for summary of depreciation and election.

Part IV Amortization

Table with 7 columns (a-g) for amortization details, including lines 19-22 for total amortization and adjustment.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table for Part I with 13 rows detailing Section 179 election, including lines 1-13 for deduction and cost calculations.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table for Part II with 15 rows detailing depreciation for various assets like TELEPHONE, CHAIRS, MICROPHONE, TABLES, DRAPERIES, MICROWAVE OVEN, and CARPETING.

Part III Summary

Table for Part III with 3 rows (16-18) summarizing total depreciation and adjustments.

Part IV Amortization

Table for Part IV with 22 rows detailing amortization for various properties, including lines 19-22 for total and adjustment.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325).

Part I Election to Expense Certain Property Under IRC Section 179

Table for Part I with 13 rows. Line 1: \$25,000; Line 3: \$200,000; Line 7: 7; Line 13: 13.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table for Part II with 8 columns (a-h) and 15 rows. Includes items like COMPUTER, CARPET, RUGS, STAPLE GUN, LINENS, P.A. SYSTEM, MICROPHONES.

Part III Summary

Table for Part III with 3 rows (16-18) summarizing depreciation amounts.

Part IV Amortization

Table for Part IV with 7 columns (a-g) and 3 rows (20-22) for amortization.

2007

Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325)

Part I Election to Expense Certain Property Under IRC Section 179

Table for Part I with 13 rows and 3 columns: (a) Description of property, (b) Cost, (c) Elected cost. Includes lines 1-13 for deduction calculations.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table for Part II with 15 rows and 8 columns: (a) Description of property, (b) Date acquired, (c) Cost, (d) Depreciation allowed, (e) Depreciation method, (f) Life or rate, (g) Depreciation for this year, (h) Additional first year depreciation. Includes items like SOUND EQUIPMENT, AIR CONDITIONERS, etc.

Part III Summary

Table for Part III with 3 rows and 2 columns: 16 Total, 17 Total depreciation claimed, 18 Depreciation adjustment.

Part IV Amortization

Table for Part IV with 22 rows and 7 columns: (a) Description of property, (b) Date acquired, (c) Cost, (d) Amortization allowed, (e) R&TC section, (f) Period or percentage, (g) Amortization for this year. Includes lines 20-22 for total and adjustment.

2007

Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Table with Corporation name (WEST SIDE THEATRE FOUNDATION) and California corporation number (1996325).

Part I Election to Expense Certain Property Under IRC Section 179

Table with 13 rows for Section 179 election, including lines 1-13 for cost, deduction, and carryover.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 8 columns (a-h) for depreciation details, including rows for LIGHTING, MICROPHONES, EXIT DOORS, ELECTRONIC CAMER, ELECTRICAL PANEL, ELECTRICAL BAR, and COMPUTER.

Part III Summary

Table with 3 rows (16-18) for summary of depreciation, including total expense and adjustment.

Part IV Amortization

Table with 8 columns (a-g) for amortization details, including lines 19-22 for total amortization and adjustment.

2007 Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Corporation name

California corporation number

WEST SIDE THEATRE FOUNDATION

1996325

Part I Election to Expense Certain Property Under IRC Section 179

Table with 5 columns: Line number, Description, and Amount. Includes rows for maximum deduction, total cost, threshold cost, reduction in limitation, and dollar limitation.

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

Table with 8 columns: Line number, Description of property, Date acquired, Cost or other basis, Depreciation allowed or allowable in earlier years, Depreciation method, Life or rate, Depreciation for this year, and Additional first year depreciation.

Part III Summary

Table with 2 columns: Line number and Description. Includes rows for total election, total depreciation claimed for federal purposes, and depreciation adjustment.

Part IV Amortization

Table with 7 columns: Line number, Description of property, Date acquired, Cost or other basis, Amortization allowed or allowable in earlier years, R&TC section (see instr), Period or percentage, and Amortization for this year.

