**SAN FRANCISCO**

**CANNABIS OVERSIGHT COMMITTEE**

**Notice of Hearing & Agenda**

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| **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 196**  **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**](https://ccsf.webex.com/ccsf/onstage/g.php?MTID=eed54bd8bb95405751203050bcdf840cc) **(access to a computer or smart mobile device required):** 2. <https://sfgov.webex.com/sfgov/j.php?MTID=mcdbcf1a638c6fd1032a37bb84b762425> 3. **Listen to the meeting by dialing: 1-415-655-0001 (Access Code: 2505 291 5024)**     1. **Meeting Password: z3Q9GJMZN7M (93794569 when dialing from a phone or video system)**   **To Provide Public Comment: Dial 1-415-655-0001, input the access code above, the input the meeting password, and Press \*3 to raise your hand. Once prompted to do so, please press \*6 to unmute.** |

**September 4, 2024**

**1:00 PM - 4:00 PM**

**Regular Meeting**

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|  | **Committee Members:** | |
| **Voting Members** | | **Non-Voting Members** |
|  | * Drakari Donaldson * Shay Gilmore * Adam Hayes * Ali Jamalian * Antoinette Mobley * David Nogales Talley * Apollo Wallace | * Mohanned Malhi or rep. from SFPDH * Lieutenant Lange or rep. of SFPD * Steven Kwok or rep. of DBI * Mathew Chandler or rep. of SF Planning * Quarry Pak or rep. from SFUSD * Dylan Rice or rep. of SF Entertainment Commission * Victor Wong or rep. from SFFD |

**Meeting materials are available at:**

Website: [www.officeofcannabis.sfgov.org](http://www.officeofcannabis.sfgov.org/)

Disability and language accommodations available upon request to: [officeofcannabis@sfgov.org](mailto: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.

**Know Your Rights Under the Sunshine Ordinance**

(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.

For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 409; phone (415) 554-7724; fax (415) 554- 7854; or e-mail at sotf@sfgov.org. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Library and on the City’s website at [www.sfbos.org/sunshine](http://www.sfbos.org/sunshine).

**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.

**Ringing and Use of Cell Phones**

The ringing of use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. The Chair may order the removal from the meeting room of any person responsible for any ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

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Information that is provided in communications to the Office of Cannabis is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted.

Members of the public are not required to provide personal identifying information when they communicate with the Cannabis Oversight Committee. All written or oral communications that members of the public submit to the Department regarding projects or hearings will be made available to all members of the public for inspection and copying. The Department does not redact any information from these submissions. This means that personal information including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Office and its committee may appear on the Office’s website or in other public documents that members of the public may inspect or copy.

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Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Conduct Code Section 21.00-2.160] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; phone (415) 252-3100; fax (415) 252-3112; and online http://www.sfgov.org/ethics.

**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.

**Disability Accommodations**: To request assistive listening devices, real time captioning, sign language interpreters, readers, large print agendas or other accommodations, please contact the Office of Cannabis at www.officeofcannabis.sfgov.org or 415-554-4420 at least 72 hours in advance of the hearing to help ensure availability.

**Language Assistance**: To request an interpreter for a specific item during the hearing, contact the Office of Cannabis at www.officeofcannabis.sfgov.org or 415-554-4420 at least 48 hours in advance of the hearing.

**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 Canabis. 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 Pagpaplano. 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:**

