Executive Directive 16-05
Implementing Prop 64: Adult Use of Marijuana Act
November 9, 2016

With the successful passage of California Proposition 64, the Adult Use of Marijuana Act, the City of San Francisco must now implement a wide array of new laws and permitting processes to allow for the commercial cultivation, manufacture, and distribution of non-medical cannabis products.

Proposition 64 gives cities as much as one year to put regulatory structures in place, since the Proposition mandates that the first State permits for commercial cannabis sales be issued no later than January 2018. Despite this long lead-time, I want our City to get to work immediately to pass the best laws and regulation we can. As such, I am directing the Directors of Planning and Public Health to lead the complex process of drafting all the legislation required to fully and responsibly implement Prop 64.

Thanks to the San Francisco Cannabis State Legalization Task Force, much of this policy brainstorming is well underway. The Task Force has spent months investigating the impacts of decriminalization, specifically regarding public safety, public consumption, youth access, land use, social justice, workforce development, and tourism. I appreciate the Task Force’s efforts to date, and I look forward to close collaboration between its members and my department heads in the months to come, especially on the complex issues related to land use, public consumption, and interactions with our existing rules for medical cannabis.

In order to ensure a smooth transition and de-criminalization of personal possession, as provided for in the Proposition, I am issuing the following Executive Directive:

- The Department of Public Health shall issue a “What Now?” factsheet to inform the public of existing laws governing the sale and use of cannabis products. For example, where is it currently legal to consume cannabis now that Proposition 64 has passed?

- The Office of Economic & Workforce Development shall draft interim control legislation restricting cannabis cultivation from entering existing industrial buildings until the full impact of this emerging industry is better understood.

- The Director of Planning and the Director of Public Health, in consultation with other relevant department heads, shall draft ordinances for the Board of Supervisors’ consideration that address aspects of the Proposition that include but are not limited to:
  1) Land Use: where will cultivation, manufacturing, and sales of cannabis be allowed and disallowed, and under what conditions?
  2) Local Licensing: How should the City’s local licensing process be structured?
  3) Safety: should the City change any laws regarding where or how cannabis may be consumed in public places?
  4) Youth Access: how can the City prevent diversion and sales to under-age youth?

1 DR. CARLTON B. GOODLETTF PLACE, ROOM 209
SAN FRANCISCO, CALIFORNIA 94102-4681
TELEPHONE: (415) 554-6141
• In crafting ordinances to address the above policy areas, the Directors of Planning and Public Health shall:
  1) Consult with other department heads and outside experts as necessary. Specific input from OEWD, SFPD, and SFUSD will be necessary.
  2) Survey other states and cities that have legalized non-medical cannabis, and incorporate best practices for land use controls, public safety and preventing diversion.
  3) Coordinate with the San Francisco Cannabis State Legalization Task Force.
  4) Consider the impact of changes to the medical cannabis regulatory structure that are currently pending at the State level.
  5) Provide draft ordinances to the Mayor and Board of Supervisors no later than September 1, 2017.

• The Mayor’s Budget Director shall consult with the Controller, Treasurer & Tax Collector, and other stakeholders to propose taxation and permitting fees related to the production and distribution of cannabis products. In completing this task, staff shall consult with other American jurisdictions that allow for non-medical cannabis use to survey their taxation and fee methods.

• The Department of Public Health shall develop a public awareness campaign about the health impacts of using cannabis, with a particular focus on youth and on impaired driving.

• The Office of Economic & Workforce Development shall explore state funding opportunities generated from the passage of Proposition 64 for the development of new workforce and entrepreneurship training programs.

• I am aware that Supervisor Malia Cohen is interested in crafting legislation to address the social justice component of decriminalization. The War on Drugs has disproportionately impacted African American and Latino people, so special attention should be paid to records expungement opportunities and economic equity. I am directing relevant department heads to assist Supervisor Cohen in the creation of this legislation.

This Executive Directive will take effect immediately and will remain in place until rescinded by future written communication.