2007

Corporation Depreciation and Amortization

3885

Attach to Form 100 or Form 100W. Form 199

Corporation name

California corporation number

WEST SIDE THEATRE FOUNDATION

1996325

Part I Election to Expense Certain Property Under IRC Section 179

1	Maximum deduction under Section 179 for California	1	\$25,000
2	Total cost of Section 179 property placed in service	2	
3	Threshold cost of Section 179 property before reduction in limitation	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property (elected Section 179 cost)	7	
8	Total elected cost of Section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from prior years	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2008. Add lines 9 and 10, less line 12	13	

Part II Depreciation and Election of Additional First Year Expense Deduction Under R&TC Section 24356

14	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation	
	REFRIGERATOR	3/08/08	1,165.		200DB	7	125.		
	REFRIGERATOR	5/09/08	1,445.		200DB	7	52.		
15	Add the amounts in column (g) and column (h). The combined total of column (h) may not exceed \$2,000. See instructions for line 14, column (h)						15		

Part III Summary

16	Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g) or Additional first year depreciation under R & TC Section 24356, add the amounts on line 15, columns (g) and (h) or Depreciation (if no election is made), enter the amount from line 15, column (g)	16	
17	Total depreciation claimed for federal purposes from federal Form 4562, line 22	17	
18	Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.)	18	

Part IV Amortization

19	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instr)	(f) Period or percentage	(g) Amortization for this year	
20	Total. Add the amounts in column (g)						20	
21	Total amortization claimed for federal purposes from federal Form 4562, line 44						21	
22	Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 12						22	

## WEST SIDE THEATRE FOUNDATION

770433241

Statement 1  
Form 199, Part II, Line 7  
Other Income

Program Service Revenue.....	\$ 110,701.
Total	<u>\$ 110,701.</u>

Statement 2  
Form 199, Part II, Line 17  
Other Expenses

ADVERTISING.....	\$ 5,399.
BANK CHARGES.....	793.
CONTRACT LABOR.....	14,368.
ENTERTAINER FEES.....	44,820.
Equipment Rental and Maintenance.....	4,616.
Insurance.....	3,766.
License.....	2,573.
Payments to Affiliates.....	250.
Postage and Shipping.....	1,205.
REPAIRS.....	13,342.
Scripts & fees.....	1,057.
Set.....	900.
SETS & DECORATIONS.....	2,760.
Supplies.....	21,913.
Taxes.....	115.
Utilities.....	1,892.
Total	<u>\$ 119,769.</u>

Statement 3  
Form 199, Schedule L, Line 12  
Other Assets

Net Intangible Assets.....	2,029.
Total	<u>\$ 2,029.</u>

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Form 199																
Amortization																
108	Radioi Station startup ex	1/01/08		2,029							2,029		200DB			0
Total Amortization				2,029		0	0	0	0	0	2,029	0				0
Furniture and Fixtures																
1	SCENERY	7/05/01		541							541	468	200DB HY	7	.08930	48
4	TENTS	8/11/01		364							364	315	200DB HY	7	.08930	33
6	MUSIC STANDS	8/01/01		243							243	212	200DB HY	7	.08930	22
11	CHAIRS	8/01/01		200							200	200	200DB HY	5		0
12	TABLES	10/01/01		800							800	800	200DB HY	5		0
13	TABLES	11/01/01		104							104	104	200DB HY	5		0
14	COMPUTER	11/01/01		212							212	212	200DB HY	5		0
15	KEYBOARD	12/03/01		219							219	219	200DB HY	5		0
17	CURTAINS	1/01/02		221							221	193	200DB HY	7	.08930	20
18	COVER BACK ENTRANCE	1/01/02		1,410							1,410	1,221	200DB HY	7	.08930	126
29	BAR	8/03/98		249							249	60	S/L	40		6
32	STAGE DRAPERIES	5/07/99		392							392	82	S/L	40		10
37	CABINETS	1/29/98		90							90	75	S/L	12		8
38	TABLE	2/13/98		25							25	19	S/L	12		2
44	ANSWERING MACHINE	9/01/97		173							173	173	S/L	6		0
50	OLIVER SETS	12/07/99		2,000							2,000	1,266	S/L	12		167
55	SPEAKER STANDS	2/09/00		200							200	126	S/L	12		17
57	FAX MACHINE	3/27/00		169							169	169	S/L	6		0
61	PLAQUE, LOBBY DISPLAY	3/11/97		163							163	145	S/L	12		14