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| 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** |
| **2.** | **Land Acknowledgement** |  | **1 min** |
| **3.** | **General Public Comment** *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.*  Chris Callaway: I am a applicant having several dispensaries here in the city uh as some of you may know a letter of determination request to the planning department about nine months ago and that request um was to call or clarify the 600 foot rule in San Francisco and the permitting process kind of around it and really our specific question was can an applicant move forward like pass planning if a previous applicant has removed its application even though they went through the planning process they remove their application there’s other applications in hold can they move forward uh that’s what I asked them it looks like its going to go to a board of appeals hearing so I’m just letting everybody know that this actually will impact other people in the system that maybe have an application on hold behind somebody so I think really what I’ve experienced in the program is its really challenging to secure your real estate and to move through the process planning is like this massive hurdle to get over and I understand the intent of this program was to you know not create a chaotic permitting environment but its kind of what has ensued what we have now is dozens of vacant storefront the city that have been held for years right some of the storefronts were vacant for years before this planning process started and afterwards were with just not that storefront that’s vacant but other people on hold with vacant storefronts right and in my uh case there was I put in three applications behind my original application that went to planning because I have the most detestable landlord in the city and its well known how bad this guy is and he performed seismic retrofit that took him 5 years to complete so I got through planning within a year but wouldn’t finish the seismic retrofit and he kinda held that over my head while I going through the process so what I would like to ask the committee if possible and it has been a 6 years nightmare and I don’t know if anybody else has gone anything even close to this but I would like to open this up to public comment to see how permitting process right now is reflecting the goals of the equity program are we really meeting what we intended to do within this program because like from my perspective it seems like the golden lottery ticket that’s being given to people is the landlords of San Francisco the generational wealth that we intended to create through the program is being passed onto these landlords through land use entitlements planning should have no more than a rubber stamp on a drawing when it comes across their across at this point we’ve gone through countless conditional use hearings they’ve all been approved for the most part – *30 seconds warning* – thank you if somebody wants to move their dispensary next door within 600 feet it shouldn’t become like a major neighborhood battle to do so if we’re gonna allow cannabis cafes to be in San Francisco we need to have a clear and simple permanent process that allows participants and business owners to do that so we don’t face a 5 year permitting process with planning was greatly overstepping their authority and importance in the process of permitting cannabis business thank you  Hakeem Mashal: I’m a Golden Gate Cannabis Company and uh I was if not I’m not mistaken the first one of first seven equity applicants to uh join the program converted my dad’s old liquor store to a dispensary was an interesting transition plan but uh I’m here today because the center of discussion is the grants I found out the hard way that this year the grants were changed uh the criteria was changed basically someone in the beginning that followed the original criteria of 60/40 was no longer eligible for any grants this last year because it was moved to either 50/50 or 60/40 the other way I don’t recall um I really find this unconscionable because I would really like to know what that did to the program itself meaning if 90% of the equity applicants were served by the old grant numbers I’d really like to know what it was this year because I got to be honest I would imagine like lower than 10% which I doubt would be the you know inherent lets just say you know spirit of program um were all hurting I’d have to say 90% of us are down 50% if you’re left it’s probably more for most of us so I really want you guys to take a good hard look at that um you know it’s something that can be changed I hope it’s changed and if you can’t change it maybe you guys can come up with a grandfather rule that originally got a grant are still be able to get grants in the future because I’m telling you right now it’s going straight to taxes um which I’ve heard are being raised to 19% for excise come 2024 and I don’t think anyone’s even talked about city tax yet which I hope pray to god I can stay for another year I hope that’s your guys um that’s pretty much all I have to say so thank you very much.  Bram Goodwin: Media Director of San Francisco Brownie Mary Democratic Club um I wanted in the people viewing on for bills passed the legislature is under the is uh at the desk of the governor uh I just wanted to briefly uh mention AB 255 is the compassion bill the renewal of SB 34 uh AB 1775 is the cannabis café bill as we talked about SD 1059 is the double taxation outlaw you will which is important and AB 1111 is the farmers market uh allowing small cannabis uh growers to sell in State…so um I sent in my uh recommendations to the governor and I would encourage everybody to and I don’t know if it’s appropriate to have any discussion but I would love to hear uh some of them are no brainer but I’d be curious on the famers market thing to hear from retailers and others because although I support it I also understand that could have a impact on our retailers who are in a really difficult position so I’d love to hear some things so go to calnorml.org got all the information please send the governor my only other point in my last 30 seconds is to mention that we didn’t know in November we’re going to be voting and there’s a lot of things going on in beyond the presidential and for cannabis people we should be looking at these candidates through that one of those lenses and the Brownie Mary Democratic Club is going to meet next Wednesday to talk about the mayor’s race and give a recommendation so I’ll be very interested in hearing from our fellow cannabis people on…a big importance thank you.  Joyce Hicks: My business is called Nicey Pieces LLC I am San Francisco verified equity and I would like to speak about the grant that they provide for equity um I’ve been in this process for like since 2019 and it’s been a great program the grant that helped me with a lot of things that needed for my build out and other things for the architect and everything but what I do want to know more is that I know it goes by the percentage of your business if you I don’t have no business partner anything but this program is very helpful I know it have helped me through a lot I’m in a situation where I had spinal surgery so I can’t move as fast as I used to but I’m still…and I just want to thank Office of Cannabis for supporting me um Yuliya, Jeremey, and Evelin and the whole team has helped me through this process but it will get better I’m still in my buildout and um by we have this incident I had to start all over um with the planning department because they if you’re not activity they make you pay over again so yesterday um to get my job card I have to pay $2,300 these cost us a lot like if you don’t have the funds or anything but what I wanted to ask the Office of Cannabis how could you guys integrate with planner the planning department because its these fees are high some people just don’t have that like I’m paying $2,300 again because it expired so to get a job card tomorrow go pay it but I still have to keep moving forward because they can’t work without that job card so I want to thank you guys and this is a great opportunity to come here to speak in front of everyone thank you. |  | **15 min** |