[Signature]
Edwin M. Lee
Mayor, City & County of San Francisco
## Technical

<table>
<thead>
<tr>
<th>Retail Licensing Elements</th>
<th>1. San Francisco should make local permits for retail businesses available for all MCRSA and AUMA license categories and microbusinesses.</th>
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<tr>
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<td>2. In addition to the State-defined license types, the following local license types should be created:</td>
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<td>- New category: Manufacturing 6B Special baking/cooking license</td>
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<td>- New category: Virtual dispensary (i.e. physical location used for delivery with no walk-in retail)</td>
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<td>- New category: Consumption lounge, bring your own product (entertainment, restaurants, yoga studio, gym)</td>
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<td>- New Category: Temporary Events, Cannabis Cup/Cultural Events, and Farmers Market examples</td>
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<td>3. The retail permitting process in San Francisco should be streamlined and efficient.</td>
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<td>4. In the retail permitting process, existing permit holders in good standing or those who have been displaced as a result of federal intervention should receive priority processing and licensing status in the City and County of San Francisco. This recommendation should not conflict with Social Justice prioritized permitting processing recommendations.</td>
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<td>5. San Francisco should respond to all State inquiries regarding local permits in a timely manner.</td>
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<td>6. San Francisco should develop meaningful qualitative findings for the Planning Commission and/or other commission(s) to use when reviewing adult use retail applications.</td>
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<td>7.</td>
<td>San Francisco should develop policies to prevent clustering of adult use cannabis retailers. Strategies may include:</td>
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<td>- Use of “buffer zones” around other adult use retail locations. The distance of these buffer zones should balance both community concerns and business interests, with the aim of preventing too high a concentration of retail locations in a given district while also encouraging healthy competition.</td>
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<td>- Stricter clustering provisions in Neighborhood Commercial Districts to balance neighborhood concerns, and less strict clustering requirements in other districts, such as Downtown or Industrial districts.</td>
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<td>8.</td>
<td>San Francisco should include adult use cannabis retail businesses in existing Formula Retail rules. Note: Formula retail rules state that if an establishment has eleven or more retail locations worldwide, it is subject to a more stringent review and authorization process.</td>
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<td>9.</td>
<td>San Francisco should craft a reasonable process for current medical cannabis dispensaries to transition into the adult use market. A “transition” would include a medical dispensary adding adult use products or a medical dispensary switching to an adult use business model. Such “grandfathered” medical cannabis businesses should be exempt from any new, more restrictive land use provisions that may be applicable to adult use retail businesses.</td>
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<td>10.</td>
<td>San Francisco should allow cannabis retailers to participate in both the medical cannabis and adult use cannabis markets. The licensing process should include a review of the cannabis retailer’s history (e.g. complaints and violations), possible proximity concerns, public review, traffic study, and a business plan that includes traffic/customer flow management.</td>
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<td>11.</td>
<td>San Francisco should not create a separate retail permit for nurseries.</td>
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12. San Francisco should not make a distinction between medical and adult use permitting for retail businesses.

**Licensing Requirements**

13. Existing local and State laws and regulations cover many of the desired requirements for retail cannabis businesses. As such, the requirements for retail licensing should align with these local and State laws and regulations, including:
   - Board of Equalization (BOE) Sellers permit requirements
   - Articles of Incorporation
   - Labor laws
   - Occupational Safety and Health Administration (OSHA) standards

14. Retail license applicants should be required to provide the following supporting documentation to the City of San Francisco, as part of the licensing process, depending on the nature of the activity:
   - Hazardous materials and waste storage plan
   - State nursery program inspection
   - Building inspections from the Department of Building Inspection (DBI)
   - Fire Department documentation
   - Documentation of alignment with Agricultural Department best practices
   - Security plans
   - Weights & Measures

15. An annual inspection and a review of documents by a licensing agent should be required for retail license renewal. The inspection and document review should ensure compliance with State and local regulations and good standing with the Board of Equalization (BOE) or Office of the Treasurer and Tax Collector.

