

SAN FRANCISCO CANNABIS OVERSIGHT COMMITTEE

Notice of Hearing & Agenda

This Meeting Will be Hybrid

Members of the public have two options for attending:

In-Person

This meeting can be attended in person at the following address:

49 South Van Ness, Room 192

San Francisco, CA 94103

Please speak with the attendants at the front desk if you have trouble finding the room.

Webex

- 1) View the meeting (access to a computer or smart mobile device required):
- 2) <https://sfgov.webex.com/sfgov/j.php?MTID=mf96c7b424acd6935b2d4180cfeb9e7e1>
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To Provide Public Comment: Dial 1-415-655-0001, input the access code above, and Press *3 when prompted to do so

**September 13, 2023
1:00 PM-4:00 PM
Regular Meeting**

Committee Members:

Voting Members

- Ali Jamalian
- Adam Hayes
- Apollo Wallace
- Drakari Donaldson
- David Nogales Talley
- Shay Gilmore
- Antoinette Mobley

Non-Voting Members

- Mohammed Malhi or rep. from SFPDH
- Sgt. Sylvia Lange from SFPD
- Stephen Kwok or rep. of DBI
- Mathew Chandler or rep. of SF Planning
- *Superintendent* or rep. from SFUSD
- Dylan Rice or rep. of SF Entertainment Commission

Meeting materials are available at:

Website: www.officeofcannabis.sfgov.org

Disability and language accommodations available upon request to: officeofcannabis@sfgov.org or 415-554-4420 at least 48 hours in advance, except for Monday meetings, for which the deadline is 4pm the previous Friday.

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(Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

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Meeting Materials

Any materials distributed to the members of the Committee within 72 hours of the meeting or after the agenda packet has been delivered to the members are available for inspection at the Office of Cannabis, 49 South Van Ness, 6th Fl., San Francisco, CA 94103, during regular office hours. Please note that this practice has been temporarily suspended as members of the Office of Cannabis are working remotely due to the ongoing COVID-19 pandemic. This practice will resume after the OOC team transitions to the office.

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Accessible Meeting Information

Committee hearings are held in **49 South Van Ness, San Francisco, CA 94103, Room 192 – 196**. The location is accessible to persons using wheelchairs and other assistive mobility devices.

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Allergies: In order to assist the City in accommodating persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, please refrain from wearing scented products (e.g. perfume and scented lotions) to Committee hearings.

SPANISH: Agenda para la Oficina de Cannabis. Si desea asistir a la audiencia, y quisiera obtener información en Español o solicitar un aparato para asistencia auditiva, llame al 415-554-4420. Por favor llame por lo menos 48 horas de anticipación a la audiencia.

CHINESE: 規劃委員會議程。聽證會上如需要語言協助或要求輔助設備，請致電415-554-4420 請在聽證會舉行之前的至少48個小時提出要求。

TAGALOG: Adyenda ng Komisyon ng Pagpapalano. Para sa tulong sa lengguwahe o para humiling ng Pantulong na Kagamitan para sa Pagdinig (headset), mangyari lamang na tumawag sa 415-554-4420. Mangyaring tumawag nang maaga (kung maaari ay 48 oras) bago sa araw ng Pagdinig.

RUSSIAN: Повестка дня Комиссии по планированию. За помощью переводчика или за вспомогательным слуховым устройством на время слушаний обращайтесь по номеру 415-554-4420. Запросы должны делаться минимум за 48 часов до начала слушания.

Regular Agenda:

Please note that public comment will be held during every agenda item. If a member of the public would like to comment on a topic that is not on the agenda but is within the jurisdiction of the Committee, they may do so during the “General Public Comment” portion of the meeting.

1. Call to Order / Roll Call**5 min**

- Upon roll call, the following Committee Members were noted present
[(v)= voting member]
 - Ali Jamalian (v)
 - Adam Hayes (v)
 - Apollo Wallace (v)
 - David Nogales Talley (v)
 - Shay Gilmore (v)
 - Mohammed Malhi, Department of Public Health
 - Stephen Kwok, Department of Building Inspection
 - Michael Christensen, Planning Department
 - Dylan Rice, Entertainment Commission
 - Police Department Representative
- The following Committee Members were not present:
 - Antoinette Mobley (v)
 - Drakari Donaldson (v)
 - San Francisco Unified School District Representative
 - Victor Wong, Fire Department
 - Sgt. Sylvia Lange, Police Department

A quorum is established

2. Land Acknowledgement**1 min**

- Scott Dennis recognizes the origins and traditions of the land on which the OOC operates and on which the meeting and COC guests are.