| **4.** | **Review and Consideration of Regular Agenda**  *Committee members will review and amend the meeting agenda as necessary and vote to approve.*   * No Public Comment * Vote | Discussion, Action | **5 min** |
| **5.** | **Review and Approve Minutes from 6/12/2024 Meeting** *Committee members will review minutes from a previous Committee meeting, amending as necessary, and vote to approve.**Explanatory Document: SF-COC\_Meeting-Minutes-March-6*   * No Public Comment * Vote | Discussion, Action | **5 min** |
| **6.** | **Office of Cannabis Update** *The Office of Cannabis will provide a general update on the status of their work.*   * No Public Comment before the update * Scott Dennis, Office of Cannabis: Currently the number of permanent permits is 66, which was 5 more than the since the last meeting. All applications in the OOC system have been picked up for processing and newly submitted applications will begin processing immediately upon submission. Brief reminder the moratorium for retail storefront is in place (end beginning of 2028), so any new applications for non-retail types would be picked immediately. Currently continuing to process MCDs and TMPs with more entry in the final stage of the processing, but we do urge anyone with an active application to respond to the OOC’s request for information immediately. If you have any questions or if you’re not getting emails from us, please email us at [officeofcannabis@sfgov.org](mailto:officeofcannabis@sfgov.org). * Scott Dennis, Office of Cannabis: Currently for this duration of grants that is happening right now, we are in the re-distribution phase, recipients are submitting expenses for reimbursement and working with the OOC grant team to ensure all forms are properly submitted. The term is currently set to end in the middle of October. In terms of progress on our current spend down is about 93% of the way through this current grant (about $1.3 million disbursed). * Scott Dennis, Office of Cannabis: In terms of enforcement, enforcement actions continue as they are flagged through public outreach, 311, SFPD, SFDPH, and our other City partners. In partnership with the DCC, the OOC recently enforced against an illicit cannabis operation, during which around 6,400 plants were seized, 82 lbs or processed flower, and 471 lbs of shake were confiscated. Between 7/1/23 – 6/30/24 the OOC conducted 50 compliance inspections and 89 enforcement actions. A reminder from the enforcement team to operators – please ensure you are working closely with analysts and inspectors to facilitate timely processing of your annual renewals. The Annual Renewal process involves an online submission of a form and related documents, as well as an inspection by OOC staff. If you have any questions about renewal, please email us at [officeofannabis@sfgov.org](mailto:officeofannabis@sfgov.org). * Scott Dennis, Office of Cannabis: Updates relating to the DCC, we have been distributing information concerning product recalls enacted by the Department of Cannabis Control to our listserv. If you have not been receiving these notices, please contact the Office of Cannabis at [officeofcannabis@sfgov.org](mailto:officeofcannabis@sfgov.org). Most of these notices are recalls, they often contain important safety information from the DCC concerning faulty or harmful products. Operators may face fines or other penalties for failure to comply with product recalls. * Scott Dennis, Office of Cannabis: AB 1775—the revised “cannabis cafes” bill—passed the Assembly and the Senate. The most likely step is consolidation of any differences between the versions of the bill, and then it will be sent to the Governor.   AB 1111—the “Farmers Market” Cannabis Bill—passed the Assembly and the Senate. That would require the DCC, no later than 01/01/2026, to issue “small producer event sales licenses that authorize the license holder to sell cannabis or cannabis products at state temporary events.” The bill will be sent to the Governor in the near future.  Finally, Temporary Cannabis Events, the Controller’s City Performance Team is in the process of conducting focus groups with cannabis events and venue stakeholders about the expansion project about which this committee has heard extensively. City Performance will likely conduct two rounds of focus groups and will share their findings with the committee during its next meeting (barring any unforeseen complications).  Public Comment after the update:    Bram Goodwin: Brownie Mary Democratic Club I just wanted to comment on what Dennis has talked about which is the controller the events in terms of the cous group I just like to put out there I hope as part of the focus group that there’s consumers involved that there should be and I know this is a complaint that you from me but I think consumers again are left on the side and almost everyone of this issue and I don’t think its right because without consumers there’s no money and I think consumers should have input in that especially on events because what you’re trying to do with…and its nice to hear business people or event producers that’s all nice and we want it but consumers are…so I would encourage the Office of Cannabis maybe to feedback to them um to make sure that now maybe they’re included we don’t know but I like to make that comment thank you.  Angela White: I’m here I do program management for Success Center I just wanted to speak a little about events I recently was able to attend Grass Lands for the first time and I don’t know how many years that’s been going on but I felt wonderful out there because were able to um as a nonprofit serving marginalized community jobs and things of that nature thank you…those of you help to donate for our will um for different giveaways but it was such a warm feeling to have to be a nonprofit in that space um we’re doing great work but a lot of community doesn’t know that we exist so I wanted to make sure that we folks are planning this type of events um to contact us because we want to be part of it this is um my lifestyle serving community and making sure that…thank you. | Discussion | **10 min** |