16. San Francisco should issue local retail licenses to the operator for a particular location.
| On-Site Consumption                                                                            | 17. San Francisco should allow and create pathways for smoking cannabis in public places that become privatized. These pathways should follow rules similar to alcohol consumption at special events for adults age 21+ and medical card holders age 18+. |
|                                                                                               | 18. The San Francisco City Attorney should provide further legal guidance regarding consumption in public-private spaces, i.e., where, when and how it could be done in the City. |
|                                                                                               | 19. San Francisco should allow on-site consumption at cannabis retail locations and these locations must include proper ventilation systems. |
|                                                                                               | 20. On-site consumption should include nightclubs, bars, cafes; hotel roof-tops; outside spaces at buildings; music festivals/parks (e.g., Hippie Hill); private club/outdoor garden; adult-one spaces in public parks; temporarily privatizing public spaces through permitted activities. |
|                                                                                               | 21. San Francisco’s on-site consumption requirements should not be stricter than those outlined in state cannabis laws. |
| Non-Profit Licensing                                                                           | 22. San Francisco should encourage the non-profit model and make non-profit license available for cannabis organizations that provide compassion programs and supportive services. |
|                                                                                               | 23. San Francisco should provide incentives (e.g. tax and licensing incentives) to cannabis organizations that provide compassion programs and supportive services. |
| Tourism/Hospitality                                                                            | 24. San Francisco should collaborate with stakeholders to develop policies that achieve an appropriate balance between discretion and visibility of adult use cannabis culture. Along these lines, the City should create pathways that allow tourists to access adult use cannabis products and legal consumption spaces while preventing undesired exposure for those who prefer limited interaction with the cannabis industry. Strategies could include the following: |
| **San Francisco Cannabis State Legalization Task Force – Year II**  
<table>
<thead>
<tr>
<th><strong>Retail Licensing FINAL Task Force Recommendations</strong></th>
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</table>
| - Allow cannabis consumption indoors to prevent unintended exposure  
- Limit visibility of consumption in adult use retail storefront locations to prevent exposure from the street while complying with existing Planning code requirements for active store front uses  
- Collaborate with tourism/hospitality stakeholders to provide tourists with educational materials and information about safe access and consumption of adult use Security plans  |
| 25. San Francisco should allow cannabis retail locations in San Francisco to give tours of their facilities to the public. |

-END-
## Social Justice

<table>
<thead>
<tr>
<th>Strategies</th>
<th>1. San Francisco should engage community members in the target populations (people of color and formerly incarcerated persons; and within these groups prioritize women, transitional-age youth ages 21-24, and LGBTQ people) along with workforce development organizations, community-based organizations, and other key stakeholders to develop strategies to reduce economic barriers to enter the cannabis industry as workforce or entrepreneurs.</th>
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<td>2. San Francisco should reduce annual permitting fees according to the percentage employment of target populations (25% off for 25% employment of target populations, 50% for 50% employment of target populations).</td>
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<td>3. San Francisco should prioritize the following strategies for development:</td>
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<td>a) A prioritized permitting process to help operators in the target populations reduce initial start-up costs (e.g. subsidized rent while undergoing permitting process). Existing businesses should be prioritized first, followed by operators in the target population, and previously licensed businesses closed by actions of the Department of Justice. If the cannabis regulatory agency places a cap on the number of licenses, this prioritization model should be revisited.</td>
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<td>b) An equity licensing program, which would include:</td>
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<td>• Entrepreneurship grants and other funding opportunities to assist people of color, women, and formerly incarcerated persons in achieving business ownership (funded by cannabis taxes)</td>
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<td>• Subsidized permitting and license fees</td>
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<td>• Access to small business support programs and incubator services, such as the Mission Economic Development Agency (MEDA), SCORE, Minority-owned Business Enterprise (MBE), Women-owned Business Enterprise (WBE) programs, and others (funded by cannabis taxes)</td>
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San Francisco Cannabis State Legalization Task Force – Year II
Retail Licensing FINAL Task Force Recommendations

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>6. The following entities could be involved in the aforementioned social justice-focused efforts:</th>
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<td>• Neighborhood associations</td>
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<td></td>
<td>• Community business support programs (e.g., MEDA) and other local business</td>
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<tr>
<td></td>
<td>associations</td>
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<td>• City College of San Francisco</td>
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<td>• Potential and current cannabis employees and entrepreneurs, including formerly</td>
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<td>incarcerated people, women, and people of color</td>
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<td></td>
<td>• Landlords</td>
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<td>• Office of Economic and Workforce Development (OEWD)</td>
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</table>

• Outreach and education to identify eligible demographics and community priorities for equity licensing components

Additional strategies could include: outreach, education, loans, waiving requirement for control of location during application process, offering subsidized rent for business facility during application process, and incentives customized to entrepreneurs and employees of target demographics, including formerly incarcerated people.