3. General Public Comment**15 min**

Members of the public may address the Committee on topics that are not on the agenda but are within the jurisdiction of the Committee, for a maximum of 3 minutes per individual.

- No public comment.

4. Review and Consideration of Regular Agenda**Discussion, 5 min
Action**

Committee members will review and amend the meeting agenda as necessary and vote to approve.

- There are no edits or requests for revisions from the Committee
- No public comment
- **Motion:** There is a motion to keep the agenda.

- **Motion/Second:** Ali Jamalian/Shay Gilmore | **Motion Approved**
- **Ayes:** 5 | **Nays:** 0 | **Abstentions:** 0 | **Absent:** 2

5. Temporary Cannabis Events Regulation

Discussion, **60**
Action **min**

Committee members will discuss and possibly vote on recommendations regarding the approaching sunset date for the Temporary Cannabis Events Regulation.

- Director Patel provides an overview of a presentation on state and local regulations and pilot programs currently in place
- Scott Dennis reviews the three main steps for planning a cannabis event: obtaining a cannabis event organizer license, getting written approval from local jurisdiction, and obtaining a temporary cannabis event license
- Director Patel asks about the order of steps and which are required
- Scott Dennis clarifies this is a requirement, and this process is generally a state regulation.
- Scott Dennis reviews the state regulatory requirements
- Scott Dennis reviews some of the general regulations: a) General length of event is 1-4 days but no longer; b) may only be held at county fair event or cultural association event whereas for any other place, a local jurisdiction would have to approve; c) alcohol and tobacco cannot be sold; d) security presence is required; e) storage locker safes are required; f) identification must be checked; and g) there must be access areas, and more.
- Scott Dennis reviews some sale regulations: a) Both sales and consumption is expected; b) identification must be checked to ensure attendees are over 21; c) there must be a designated retail section; d) general retail and cannabis restrictions apply, such as, having a specific license for each activity; e) a distributor must move cannabis to and from the event; and f) having secure storage.
- Scott Dennis reviews some retail requirements: a) Track and trace metrics, b) amounts to sell, and c) daily limits
- Scott Dennis reviews some consumption regulations: a) Obscuring public visibility (consumption area cannot be visible from outside); b) alcohol and tobacco consumption not allowed; and c) must also follow local rules
- Scott Dennis reviews some local regulations: a) Event organizer needs to submit information 90 days in advance, such as point of contact, place/time, and activities; b) access and equity; c) security and premises diagrams submission; c) alcohol and tobacco is banned; d) separate alcohol selling may be possible; e) enforcement regulations to ensure event compliance; and f) licensed retailers are from San Francisco community
- Scott Dennis reviews some consumption regulations: a) Must have access to portable water; b) handwashing and restroom facilities; c) buffer area to limit public access and neighboring areas; d) organizers must submit pre-event plan and hold a meeting with different departments; and e) go through document submission

- Scott Dennis reviews there will be more regulations, for example: a) lane closure permits; b) need contact with other departments
- Director Patel reviews details about the pilot program and the three criteria to issue a permit: 1) Event has been held prior on a consistent basis; 2) event has held a cannabis license before; and 3) has significant unregulated cannabis sales. The program is set to expire end of 2023
- Director Patel reviews lessons the main learned pain points: the process is time consuming and cost prohibitive with larger events being more conducive of requirements.
- Director Patel highlights the importance of learnings from the application process, issues including lack of cost efficiency, security requirements, and time consumption
- Director Patel shares that it is anticipated there will be an influx of applications but not a corresponding increase in permits given
- Director Patel states the lack of cost efficiency is on both the applicant's side and the City's side and concludes it may be an inaccessible opportunity
- Director Patel acknowledges concerns that expansion with the pilot program will favor some event applicants and not others
- Director Patel recommends the pilot program be extended and increase engagement with the State
- Director Patel recommends working with other city partners to find criteria-sufficient locations for events which would reduce time identifying locations that are considered viable
- Chair Jamalian asks about the local indoor event requirements
- Director Patel clarifies that outdoor requirements also apply for indoor event regulations, including an indoor ventilation system
- Chair Jamalian suggests event locations that are indoor with some outdoor patio space for cannabis consumption, which could be used for smaller-to-medium events and suggests those certain event planners may want to invest in getting their preferred locations approved for permits
- Director Patel clarifies that some of the more difficult requirements, such as HVAC and location identification, are possible to secure but typically need more time to meet these requirements
- Chair Jamalian suggests the OOC provide a checklist to make sure the regulations are being met. Chair Jamalian also comments that the Police and Fire Departments should be present to speak on their behalf
- Chair Jamalian asks about the revenue versus loss in these events when the costs are very demanding
- Director Patel suggests the OOC shares this information with the State to suggest different regulations for smaller events to make it more manageable
- Member Gilmore asks what it would look like to engage with the State
- Director Patel clarifies that the OOC is already looking into it and; suggests the pilot program to stay in place, continue working with city partners, and identify locations to vet
- Chair Jamalian asks if the locations/venues that are pre-approved could be used to apply to from other event applicants

- Director Patel clarifies that this would not be allowed but that if the program is expanded to three years, it can be modified during that time
- Member Rice notes the different venues that are in place that will likely satisfy the regulation requirements
- Scott Dennis notes that feedback from the public is highly valued in partnership with the different departments.