| **7.** | **Recommendation for a Legislative Change to Ordinance #200144**  *The Committee will discuss and possibly vote to recommend to the Board of Supervisors a proposal by Chairperson Ali Jamalian for an amendment to Section 1606(e) of the Police Code, which was added to the Police Code in Ordinance #200144 on 06/23/2023. This provision currently imposes a moratorium on the OOC’s ability to process new retail-related Cannabis Business Permit applications until December 31, 2027.*   * Ali Jamalian: Legislative change to the Ordinance #200144, the idea behind that is really because while we’re okay with the moratorium and the moratorium came from the community, took a lot of public comment and a lot of input. The market has changed, there are some local players and social equity applicants in particular that might have disputes with landlords might not actually go through with their application and the idea is the work that went into planning that somebody brought up in general public comment as well that the entitlement is not for nothing and the approach is to let the Office of Cannabis which already has some discretion in moving applications or permit applications or temporary permits to give an additional layer of discretion for existing permit the equity applicant that might want to move the venue to the one that’s been abandoned that’s really tough. So it wouldn’t really add to the pipeline that was existing because that’s the obviously the spirit of the moratorium. The moratorium took the pipeline of existing applications into consideration but a lot of those won’t come online so now we have essentially equity applicants that probably word hard to get to plan phase 1 or phase 2 of their application that won’t be able to see it through which doesn’t mean another equity applicant shouldn’t have a shot at that project and that’s really the spirit of this recommendation is coming from. We want as much public comment from retailers, current applicants that are about get phase 2 or just completed phase 1, basically people affected by this. Having Drakari here is really good addition to the conversation because [he] is an equity applicant in retail who partnered up with a local group and that’s kind of why I really want to make this available, a lot of small business operators like you like me that live here but that don’t have access necessarily to MSO Capital and having a property that has a lot value in our application process and with that I would like to open up for discussion. * Drakari Donalson: I feel like we’re still at a point where the city is overly saturated with cannabis retail and we need to focus on the ones that are already existing and that are struggling right now versus figuring out ways to open up more which is going to cause a bigger struggle. The city still has a long fight to get back to where it was and there has been some improvement but there’s still a long way to go and I don’t think we’re ready to open up more stores than what we already have plus what’s already in the existing pipeline. * Ali Jamalian: This is the existing pipeline we wouldn’t add to the existing pipeline if anything we would just increase chances of the existing pipeline to become a reality so no touching the existing you can’t add new applicants but let’s say you rented a place you’re not going make it across the line ran out of money what that may be you decide not to do it and there’s a guy that’s buffered out by you why shouldn’t that applicant be able to go and try make a deal with that landlord or like another local applicant who’s in the pipeline but it’s going to be longer for that particular property to be built out or come online versus the one that’s being withdrawn and I do believe that Office of Cannabis does have the shot clock like what you’re referring to earlier like we’re checking up on applicant. I think if the shot clock removes you that address should open for another applicant. * Requested rough estimate of applicants who have fallen out of phase 2 of the application process * Ali Jamalian: Earlier we spoke about predatory landlords this is also a way to give a little bit of power back to the operators because the landlord knows I have a choice to go one of these 50 abandoned application that gives you a much different lever to negotiate at least. Just seeing the spirit of our program was to get as many equity applicants across the finish line and some of us earlier than others but doesn’t mean we should close the market off behind us that’s not the spirit and especially us equity applicants we should help other equity applicants get online not try to close the market behind us and I don’t think its sufficiently supplied with cannabis store there’s still neighborhoods that are incredibly difficult to get cannabis access. West portal is one of very difficult to get access even the Outer Sunset sure we have a couple applications but north of south of Judah becomes very difficult to access product so you know quiet a few people that live in that neighborhood. So I do agree with you some neighborhoods are clearly saturated others are not. * Drakari Donaldson: I think that’s the other big concern of mine is where I’m thinking about the situation where let’s just say there’s equity license in the Richmond or Nob Hill and there is a larger conglomerate that has come tried to come into a location with that’s 601 square feet away, goes through the process, it’s a fight basically and they don’t get approved, so now another group can come on in and get that equity. * Ali Jamalian: That’s what we’re discussing that for example limit it to someone who does own the majority and is not partnered with a retail right… * Drakari Donaldson: But still, that’s having them go still go into that space that’s not beneficial to anyone because you have an already existing dispensary that’s nearby, that’s less than a football field away and you have other ones that are ones also equal distance from that location and so it’s just becomes more and more saturated so I don’t think that we need more dispensaries in San Francisco. * Ali Jamalian: But you’re talking very specifically about your street. * Drakari Donaldson: I’m talking specifically about that type of scenario. Do we need more dispensaries in the city at this time I don’t * Ali Jamalian: Well every application has the right to become a dispensary every application that has made it before the moratorium was acted and those are the ones we’re talking about so we’re really talking about the applications that are already submitted and there’s no new people coming in it would be those applicants because again a lot of applicants fail because of predatory landlords the buildout cost is too high and the work that the city put in verifying those documents planning 600 foot rule looking at what is necessary to get a job card I just don’t think we should throw all those resources away * Shay Gilmore: Is there a way to filter these applications for locations in areas that are not saturated * David Nogales Talley: My thought is there’s couple areas that are for sure really saturated city it’s unfortunate that the city has been broken up way the system force that but yeah is there a way to identify areas that are less saturated not saturated but less saturated and maybe kind of lean towards that * Ali Jamalian: I think what you’re seeing right now if you look on Valencia there’s few applications that never came to fruition so when the areas are