4. San Francisco should provide a clear, transparent pathway and process for businesses to acquire retail licenses, and existing businesses should be allowed to operate for a period of one year while a permit application is in process, including issuing a city licensing compliance process guide, integrated into the SF business portal.

5. San Francisco should ensure local regulatory agencies' non-cooperation with federal law enforcement authorities via a San Francisco local ordinance. Additionally, the Board of Supervisors should endorse AB 1578 or analogous state legislation for California State law enforcement non-cooperation with federal law enforcement authorities.
### Community Engagement

Finalized during August 9th Task Force meeting.

| Strategies | 1. San Francisco should develop cannabis retail business operating standards to form part of the retail business permitting process. These standards should ensure that cannabis businesses are “good neighbors” to the communities in which they are located. These standards should be enforced meaningfully by regulatory agencies in a non-discretionary manner (e.g., standard set of rules and consequences, such as citations or notices of violation if rules are broken). *(Reflects Year 1 PSSE recommendation 4.)*

2. The regulatory agency or agencies overseeing the cannabis industry should make cannabis business regulations clear and accessible to the general public so that the public is informed and aware of the regulations.

3. All employees of retail cannabis businesses should receive regulatory compliance training within six months of hiring similar to California Alcohol and Beverage Control LEAD training.

4. Community complaints and hearings for licensing and land use issues should be managed by the Office of Cannabis, and priority for hearings should be given to local residents.

| Stakeholders | 5. The following entities are stakeholders in the City’s community engagement efforts for retail:
- Businesses
- Residents
- San Francisco Department of Public Health
- San Francisco Police Department

Last Updated: 08/10/2017
Tourism and Hospitality

6. There is a notable desire within the culinary community to incorporate adult use cannabis in dining options/opportunities, including the use of cannabis as a meal ingredient and the establishment of food/cannabis pairing options. San Francisco should collaborate with key stakeholders, such as culinary and hospitality organizations, to develop strategies for increasing these opportunities for restaurants and other food establishments. Strategies could include:
   - Developing, proposing and pursuing a state legislative approach that would create an exemption for these types of culinary experiences.
   - Development of a patron notification process for any food establishment offering these opportunities.
   - Development of mechanisms to determine the appropriate distribution of cannabis-friendly dining venues throughout the City.

7. San Francisco should allow cannabis consumption in parked cars (i.e., do not impose arrests, fines, or fees for cannabis consumption in parked cars.)

8. San Francisco should create a certification program for retail tour businesses in alignment with existing regulations (e.g., for tour busses). Regulations and clear enforcement processes should be established for bus size, bus drivers, and smoking in vehicles, and to mitigate traffic congestion, safety concerns, noise, odors, and waste as a result of tours.
### Retail Licensing FINAL Task Force Recommendations

| 9. | Public safety education (e.g., regarding specific regulations) should be required for tour companies. Tour companies should be required to distribute cannabis education materials to patrons as part of the tour. |
| 10. | Tour companies should be required to designate a community liaison to address concerns and respond to community inquiries. |

| Youth Access and Exposure | 11. San Francisco should collaborate with stakeholders to develop policies that achieve an appropriate balance between discretion and visibility of adult use cannabis culture. Along these lines, the City should create pathways that allow tourists to access adult use cannabis products and legal consumption spaces while preventing undesired exposure for those who prefer limited interaction with the cannabis industry. Strategies could include the following: |
| | - Allow cannabis consumption indoors to prevent unintended exposure |
| | - Limit visibility of consumption in adult use retail storefront locations to prevent exposure from the street. |
| 12. | Retail tour access should be restricted to people ages 21 and over or in possession of a valid medical cannabis recommendation. |
| 13. | Retail cannabis-related waste material should be stored and disposed of securely in order to prevent diversion to youth. |
Cross-cutting: Technical and Community Engagement

