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## **He lit Oakland's fire for marijuana factories**

Retired builder Jeff Wilcox's vision of a 'business park of cannabis' stoked the council's appetite for the jobs, and tax revenue, such a thing could generate for the desperate city.

By John Hoeffel, Los Angeles Times

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Jeff Wilcox lopes across the nearly empty parking lot, aiming for a large brick building. Inside, he excitedly shows off the cavernous space, once used to make wire, vacant now for a decade. He imagines it running 24/7, filled with glowing lights, gurgling irrigation systems, whirling ventilators and workers coaxing thousands of pungent marijuana plants to bud.

And that's just one part of his proposal. Wilcox, a retired builder, owns a campus of aging, idled industrial plants. On a wall in an unused conference room, a sketch of the property shows how he could fill most of the 172,000 square feet with growers raising high-end pot and entrepreneurs turning out brownies, drinks, tinctures and other products.

"My idea was a business park of cannabis," he said.

He sold the idea to Oakland's City Council. Desperate for new jobs and tax revenue, the council gave its final approval last month to allow four enormous marijuana factory farms. Wilcox and more than 220 others have expressed interest in [applying](#) for the permits to be awarded next year.

The city's audacious plan has inspired talk that Oakland could become the Silicon Valley of pot, home to the world's first state-of-the-art marijuana start-ups.

Comparing the economic potential of tetrahydrocannabinol to silicon chips may seem far-fetched. Some observers dismiss the notion as the fever dream of budget-traumatized politicians. But others think Oakland could be uniquely positioned to capitalize on the [business opportunities](#) created by the growing tolerance toward marijuana.

Rebecca Kaplan, the City Council member who pushed the plan, has a simple retort when asked whether the vision of Oakland at the center of a marijuana economy is fanciful: Montel Williams. The television talk-show host and motivational coach has multiple sclerosis, smokes marijuana to relieve [nerve pain](#) and has visited Kaplan, as she put it, "live in City Hall."

"He has wanted for years to open up a facility where he could produce really high-end medical cannabis extracts," she said, explaining that Williams heard through the grapevine that Oakland

was the place to do it. "I would love to have Montel Williams here running a business." Williams could not be reached for comment.

Kaplan said she believed that Oakland has two essential ingredients other California cities do not: political will and industrial space. "Oakland has been a major hub of the medical cannabis movement, so that's part of what I mean when I say political will," she said.

No other city has provided such red-carpet treatment. Oakland is essentially trying to set up legal sanctuaries for pot businesses, although the move may prove too brazen for federal narcotics agents who recently called city officials to request a copy of the ordinance.

Only Berkeley, its liberal neighbor, has considered anything similar. The city will ask voters to approve six marijuana operations no larger than 30,000 square feet. But Oakland has 10 times the available industrial space, about 2.3 million square feet, and it rents for half the price.

Berkeley Mayor Tom Bates said Oakland's stock of empty industrial buildings could make it a "major player."

"Oakland is trying to become the growing mecca of the north," he said.

Jeff Jones, who founded Oakland's first cannabis club, noted that the bayside city has another advantage. "Oakland is not Holland, it's not Amsterdam; it's more like Rotterdam. It's going to be a hub for transport," he predicted. "I can imagine walking into Holland's coffee shops and finding a strain of cannabis marketed as made in California."

There are skeptics. "I think it's a big stretch," said Larry Tramutola, a political consultant who lives in Oakland. He said marijuana could have a long-term economic effect on the city but thought it would be minor. "I don't think it's going to solve all the budgetary issues," he said.

Even Dale Gieringer, an Oakland resident who as the head of California NORML advocates for marijuana legalization, has doubts. He noted that state law blunts the get-rich-overnight incentive that powers Silicon Valley. Only nonprofit collectives are allowed to grow pot.

But Oakland, like Silicon Valley, has been fertile ground for entrepreneurs and innovative thinkers, luring them from all over. Jones is from South Dakota. Richard Lee, who started the first trade school to train marijuana businessmen, moved from Texas. Steve DeAngelo, who came from Washington, D.C., runs Harborside Health Center, a \$20-million-a-year dispensary that has become the largest and arguably the most professionally run marijuana retailer in the world.

"As we get closer and closer to legal cannabis, more and more new players are going to want to get into cannabis," DeAngelo said. "I think it's a sign that this industry is emerging out of the shadows and into the light, and we are gaining acceptance among mainstream figures."

Wilcox is one of those mainstream figures. He says he started smoking pot when he was 15 and now uses it medicinally for back pain, but the 50-year-old single father with three teenagers is

strait-laced. He sold his construction firm five years ago and retired. But he was bored. He didn't see marijuana as a business opportunity until DeAngelo approached him about growing in his buildings, which are next to Harborside.

"I don't look like a pothead, obviously," he said, "and I struggled with the moral issues for a while, security issues, everything else; and then I decided I wanted to do something with my life."

Now he is Oakland's equivalent of a Sand Hill Road venture capitalist and a tilt-up office developer rolled into one. He has money, connections and 7.4 acres off Interstate 880.

Wilcox, who knows his way around City Hall after two decades as a major contractor, approached the idea shrewdly. He set up a company called AgraMed and spent \$16,000 to study its economic potential. The 68-page report concluded that he could sell marijuana worth \$59 million a year. With a 5% pot tax that the City Council decided last week to put on the November ballot, Wilcox's operation could pay Oakland \$3.4 million a year in taxes. "We did this to move the legislation," he said.

He also sought help from Dan Rush, a local labor leader with City Hall clout, and promised to hire hundreds of union workers. He reached out to Lee, who is well-regarded at City Hall. He donated \$20,000 to the legalization initiative that Lee is backing in November. He hired a lobbyist. He made a few modest political donations.

And he made it known that he was willing to spend \$20 million to convert his buildings into an incubator for marijuana businesses. "It's just such a mind-boggling thing. It makes you speechless," said Arturo Sanchez, who oversees the city's medical marijuana programs.

Wilcox won over City Council members despite intense opposition from some marijuana activists and growers who supply the Oakland market. Wilcox, who cheerfully acknowledges he enjoys a good brawl, boasts that he won the turf war.

"There was a transfer of power," he said. "In essence, you could say big business is here."