very saturated often the operators pull out because they see it the same way I don’t think an operator wanted to be wedged between you and Russian Hill Cannabis which is probably why they walked away from that but I do think between market forces we should just create a path for someone to have a chance at it that’s also the very purpose of this committee is to lower the barrier for social equity applicants to become an operator * Drakari Donaldson: And to protect the existing pending applications * Ali Jamalian: The way its written we’re really here to narrow the area and that’s what we’re trying to do * Scott Dennis, Office of Cannabis: Just to be 100% clear, we’re talking about previously entitled partials so somebody else already went through the process got reasonably far along, the land use was established but for whatever reason the project has stalled, are we talking about current applications that are already in our system and maybe they’re on hold or something like that moving into that space we’re not talking about opening a pathway for new applications. * Ali Jamalian: Correct that s exactly what it is. It’s basically redistributing or making available what entitlements that are going to be abandoned or withdrawn you have to withdraw your application first for anybody that come but there’s a lot of those property I’m sure you guys better than I do. Are we going to let them all fail. * Apollo Wallace: I see empty storefront in San Francisco, I see boba shopping closing and opening up with a new boba shop so * Ali Jamalian: We do have a problem with obviously vacant spaces but like one example there’s an application on the market if that application gets withdrawn there is one within 600 foot that’ll get bumped up that’s another mechanism that allows at least somebody else to come online but why do we not have that for properties where there’s nobody in the buffer zone I guess that’s what we really have to figure out. To your point even the people that drafted the moratorium were okay with the pipeline getting worked off that was part of the population so I don’t think we’re changing any numbers we’re just increasing the odds for someone to become a business operator. * David Nogales Talley: …After speaking to many operators and business owners as well general consensus they’re like I don’t exactly know what I want to be but seemed like we’re so impacted if anything I’d like to see personally just if we have a number of licenses that have follow that everybody in that spot maybe on like trial basis opening up like 1 or 2 then maybe seeing what the response from them * Ali Jamalian: I think that’s a good way to present any kind of test project sure but then how do you think who qualifies for that I mean at end of the day the office has to do everything in a transparent and fair way but I do think we should find out how many even would be potentially affected by… * Apollo Wallace: That’s pretty much the person’s business plan if you have an ice cream shop and I open up right next to you and sell ice cream I’m the idiot I think I’m going to split or I’m going to get a profit and you’re going to get profit I’m coming with a bad business plan * Drakari Donaldson: I think there just has to be a lot restrictions based on who the owner going to be also just like where they’re allowed to open and be fine with it why don’t we just focus on the…in San Francisco I think majority of San Francisco is blanketed with enough dispensaries to serve the entire population of San Francisco * Apollo Wallace: Absolutely if I’m opening up a business I’m going have the brain to say I’m gonna go where there’s not one near me * Drakari Donaldson: …dry out the next person and that I think is what’s toxic about * Apollo Wallace: Someone coming with big backing and trying to knock out someone smaller * Ali Jamalian: Our social equity applicant has different just like when you guys talk about grants there’s 100% owner there’s 6040 owners there’s 5050 so you could definitely work them off in the priority which could start with all the social equity owned businesses those are not a lot of MSOs in there I think actually zero so you know there’s ways to do this and there’s ways to do this and I understand you’re concerned but those applications were in before so if there’s an application within 601 foot of you that’s fair game right that was the law those are the rights that you also use to get your application so that’s going to be same for everyone and that’s what competition is we compete with 500 pre-rolls I can go around California say you can’t roll pre-roll that’s our business model right so as long as its confirm and within regulation then that’s fair that application deserves it as much you and I deserve * David Nogales Tolley: Is there also ownership requirements? …I need to own my part of that business for how long * Scott Dennis, Office of Cannabis: Five years from the date of submission of the application if you’re an equity applicant. Clarification that the priority processing would be all VEAs whether you’re 40% owner or 100% owner… * Ali Jamalian: But when we make a recommendation we could differentiate… * Scott Dennis, Office of Cannabis: Yeah and they could legislatively differentiate that if they adjust the code * David Nogales Tolley: My thought would be also having a requirement own the business for a certain amount of time even though that time that clock is already started having it be 5 years just knowing that a lot of people right now are getting very desperate having to sell their licenses having a great local dispensary for a couple years and then it go to a huge conglomerate which it’ll eventually happen but it probably should be our incentive * Ali Jamalian: That’s also the exit strategy for a lot of the social equity applicant that’s why we try to give generational wealth…we’ve all gone through the application process it’s lengthy it’s expensive and just because you get stuck with your landlord or your buffered out by somebody who’s not going to really come online that shouldn’t stop you and that to me just seems inherently unfair. * Antoniette Mobley: The word that resonate with most with is equity and folks who are not applying through the social equity program its seems as though 9/10 they aren’t going to able to compete necessarily with people who are applying their own capital you know who are nonsocial equity applicants so I think we should really keep the word equity in mind because we want equity right and one of our members mentioned about San Francisco’s already highly saturated I think it would behoove us to look to see if certain locations are overly saturated there should be something that says hey you know what we got 600 people right now in this location so therefore if a person with a social equity application run into a couple of hurdle let’s support that person because you already got 600 others operating there and then what about people who lives outside of these locations where it isn’t so saturated like for example maybe in the Sunset or Pacific Heights or you know something somewhere like that where people really have deep pockets and I think where I’m going with this is and we may have already this regulation set in place but when you say equity I think we should do everything