| Land Use Types | 1. San Francisco should allow sales of cannabis products as an accessory use (i.e. where the selling of cannabis is not the location’s primary use), develop regulations to specify how cannabis products should be separated from non-cannabis products and how accessory levels of cannabis product should be defined, and develop mechanisms to enforce these regulations. Options for regulating the sale of cannabis as an accessory use could include:
|             | a. Limiting the type of cannabis products sold to pre-packaged cannabis products only
|             | b. Restricting cannabis products to an area of a business where minors are prohibited
|             | c. Enclosing cannabis products in a locked box that an employee would unlock upon request |
| Land Use Landscape | 2. To create a desired mix of businesses and limit displacement of other land use types (e.g., other businesses and housing), San Francisco should:
|             | a. Expand locations where new cannabis businesses could operate to include all zoning districts where their conventional equivalents are allowed to operate.
|             | b. Establish a buffering distance between primary cannabis retail businesses.
|             | c. Allow cannabis business that are in compliance with requirements “as of right” in specifically zoned areas.
|             | d. Add cannabis retailers to the formula retail list. |
|             | 3. Cannabis businesses should be subject to review by an appropriate agency to determine the conditions the business would need to comply with. |
|             | 4. San Francisco should also measure this distance with a "path of travel" approach rather than a straight line, parcel to parcel measurement. “Path of travel” is defined as the shortest legal distance travelled on foot from the doorway of the business. |
|             | 5. San Francisco should reduce the distance new cannabis retailers can operate in proximity to sensitive uses to 500 feet. Existing MCDs in good standing would be grandfathered, and not be subject to new distance requirements when applying for adult use licenses. |
San Francisco Cannabis State Legalization Task Force

Land Use FINAL Task Force Recommendations

Note: The Task Force reached modified consensus on a distance of 500 feet from sensitive uses. Discussion points and concerns related to proximity to sensitive uses were as follows:

- A distance of 500 feet was proposed to align with San Francisco's current distance requirements for tobacco.
- Some Task Force members expressed concerns that distances less than the State standard of 600 feet would be contrary to public opinion, and cannabis retailers may be more susceptible to federal raids, business closures, and mandatory sentencing, i.e., harsher sentencing for sale of cannabis within school zones.
- Some Task Force members supported a distance less than 500 feet, but agreed to move forward with the aforementioned recommendation.

6. San Francisco should protect cannabis retailers and other license holders in good standing from the impacts of future sensitive uses that may locate nearby. This means that if a new sensitive use opens within the defined radius of an existing cannabis business, the existing cannabis business should be allowed to continue operation.

7. Businesses that sell cannabis as an accessory use should undergo a different land use approval process as compared to non-accessory uses.

8. Existing cannabis businesses should undergo a less restrictive land use approval process as compared to new businesses.

-END-
San Francisco Cannabis State Legalization Task Force
Land Use FINAL Task Force Recommendations

Technical

| Land Use Types          | 1. San Francisco should establish a cannabis ‘restaurant/food’ license, with guidelines to prevent cross contamination. Examples of possible guidelines:
|                       | a. Restaurant Infusions Onsite: Required Patron Notification of cannabis products, Chef-prepared onsite for retail sale
|                       | b. Bakery Prepared onsite retail & wholesale sales
|                       | c. Commercial Kitchen to permit infusions (e.g., baking with non-volatile substances)
|                       | d. Accessory Use Permit: Existing small business seeking to add retail cannabis products, specific Land Use approval not required, assuming zoning is appropriate
| 2. San Francisco should consider a land use designation for consumption lounge. |

| Land Use Landscape | 3. In determining the proper distribution of cannabis businesses across the City, the main goal is ensuring even distribution and access throughout the city. |

| Zoning Application Standards | 4. San Francisco should allow existing permitted medical cannabis businesses and cannabis businesses that have been closed (as long as they closed in good standing) to have priority consideration in the adult use approval process. |

-END-
## Community Engagement

<table>
<thead>
<tr>
<th>Application Process</th>
<th>1. Community engagement must be a part of the application review process for cannabis businesses. Policies related to how community engagement is implemented are the charge of the oversight body.</th>
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<td>2. There should be a clear application and a clear process based on best practices for cannabis permits and/or licenses. This means that there should be a community engagement process as a minimum standard for both medical and adult use.</td>
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<td>3. The zoning application process for cannabis businesses should require documentation of community engagement activities and maximize opportunities for community engagement early on in the process that are as inclusive as possible.</td>
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<td>4. Different thresholds and expectations should be established for the level of community engagement and review process required for different types of land uses, e.g., a stand-alone cannabis retail store may require more community engagement than a grow house without a public-facing component.</td>
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<td>5. The application criteria and standards should be applied consistently across businesses and should include mechanisms to ensure accountability and include a high level of transparency.</td>
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Knowledge Sharing & Collaboration

Cannabis State Legalization Task Force

IMPORTANT ANNOUNCEMENT In 2018, the Cannabis State Legalization Task Force will be supported by the Office of Cannabis. For meeting information please visit their website at https://officeofcannabis.sfgov.org/.