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
66	STAGE DRAPERIES	2/02/01		3,235							3,235	3,091	200DB HY	7	.04460	144
68	CHAIRS	8/01/02		14,850							14,850	13,995	200DB HY	5	.05760	855
72	CHAIRS	9/02/03		2,923							2,923	2,561	200DB MQ	5	.11010	322
74	TABLES	2/11/04		606							606	495	200DB MQ	5	.11300	68
78	COMPUTER	6/11/04		1,193							1,193	948	200DB MQ	5	.10940	131
80	RUGS	9/07/04		644							644	363	200DB HY	7	.12490	80
82	LINENS	11/19/04		1,043							1,043	586	200DB HY	7	.12490	130
91	MATS	3/08/06		69							69	27	200DB HY	7	.17490	12
102	BAR & OUTSIDE BENCH	6/15/07		268							268	38	200DB HY	7	.24490	66
Total Furniture and Fixtures				32,606		0	0	0	0	0	32,606	28,163				2,281
Improvements																
23	LEASEHOLD IMPROVEMENTS	12/19/96		2,875							2,875	756	S/L	40		72
24	BACK DOOR	2/02/98		397							397	311	S/L	12		33
25	STAGE FLOOR	2/04/98		2,035							2,035	480	S/L	40		51
26	STAGE LIGHTS	4/18/98		4,493							4,493	926	S/L	40		112
27	CARPET	8/04/97		750							750	624	S/L	12		63
28	CONCRETE & DOOR	10/31/97		458							458	107	S/L	40		11
31	STAGE ENLARGEMENT	4/07/99		286							286	58	S/L	40		7
34	NEON LIGHTS	3/20/01		27,497							27,497	4,328	S/L	40		687
59	CARPET	12/19/96		950							950	830	S/L	12		79
77	CARPETING	5/07/04		1,268							1,268	635	200DB MQ	10	.09980	127
79	CARPET	8/17/04		828							828	351	200DB HY	10	.11520	95
94	EXIT DOORS	8/15/06		1,965							1,965	74	150DB HY	20	.07219	142
96	ELECTICAL PANEL	11/15/06		4,228							4,228	159	150DB HY	20	.07219	305
103	ELECT SUPP FOR PANEL	1/15/07		1,127							1,127	42	150DB HY	20	.07219	81
Total Improvements				49,157		0	0	0	0	0	49,157	9,681				1,865