in our power to help support existing equity applicants look at the young woman you says I got to come up with $2,300 more dollars I just had a recent surgery and she doesn’t have $2,300 of emergency fund somewhere that she can easily go and just access and say okay I got money to start this process again how do you assist that person by allowing others to just come in and apply and say oh well you’ve had your chance so I think equity should play a huge role in our conversations because that’s one of the reason why some folks are of equity applicant because they don’t have the means to operate or finance the business as independent as others so that’s… * Public Comment:   Chris Callaway: Thank you so this issue is obviously very near and dear to my heart I want to talk about a scenario where equity applicant does run into predatory landlord he makes it very aware to the planning department, department of building, the Office of Cannabis in my circumstance this what would move my project forward was a seismic retrofit performed by Rodrigo Santos and the landlord refused to sign off on it so even thought I got past the 2nd stage I decided that if I opened at that location I would…the 600 foot buffer I would have a valid permit proof to Office of Cannabis and I wouldn’t be able to move my location next door to where I have a nice equitable landlord that wants to provide a fair market place so in circumstance that Ali’s talking about where somebody has gone across the finish line at the planning department but there’s applications that actually have been submitted behind that original application like I did I went I stacked it back and put 3 applications behind my original one and if I would’ve open at 500 Laguna I would have offered myself out and if planning is saying that I can’t move those applications forward because there’s already existing CU there right so another application could come in at 500 Laguna push out my other 3 applications because there’s an existing CU even though that’s not how the code is stated right the code states a valid permit from the Office of Cannabis has to be issued at that location to create the 600 foot buffer that’s not the case in my case so and I know that this you’re trying to create opportunities for other people in the queue that maybe have applications that hold somewhere else that could move into a place that’s already entitled but if the landlord is able to kick out or has to speed with that original equity applicant they should lose their place in line they don’t get to hold that place it’s because they send across the finish line for planning there’s 4 other hurdles they need to cross they got they need to cross DBI, State of California, and back across…so what I’m suggesting is that we don’t saturate the market with more dispensaries right we already have applications that’s not what I’m saying but if someone already exists with a CU I should be able to come in and negotiate a lease next door to that because that landlord doesn’t have the first priority application in line anymore he kicked out the equity applicant he had an opportunity come to the table and finish that project but for whatever reason it didn’t happen right the original equity applicant in that situation should always be given a priority in that 600 foot buffer especially when in consideration I know this very personal but I’ve spent 6 years I’ve gone bankrupt in the process of trying to open dispensaries in Hayes Valley and this is something that affects every single cannabis operator in the country right now my case actually set precedent in bankruptcy because I was allowed to continue through the bankruptcy process and if anyone wants to discuss with me afterwards I’d be happy to talk about it but nobody in the program should be going bankrupt simply because of a planning interpretation that prevents their business from moving forward on that that note thank you for your time.  Bram Goodwin: San Francisco Brownie Mary Democratic Club I think this is real interesting discussion…the real issue is that the city green lined us if you will into a specific area over time before the new applicants came up so they’re concentrated what I’m wondering is in Ali’s kind of scenario could for example an existing store that was in a very concentrated area if there were other options out there would could legally could they be allowed to move from their existing concentrated area to one of the desert point of quote where an abandoned if you will project has happen because that’s really the issue that we’re talking about here is the possibility portability I’m using that word I don’t know what the legal term of but that’s really what we’re the problem is the distribution it’s not the number of stores in opinion that there’s too many that they’re concentrated is there a way to use this mechanism to redistribute in a way that would help consumers I want to bring that up again and would help equity people and just the business climate making them healthier so I’d like hear just an interpretation of that possible from our lead would work in any way um for what you’re talking about thank you.  Hakeem Mashal: I really want you guys to think let just say 5-10 years down the road the reason why I say that is because I know that trying to get everyone is in and of itself a good thing but you also have to look at this in the lens of capitalism and economics and this will become cannibal capitalism because if there are too many licenses other there everyone’s licenses get diluted and everyone wants to the goal is to lift people up let’s stay out of poverty for some equity applicants right and bottom line is this should’ve been done as it was originally stated was they wanted to follow the liquor license model which never happened vertical integration never should have been allowed and we’re in a state right now where I don’t want to say there are too many dispensaries but there is not enough businesses to go around the existing dispensaries that exist and you guys really need to be…costs of opening up a business like this it is not like opening up any other shop you are not just responsible for sales tax at the register you are giving away 25% of your money period so if you’re setting someone for failure down the road that really is something you guys need to take a hard look at because you want to there to be enough to go around you want the equity applicant to have some kind of let’s just say sale you know equity for later and you don’t want that license to be diluted to the point where it is worthless like I said I’m one of the original people in the program I think it was great I think it’s great that you guys did it it’s just gotten to the point now where I’m really wondering especially come January 1 when excise goes up to 19% is it worth it anymore and we’re wondering like is there enough of the pie to go around for everybody and you guys might have glanced over this I don’t know if that’s part of the map but there’s also those micro business delivery you know places that serve a lot those areas that you guys might talk about I’m for it if I’m on the Great Highway and there’s no dispensary down there and there is one later on cool but you know I just have to think in my mind like you know are we doing more harm than good all right I know I’m biased because I’m a retailer but that really is just the raw economics of more licenses that are out there the more…it becomes and all of these places cannot exist at the same time that is just the raw truth you now what I mean like you said can’t open up an ice cream store right another one one of you is the idiot that’s it.  Ali Jamalian: Make a recommendation I’d like to hear from more applicants actually people that are stuck in the line so maybe we can try to encourage some of those to come and speak those are the most affected so we should really listen to them. | Discussion, Possible Action | **20 min** |