As early as November 2016, California voters may consider legalizing and regulating adult use and possession of cannabis. To prepare for this, the Cannabis State Legalization Task Force was created via Ordinance by the San Francisco Board of Supervisors in July of 2015. According to the Ordinance, "The purpose of the Task Force shall be to advise the Board of Supervisors, the Mayor, and other City departments on matters relating to the potential legalization of cannabis so that the City's policymakers are fully prepared to address the policy questions, through legislation, administrative actions, and otherwise, following the adoption of a State law."

The Cannabis State Legalization Task Force will bring together a diverse group of stakeholders to consider and evaluate all policy options. It will consist of twenty-two members and be active for a two-year period beginning in January, 2016. All meetings will be open to the public and provide an opportunity for public comment. As the Task Force conducts its business, notice for all meetings, as well as written materials, can be found below.

For all inquiries about the Task Force, please email the Task Force coordinators at Cannabis.Taskforce@sfdph.org. Thank you.

- Mayor Lee's Executive Directive
- Planning Ordinance 229-17
- Regulation of Cannabis Businesses Ordinance 230-17
- Prop 64 Passed, Now What?
- State of California Bureau of Cannabis Control
- Bureau of Cannabis Control (BCC)
- State of California Bureau of Medical Cannabis Regulation Department of Consumer Affairs

Recommendations and Reports:

- Final Year II Social Justice Recommendations
- Final Year II Retail Licensing Recommendations
- Final Year II Land Use Recommendations
- Final Year II Non-Retail Licensing Recommendations
- Cannabis Legalization Task Force Year I Report and Recommendations
- Cannabis Legalization Task Force Year II Report and Recommendations
- October 31, 2016, update to BOS Land Use and Transportation Committee
- January 1, 2017, Year I Update and Recommendation to BOS Land Use and Transportation Committee
- Task Force Response to Local Ordinance Introduced 9/26/2017
- Task Force Response to Proposed Equity Program

Year 2

Meeting 13
Date: Wednesday, December 13, 2017
Time: 1:45 PM
Location: 25 Van Ness Avenue, Room 610, San Francisco, CA 94102
Meeting Materials:
- Agenda
- Social Justice Draft Recommendations from 9/20 Meeting
- Issue Brief #8
- Meeting 13: Social Justice, Hearing Preparation, and Year III Planning
- Meeting Minutes

Meeting 12
Date: Wednesday, November 8, 2017
Time: 1:45 PM
Location: 25 Van Ness Avenue, Room 610, San Francisco, CA 94102
Meeting Materials:
- Agenda
- Office of Cannabis San Francisco Equity Report
- Updated Social Justice Recommendation Framework Document
- Meeting Minutes
- Meeting 12: Social Justice Part III

Meeting 11
Date: Wednesday, October 18, 2017 — PLEASE NOTE 3rd WEDNESDAY OF THE MONTH
Time: 1:45 PM PLEASE NOTE EXTENDED MEETING TIME
Location: 25 Van Ness Avenue, Room 610, San Francisco, CA 94102
Meeting Materials:
- Updated Agenda
- Social Justice Draft Recommendations from 9/20 meeting

https://www.sfdph.org/dph/comupg/knowlcol/csl/default.asp
Equity Program

San Francisco is committed to help communities hit hardest by the War on Drugs. The City's Office of Cannabis aims to build a diverse and inclusive cannabis industry with the Equity Program.

Only applicants and incubators in the Equity Program can apply for new permits in 2018.

Individuals are eligible through financial, regional, and judicial criteria. Applicants who are not eligible as individuals may apply as an incubator. Incubators agree to use local and inclusive business practices to support the community.