## WEST SIDE THEATRE FOUNDATION

770433241

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
Machinery and Equipment																
3	WATER COOLER	8/11/01		220							220	190	200DB HY	7	.08930	20
5	WINCH	8/01/01		234							234	202	200DB HY	7	.08930	21
7	FOG MACHINE	8/01/01		263							263	227	200DB HY	7	.08930	23
8	LADDER	8/01/01		260							260	224	200DB HY	7	.08930	23
9	LIGHTS	8/01/01		118							118	104	200DB HY	7	.08930	11
10	CHEESE WARMER	8/01/01		369							369	320	200DB HY	7	.08930	33
16	DISHWASHER	12/01/01		215							215	187	200DB HY	7	.08930	19
19	HEATERS	1/01/02		106							106	91	200DB HY	7	.08930	9
20	STEAM VACUUM	1/01/02		290							290	251	200DB HY	7	.08930	26
21	STOVE	1/01/02		848							848	735	200DB HY	7	.08930	76
22	LIFT	5/01/02		1,020							1,020	883	200DB HY	7	.08930	91
30	THEATER LIGHTS	10/06/98		1,704							1,704	376	S/L	40		43
33	INSIDE LIGHTING	4/12/00		7,427							7,427	1,348	S/L	40		186
35	STEPLADDER	3/15/97		534							534	465	S/L	12		45
36	ADDING MACHINE	1/29/98		38							38	38	S/L	6		0
39	SMALL KITCHEN APPLIANCES	1/29/98		52							52	38	S/L	12		4
40	PAPER CUTTER	1/29/98		49							49	38	S/L	12		4
41	SMALL TOOLS	2/25/98		100							100	75	S/L	12		8
42	HOOD FAN	8/01/97		40							40	30	S/L	12		3
43	HOT DOG MACHINE	8/04/97		200							200	168	S/L	12		17
45	MICROPHONES	12/04/97		1,568							1,568	1,568	S/L	6		0
46	KITCHEN EQUIPMENT	10/12/98		659							659	659	S/L	7		0
47	MICROPHONES	10/08/98		1,022							1,022	1,022	S/L	6		0
48	SMALL TOOLS - DRILL	12/02/98		54							54	54	S/L	7		0

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49	SOUND EQUIPMENT	3/17/99		442							442	442	S/L	6		0
51	SOUND EQUIPMENT	12/15/99		1,691							1,691	1,691	S/L	6		0
52	FLOOR MONITORS	1/08/00		850							850	532	S/L	12		71
53	LIFT	1/29/00		1,396							1,396	860	S/L	12		116
54	SOUND SNAKE	1/29/00		805							805	805	S/L	6		0
56	MICROPHONES	2/15/00		383							383	383	S/L	6		0
58	HAND SANDER	4/03/00		56							56	36	S/L	12		5
60	POPCORN MACHINE	6/04/97		599							599	504	S/L	12		50
63	PIANO	11/26/98		1,921							1,921	1,373	S/L	12		160
64	CAMCORDER	11/04/00		521							521	498	200DB HY	7	.04460	23
65	VCR	11/12/00		313							313	300	200DB HY	7	.04460	13
67	WATER COOLER	5/18/01		213							213	203	200DB HY	7	.04460	10
69	AIR CONDITIONING DRESSING	3/01/03		591							591	459	200DB HY	7	.08920	53
70	DRILL	3/01/03		43							43	34	200DB HY	7	.08920	4
71	TELEPHONE	7/01/03		176							176	128	200DB MQ	7	.08750	15
73	MICROPHONE	11/05/03		397							397	279	200DB MQ	7	.08870	35
75	DRAPERIES	4/13/04		4,016							4,016	2,604	200DB MQ	7	.10040	403
76	MICROWAVE OVEN	4/13/04		322							322	208	200DB MQ	7	.10040	32
81	STAPLE GUN	9/13/04		120							120	67	200DB HY	7	.12490	15
83	P.A. SYSTEM	3/24/05		17,952							17,952	10,101	200DB HY	7	.12490	2,242
84	MICROPHONES	5/20/05		2,393							2,393	1,347	200DB HY	7	.12490	299
85	SOUND EQUIPMENT	7/12/05		25							25	10	200DB HY	7	.17490	4
86	AIR CONDITIONERS	8/06/05		343							343	133	200DB HY	7	.17490	60
87	SOUND EQUIPMENT	9/21/05		149							149	57	200DB HY	7	.17490	26
88	DVD PLAYER/PROJECTOR	11/18/05		901							901	350	200DB HY	7	.17490	158
89	MICROPHONES	1/07/06		437							437	169	200DB HY	7	.17490	76
90	SILVERWARE	2/03/06		340							340	132	200DB HY	7	.17490	59