- Public Comment – Nina Parks: “So this is Nina Parks, I had a cannabis events license, I was able to do the first consumption garden and sales at a neighborhood street fair last year for Carnival of San Francisco. There are obviously a few concerns now that this pilot program is starting, which is expiring essentially, right. One of the things is that, where we going to be at next year, because there are some events such as Hippie Hill. I understand that there is a need to identify some venues for potential extension but with this pilot program going out, we still have to figure out how Grasslands is going to execute, how Hippie Hill is going to execute. Also, as an event organizer, really one, it's not lucrative to be able to participate in events for anybody. Really, more people are out of the money that they spend, including the retailers, including the brands. The fact that it requires like three retailers for a 2000-person event, like for Carnival, like a bunch of our retailers were cannibalizing each other, we could have just used two rather than three. Also, because we're limited to just the events in the pilot program that are pre-existing, we don't have the opportunity to operationalize our license in San Francisco. So, we would have to go outside of San Francisco in order to operationalize that license, and then it doesn't bring in revenue to the city. We don't have the opportunity to bring things like the Emerald Cup or (inaudible) Flowers or any of the other potential revenue generators for the city because we just don't have an option to. Obviously, there's a lot of conversation that still has to go on about this pilot program and the extension of the ability to operationalize event licenses. And then thirdly, as a Cannabis Equity Operator, according to what Nikesh has told me in the past, our businesses are for some reason not considered real businesses, meaning the event license is not considered a real business for the city according to the City Attorney. So we don't qualify for the state grants, which is really odd. We need a lot of conversation around this.”

- Chair Jamalian opens up for recommendations and suggests the OOC work with Fire, Police and Public Health to find locations that would work well for events
- Member Gilmore asks to clarify if this is a three-year extension
- Director Patel clarifies that this is up to the Committee
- Chair Jamalian suggest that three years would be feasible

- **Motion:** Motion to approve the extension of the pilot program for three years, during which time the OOC engages with the State for

regulatory changes, continues to work with city departments including by appointing designated representatives at the Police and Fire touchpoints, all with the goal of identifying more possible locations for event permits.

- **Motion/Second:** Ali Jamalain/Shay Gilmore| **Motion Approved**
- **Ayes:** 5 | **Nays:** 0 | **Abstentions:** 0 | **Absent:** 2

6. Scheduling Next Meeting and Proposed Future Agenda Items

Discussion **10 min**

Committee members will discuss their preferred next meeting date, and propose future agenda items for the next committee meeting.

- Vice Chair Hayes notes that the past permit process was extremely difficult and that it would be nice to have a person who knows the process to guide applicants
- Chair Jamalain notes that the Fire Department does not know how to inspect the cannabis-specific CO2 systems, which often delays the process for three to six months.
- Chair Jamalain asks to have a question-and-answer session with the Fire Department in regard to CO2 inspection guidelines
- Member Gilmore asks to meet with other jurisdictions who are complying with regulations around delivery retail for medicinal cannabis in order to develop a public service announcement or related resources for other California jurisdictions
- Director Patel suggests the Committee consider the best timing of this conversation and how the conversation would look
- Member Gilmore clarifies the concern is that other noncompliant jurisdictions may be sued in the future and waste taxpayer money as a result, whereas San Francisco is a model jurisdiction that could support other jurisdictions to improve their practices
- Public Comment - Nina Parks: “Hello again, it is Nina Parks, I just want to flag for you all that there is currently a recommendation from Supervisor Stefani to amend the planning code and to change, basically, the discontinuance of people’s retails licenses after an 18-month period if they are not up and running or moving on to the next phase. Their position would basically be considered abandoned, and they would have to reapply. Just remember that we are in moratorium space, so we can’t even apply for new retail for another four years. I would suggest to really put a call out to other equity applicants or other businesses that it might truly affect, because I don’t think people are following this recommendation from Stefani as closely as they should. Especially it wasn’t brought up during this meeting, as well. And it will hit the thirty-day mark of public comment right now, in review. Thank you.”

7. Adjournment

- 11:31 AM PST