For individuals
https://housing.sfgov.org#individuals

For incubators
https://housing.sfgov.org#incubators

Equity Program Report
https://housing.sfgov.org#equity-report

Equity Plan
https://housing.sfgov.org#equity-plan

For individuals

To be eligible for the Equity Program as an Equity Applicant, you must:

• apply as a person, not a company

• have assets, excluding non-liquid assets and retirement accounts, below asset limits established by the Director

https://officeofcannabis.sfgov.org/equity
• be any of the following:
  ◦ the business owner
  ◦ own at least 40% and are the CEO
  ◦ own at least 51% of the business
  ◦ on the board of a not-for-profit cannabis business where most of the Board also qualify as equity applicants
  ◦ an individual with a membership interest in a cannabis business formed as a cooperative

You must also meet at least 3 of the 6 equity conditions:

• your household income equal to or less than
  ◦ $64,550 for one person
  ◦ $73,800 for two people
  ◦ $83,000 for three people
  ◦ $92,250 for four people
  ◦ $99,600 for five people
  ◦ $107,000 for six people
  ◦ $114,350 for seven people
  ◦ $121,750 for eight people
  ◦ $129,100 for nine people

• have been arrested from 1971 to 2016 for the sale, possession, use, manufacture or cultivation of cannabis

• had a parent, sibling or child arrested from 1971 to 2016 for the sale, possession, use, manufacture or cultivation of cannabis
• lost housing in San Francisco after 1995 through eviction, foreclosure or subsidy cancellation

• attended school in the San Francisco Unified School District for a total of 5 years from 1971 to 2016

• for a total of 5 years from 1971 to 2016, have lived in San Francisco census tracts where at least 17% of the households had incomes at or below the federal poverty level. Use the map to check http://sfgov.maps.arcgis.com/apps/InformationLookup/index.html?appid=ab20f95e88a24d13b87ea0eb41b1e1 your home was or is in an area that qualifies.

For incubators

If you do not qualify as an Equity Applicant, you can apply as an Equity Incubator. You must submit a Cannabis Equity Incubator Agreement with your Cannabis Business Permit. The Equity Incubator Agreement states that you will, within 3 years of opening your business:

• have local residents perform 30% of all work hours

• have half of your employees meet at least 3 of the 6 equity conditions above

• provide a community investment plan with businesses and residents within 500 feet

Incubators will also need to do one of the following:

• submit a plan to the Office of Cannabis for providing guidance to Equity Applicants running a new cannabis business (like business plans, operations consulting and technical assistance)

• provide an Equity Applicant rent-free commercial space to run their new cannabis business, which must:
  • be equal or exceed 800 square feet, or be at least 10% of the Incubator's space
include use of the Incubator's security services

Equity Program Report

The case for equity is clear. The War on Drugs has had consequential impacts on communities throughout the United States, including in San Francisco. The City's challenge today is also our opportunity. As we move towards regulating the cannabis industry, we are taking this opportunity to harness its potential to begin to restore historic inequities.

San Francisco is developing and implementing a program that makes sense for the residents of our City - a program that balances our priorities and reflects our values.

Equity Program Report

Equity plan

All Medical Cannabis Dispensaries (MCDs) in San Francisco must have plans to show what they will do to:

- help and support Equity Operators
- hire people hit hardest by the criminalization of cannabis
- otherwise further the City's equity goals

Cannabis businesses in San Francisco will update their plans in the first half of 2018. The updates will show progress on their equity goals.

To comment on these plans, email officeofcannabis@sfgov.org
https://housing.sfgov.org/mailto:officeofcannabis@sfgov.org

Barbary Coast Dispensary

Basa Inc, Basa Collective

Bloom Room

https://officeofcannabis.sfgov.org/equity
Cookies SF
DCSM Inc.
DUTCHMANS FLAT
Elevated San Francisco
Flower Power SF
Gilbert Express
Grass Roots
Harvest off Mission
Harvest on Geary
Jahnetics
KURE.SF
Kind Courier
MediThrive
Mission Organic Center
Natural Green ReLeaf
PROVEN
Pure 710SF
Purple Star MD
Releaf Herbal Cooperative

SPARC

San Francisco Foundation on Going Green

Shambhala

The Apothecarium

The Apothecarium

The Apothecarium

The Cookie Company

The Green Cross

The Green Door

Urban Pharm

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