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No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
92	LIGHTING	3/08/06		1,019							1,019	396	200DB HY	7	.17490	178
93	MICROPHONES	5/09/06		561							561	217	200DB HY	7	.17490	98
95	ELECTRONIC CAMERA	10/15/06		1,818							1,818	260	200DB HY	7	.24490	445
97	ELECTRICAL BAR	12/15/06		1,127							1,127	161	200DB HY	7	.24490	276
98	COMPUTER	12/15/06		245							245	49	200DB HY	5	.32000	78
99	POWER HAMMER	2/15/07		215							215	31	200DB HY	7	.24490	53
100	ELECTRICAL EQUIPMENT	2/15/07		2,151							2,151	307	200DB HY	7	.24490	527
101	STAGE LIGHTS	3/15/07		272							272	39	200DB HY	7	.24490	67
104	DIGITAL CAMERA	8/03/07		330							330		200DB MQ	7	.25000	83
105	DISHWASHER	1/14/08		500							500		200DB MQ	7	.10710	54
106	REFRIGERATOR	3/08/08		1,165							1,165		200DB MQ	7	.10710	125
107	REFRIGERATOR	5/09/08		1,445							1,445		200DB MQ	7	.03570	52
Total Machinery and Equipment				65,633		0	0	0	0	0	65,633	34,458				6,627
Miscellaneous																
2	COSTUMES	7/10/01		1,016							1,016	881	200DB HY	7	.08930	91
62	COSTUMES/SCENERY	8/04/97		900							900	744	S/L	12		75
Total Miscellaneous				1,916		0	0	0	0	0	1,916	1,625				166
Total Depreciation				149,312		0	0	0	0	0	149,312	73,927				10,939
Grand Total Amortization				2,029		0	0	0	0	0	2,029	0				0
Grand Total Depreciation				149,312		0	0	0	0	0	149,312	73,927				10,939

IN  
**MAIL TO:**  
 Registry of Charitable Trusts  
 P.O. Box 903447  
 Sacramento, CA 94203-4470  
 Telephone: (916) 445-2021

# ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code  
 11 Cal. Code Regs. sections 301-307, 311 and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code Section 12586.1. IRS extensions will be honored.



**WEBSITE ADDRESS:**  
<http://ag.ca.gov/charities/>

State Charity Registration Number _____  <b>WEST SIDE THEATRE FOUNDATION</b> <small>Name of Organization</small> <b>P.O. BOX 202</b> <small>Address (Number and Street)</small> <b>NEWMAN, CA 95360</b> <small>City or Town</small> <span style="float: right;"><small>State ZIP Code</small></span>	<b>Check if:</b> <input type="checkbox"/> Change of address <input type="checkbox"/> Amended report  Corporate or Organization No. <u>1996325</u>  Federal Employer ID No. <u>770433241</u>
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**ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312)**  
 Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between \$100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

**PART A – ACTIVITIES**

For your most recent full accounting period (beginning 7/01/07 ending 6/30/08) list:  
 Gross annual revenue \$ 127,231. Total assets \$ 71,947.

**PART B – STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT**

**Note:** If you answer 'yes' to any of the questions below, you must attach a separate sheet providing an explanation and details for each 'yes' response. Please review RRF-1 instructions for information required.

	Yes	No
1 During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During this reporting period, did non-program expenditures exceed 50% of gross revenues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If 'yes,' provide an attachment listing the name, address, and telephone number of the service provider.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 During this reporting period, did the organization hold a raffle for charitable purposes? If 'yes,' provide an attachment indicating the number of raffles and the date(s) they occurred.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Does the organization conduct a vehicle donation program? If 'yes,' provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Organization's area code and telephone number 209-862-4490

Organization's e-mail address \_\_\_\_\_

**I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.**

**FARRIS LARSEN** **GENERAL DIRECTOR**

Signature of authorized officer Printed Name Title Date