| **10.** | **Committee Discussion Regarding the Distribution of Grant Funding**  *The Committee will hear a presentation from the OOC regarding the next round of GoBiz grant funding (“Round 5”), and discuss recommendations in response to a memorandum entitled, “Oversight Committee Agenda Item #10 Memorandum.” This memorandum can be found in the packet of materials for this meeting.*  - Ali Jamalian and Drakari Donaldson recused themselves –  Discussion Question #1:  David Nogales Tolley: $250k I mean for 50 licenses or more if its possible I think that’d be great to kind of just spread especially seeing that we have a little but more just grant cycle  Committee: I feel the same way as David it seems like a very good thing that benefits many.  Committee: I’m also in favor of it I just want to know what are Director Patel talked about some of the city road blocks that they’re working out what are some of the state issues. Maybe there are known unknows and unknowns but what are looking at from the state  Director Nikesh Patel: We thought about and we don’t anticipate challenges from the State it will be more both and what the businesses and tax regulations say fee waivers what legislation intervention is required before we distribute and once we pass that bill whether there’s mechanism to be able to bring…that doesn’t overly tax the office  Scott Dennis, Office of Cannabis: I want to through a bit of math there and a quick reminder the reason why we think we reply to about 50 equity businesses just a quick math we did on the backend because all equity operators they get their first years fee waived already so between the operators that would be new and already getting that waiver this really would apply to existing equity businesses that you know would have to pay in their second year.  Discussion Question #2:  David Nogales Tolley: I do absolutely love the idea of…support business development I do initially if there are programs in the city that are run by some amazing people that help with those programs already and my thought is if there’s 60 licenses that are active that could put that money to and if it didn’t put that 150 towards that it would be 2,500 at least per license I got to imagine they would appreciate that everybody getting more opportunity  Committee: I’d be very interested in hearing from equity operators and dispensaries in the city and you know what their needs are and just more helpful to put them on the backend people are already operating and already I mean it’s already difficult out there and people are going through hardship even operating it’s my thought it putting that one on the front end where there’s already enough people and they may not get to the end stage as somebody who tried to go through the process and realized later down the line that there wasn’t enough money to get to that final stage like maybe not pushing in that situation where they’ve already invested that much more time that much more energy in like a situation that will benefit them but looking to your public comment  Antoinette Mobley: TA is always a good thing I mean we’re here to support and folks who are re-applying renewing of course they’re going to need to some type of TA support you know so I think we should always include technical support in every grant application process  Committees stated that there is no reason for them to be opposed to this.  Discussion Question #3:  Shay Gilmore: Question about a criteria we had for 2024 versus the survey results information that we got. We’re only through gobiz 3 on the survey results broken down by demographic categories so we don’t have survey results for 2024 which is the criteria that were – I feel little hamstrung by that because we’re talking about whether these criteria you have in front of us are right ones I want to know what the results are.  Jeremy Schwartz, Deputy Director: Great question, some of this is a sequencing issue where it takes a lot work to get the program eventually launch and there’s that natural lag time moreover the state’s annual reporting requirement is in until the end of the year as well and sometimes for better for worse we have to make determinations based on the information in front of us whether that’s complete or not and that’s borrowing a term from a planning commissioner that has been very helpful your point is well taken those stats will come and they’ll inform subsequent programs, but as of now this is the data that we have.  Shay Gilmore: On the specifics of the criteria I don’t have a problem with the December 31st data for the year I think we’re in even better situation than we in last year if I remember correctly. I would say I have no problem with that date on the 51% I think is the same conversation that we’re probably going to have again with a public comment you know same amount of money right it just depends how many how much…I also think the criteria that we had from the previous round about the status where they were in terms of buildout or approved I think that was really smart of us and I really hope that we kind of hue to that because we really don’t want to be in a situation where we’re leaving money on the table at any point   * Public Comment:   Angela White: Success Centers recipient of technical assistance you know I’ve been doing this work for about 7 years most of it was unfunded we received 3 grants what I will say is it’s a great honor to be an event somewhere and someone says to me without your help for professional development placing me in a job where I can learn the business from inside if it weren’t for you I wouldn’t be where I am and I get that pretty much everywhere I go so when you’re talking about taking away or having professional development doing workforce that’s what I do that’s my heart that’s my hearts work and so for those that have touched and there’s many I have a cultivator that got his only 1 of 10 organically certified licenses in the State if California I have several folks who have now realized a dream of owing a dispensary some sole proprietors some with the 51% ownership and things of that nature so we need to know because a lot folks did not go to college and they need the professional development to help them first of all not get screwed with these contracts so when considering that I think its something that really needs to continue on without some of these programs you know right now we’re going through financial cuts I lost 20% of my grant and so I’m looking to still get out there and still do the work or give the same type of services that our community needs so when you’re talking about technical assistance is so very…gosh I’m going to lose my time because I’m out of breath and I would love to see some of the folks that are partners with the…making sure that money does not go today I agree with some of the previous comments because they already have a lot of money it’s the sole proprietors that -*30 seconds­-* are going to thrive and realize a dream and maybe even realize bringing generational wealth to their families.  