File No	170275	Committee Item No1		
		Board Item No.		
(D OF SUPERVISORS T CONTENTS LIST		
Committee:	Rules Committee	Date <u>July 12, 2017</u>		
Board of Su	pervisors Meeting	Date		
Cmte Board				
	Motion Resolution Ordinance Legislative Digest Budget and Legislative A Legislative Analyst Report Youth Commission Report Introduction Form (for he Department/Agency Covernor) MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commandard Letter Application Public Correspondence	ort ort earings) er Letter and/or Report		
OTHER	(Use back side if addition	nal space is needed)		
	-			
H	-			
H				
H H				
1 1 1 1				

Completed by: Derek Evans

Completed by:__

Date July 7, 2017

Date

[Administrative Code - Establishing an Office of Cannabis]

Ordinance amending the Administrative Code to establish an Office of Cannabis.

NOTE: Unchanged Code text and uncodified text are in plain Arial font.

Additions to Codes are in single-underline italics Times New Roman font.

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

On November 8, 2016, the voters of the State of California approved Proposition 64, enacting the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"). AUMA legalizes the non-medical use of cannabis by adults, and creates a state regulatory and licensing system governing the commercial cultivation, testing, distribution, and sale of non-medical cannabis, and the manufacture of non-medical cannabis products.

Under Proposition 64, localities retain authority to regulate the non-medical cannabis industry, including but not limited to the authority to prohibit commercial activities relating to non-medical cannabis entirely, or to authorize such activities and impose licensing requirements and land use restrictions. Businesses that apply for state permits to engage in commercial cannabis activities will need to demonstrate that the issuance of a state permit would not violate the provisions of any local ordinance or regulation.

In 2015, in anticipation of the legalization of cannabis, the Board of Supervisors created the Cannabis State Legalization Task Force (the "Task Force") of the City and County of San Francisco. (Ordinance No. 115-15; Admin. Code Ch. 5, Art. II.) The purpose of the Task

Force is 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 policy questions, through legislation, administrative actions, and otherwise, following the adoption of a State law.

In January 2017, the Task Force presented preliminary recommendations to the Board of Supervisors. A copy of its report, entitled "San Francisco State Cannabis Legalization Task Force Year I Report and Recommendations," is on file with the Clerk of the Board of Supervisors in File No. 170036. The Task Force is working towards final recommendations for a regulatory framework governing cannabis in San Francisco.

Section 2. The Administrative Code is hereby amended by adding to Chapter 2A, Article XXVI, entitled "Cannabis Regulation," consisting of Sections 2A.420-2A.422, to read as follows:

ARTICLE XXVI: CANNABIS REGULATION

SEC. 2A.420. OFFICE OF CANNABIS.

(a) Establishment. The Mayor shall establish an Office of Cannabis under the direction of the City Administrator to oversee the implementation of laws and regulations governing cannabis in San Francisco. The City Administrator shall appoint a Director of the Office of Cannabis. The Office of Cannabis shall include such officers and employees as are authorized pursuant to the budgetary and fiscal provisions of the Charter.

(b) Duties and functions. The Director of the Office of Cannabis and/or his or her designee

("Director") shall issue, deny, condition, suspend, or revoke such permits in accordance with

applicable laws and regulations. The final decision of the Director regarding a permit may be appealed
to the Board of Appeals in the manner prescribed in Article 1 of the San Francisco Business and Tax

Regulations Code.

The Director may impose reasonable conditions upon the issuance or renewal of cannabis business permits, consistent with applicable law and regulations, for the location and activities for which a permit is sought.

The Director shall further coordinate with all relevant City departments, boards, and commissions for the conduct of any inspection or investigation necessary or appropriate for the full and fair consideration of applications for the issuance or renewal of permits under this Article XXVI. City departments, boards and commissions shall cooperate with the Office of Cannabis.

SEC. 2A.421. EXCLUSIONS.

Nothing in this Article XXVI is intended to limit or abridge the permitting, licensing, or inspection authority of any other City department over commercial businesses or real property.

SEC. 2A.422. UNDERTAKING FOR THE GENERAL WELFARE.

In enacting and implementing this Article XXVI, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By:

NEHA GUPTA

Deputy City Attorney

n:\legana\as2017\1700425\01191014.docx

REVISED LEGISLATIVE DIGEST

(Substituted, 6/6/2017)

[Administrative Code - Establishing an Office of Cannabis]

Ordinance amending the Administrative Code to establish an Office of Cannabis.