Rudy: I’m an equity owner and a partner 40% owner at 518 Brannon thank you guys for allowing me to speak share public comment I would like to see some of the grants that we get I’m very thankful that we get them be used for people who’s doing a lot of heavy lifting what I mean by that I’m really affected by the war of drug we was affected by war of drug I was our community us so I would like to see some of the money that’s given to us go to families who’s affected gun violence families who can’t pay their rent families who can’t pay phone bills some of the proceeds that I have for my store the profits I use to go to that for my community but it’s hard when you’re dealing with a partner right that probably don’t see eye to eye with that and so I would like to see some of that funding the grants able to work more of that go to the people even the people who work at the store some of them who are just people who are getting certain amount of pay help them pay for maybe groceries pay for they rent help them out so when they come to work they ain’t stressing as much right but I definitely would like to utilize some of that money for the people I was put in that position the best I want my store that I have is built for re-entry its built for the families and the communities that’s really affected by the war of drugs so hopefully we can utilize some of that money for that thank you and also lastly we need to make sure we use we get the technical assistance they lawyers very important that we have that they help me through my whole process you guys help me out by getting me a lawyer they really got me through the work…so thank you.  Comment from Chat Box: Would you support a social equity incubator accelerator to address those issues and providing an on the job training certification to allow anyone in social equity to learn and elevate without having to be a licensed holder  Tiffany: I’ve been an equity applicant since 2019 I want to thank everyone for this opportunity I spoke a little about in the chat about the situation I’m about 5-10feet inside a buffer zone and it was found out after I had signed the lease so I was wondering in the future we can consider instead of buildout and approved maybe just outlier situations like this where I was almost approved but just the luck of the draw 5-10 feet I’m about 5 feet you know it’s not that far but anyways I have to uproot and start over again and like I said it’s been about 5 years and I just like to thank you for this opportunity to potentially receive some resources to keep going thank you.  Duncan Ley: I’m an owner of an equity business in San Francisco I think that what needs to be recognized in this scenario is that some people actually did just establish regular partnership as they built their businesses regardless of the equity split of 51 100% and that’s often how a lot business are built and operated not just in cannabis the city and the state wrong some bad legislation that tried to create these one-size fits all scenarios but clearly people took advantage of that and the industry is still struggling the people that are in this industry are struggling with the fallout of poorly written legislation there were lots of promises made and very few kept that said I would like to commend the Office of Cannabis’s continue to support the industry and its operators but if we want to punish the MSOs many of which have come and gone I get that but there are many other businesses clearly by the numbers that have the 40% ownership structure and are doing the right thing by the people in the partnership as well as the communities that they operate in and beyond I think holding up the spirit the letter of the law but actually the spirit of the law as well it was intended so obviously we’re 40% equity owned business but we would hate to be carved out of any grants because we have received grants in the past and they have been tremendously beneficial to our business and they come in all different shapes and sizes of support and so we are not in a free market we are over taxed and over regulated and every dollar helps whether its some of your rent some of your being broken into and being able to recover costs there this is a challenging business to be in and we appreciate the support that the city can provide and we hope that it continues to look at all the challenges that are present in this business for all of the social equity applicant and I think again to the committee’s responsibility is to regulate is to suggest to the state but also includes governing the equity program but it doesn’t specifically sat what part of the equity program right the whole equity program in its totality so I think that it does have a responsibility to its existing equity applicants all of them and that are opening and operating not just those are still waiting to operate regardless of their 40 51 100% ownership thank you.  Alex Asfaw: I’m 100% equity owner at Obsidian Dispensary I’d like to start my comments by you know commending the Office of Cannabis for their continued efforts and improving this space for all of us. I’d also like to speak on the topic of technical assistance you know going through the process I found that some of the technical assistance options or individuals or you know groups that I’ve worked with work better than others like you know I can say from experience that you know the success centers you know absolutely instrumental in my process of opening you know in terms of permit assistance and just every aspect of the process of opening up until opening I’d like to make sure that some sort of you know I don’t know approved groups or individuals that have been proven to help equity applicants you know actually do the work that you know that they are you know set out to do or saying that they’re doing because I had some very you know unpleasant or you know not helpful you know situations you now with my experience with you know working some of the technical assistance individuals or groups and so forth but some of them did exceptional work and did exactly what they set out to do like Miss Angela White and successors that’s just my comment on technical assistance as far as the grant disbursements I’ve been mentioning this for a while I am you know definitely in support of a tiered model being that you know 100% ownership that is going to be prioritized and you know they should get a different amount versus someone who’s 40 plus or whatever the case 50 whatever the case I think it just makes sense and thank you all that’s it for my comment and I appreciate the opportunity to speak  Vote | Discussion, Possible Action | **90 min** |
| **9.** | **Proposed Future Agenda Items**  *Committee members will propose future agenda items for the next committee meeting.*   * Public Comment | Discussion, Possible Action | **5 min** |
| **10.** | **Adjournment** |  |  |