Existing Law

On November 8, 2016, the voters of the State of California approved Proposition 64, enacting the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"). AUMA legalizes the non-medical use of cannabis by adults, and creates a state regulatory and licensing system governing the commercial cultivation, testing, distribution, and sale of non-medical cannabis, and the manufacture of non-medical cannabis products.

Under Proposition 64, localities retain authority to regulate the non-medical cannabis industry, including but not limited to the authority to prohibit commercial activities relating to non-medical cannabis entirely, or to authorize such activities, and impose licensing requirements and land use restrictions.

Article 33 of the San Francisco Health Code regulates medical cannabis, and authorizes the San Francisco Department of Public Health to oversee the permitting of medical cannabis dispensaries. Currently, there is no City law that regulates non-medical cannabis, or that authorizes any department or commission to oversee the permitting of businesses that engage in commercial activities relating to non-medical cannabis.

Amendments to Current Law

This ordinance will create an Office of Cannabis under the direction of the City Administrator. The City Administrator will appoint a Director of the Office of Cannabis. The Director or his or her designee shall oversee the implementation of laws and regulations relating to cannabis, impose conditions on the issuance or renewal of cannabis permits, and coordinate with other City departments as necessary. The proposal specifies that it does not intend to limit or abridge the other City departments to regulate commercial businesses or real property in San Francisco.

n:\legana\as2017\1700425\01177071.docx

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO:

Barbara A. Garcia, Director, Department of Public Health

FROM: 💃

Derek Evans, Clerk, Rules Committee

Board of Supervisors

DATE:

March 22, 2017

SUBJECT:

LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Supervisor Sheehy on March 14, 2017:

File No. 170275

Ordinance amending the Administrative Code to establish a Cannabis Commission and Cannabis Department.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: derek.evans@sfgov.org.

c: Greg Wagner, Department of Public Health Colleen Chawla, Department of Public Health

Evans, Derek

From: Sent: Board of Supervisors, (BOS) Thursday, May 18, 2017 1:55 PM

To: Subject: BOS-Supervisors; BOS-Legislative Services FW: San Francisco Marijuana Department

From: Kevin Reed [mailto:kevinreed@thegreencross.org]

Sent: Thursday, May 18, 2017 12:03 PM

To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>

Subject: San Francisco Marijuana Department

Dear Honorable Members of the Board of Supervisors,

Thank you for your leadership and support of San Francisco's ever-growing cannabis industry. As a local leader in this field for 14+ years and member of the Cannabis State Legalization Task Force, I am writing to share my strong opposition to the proposed creation of a special San Francisco Marijuana Department that will soon come before you for a vote.

Based upon my expertise, I believe the creation of such a department is unnecessary; it increases costs to an already costly and bureaucratic permitting process, burdens the industry, in particular, small business owners, and is poor use of city resources and tax payer funds. Additionally, the task force has yet to come to a consensus on this matter. I respectfully recommend that City leadership consider utilizing and making enhancements to our existing infrastructure to streamline current procedures rather than creating new obstacles and hurdles for business owners.

I appreciate you taking my thoughts into consideration on this matter. If you have any questions or concerns, please feel free to contact me directly at KevinReed@TheGreenCross.org or at (415) 846-7671.

Sincerely,

Kevin Reed

Founder & President The Green Cross 4218 Mission Street San Francisco, CA 94112

Mobile: 415.846.7671 Office: 415.648.4420 Fax: 415.431.2420

Email: KevinReed@TheGreenCross.org

Web: <u>TheGreenCross.org</u>

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO:

Barbara A. Garcia, Director, Department of Public Health

FROM:

Derek Evans, Clerk, Rules Committee

Board of Supervisors

DATE:

June 8, 2017

SUBJECT:

SUBSTITUTED LEGISLATION

The Board of Supervisors' Rules Committee has received the following proposed legislation, substituted by Supervisor Sheehy on June 6, 2017:

File No. 170275

Ordinance amending the Administrative Code to establish an Office of Cannabis.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: derek.evans@sfgov.org.

c: Greg Wagner, Department of Public Health Colleen Chawla, Department of Public Health

Evans, Derek

From:

Evans, Derek

Sent:

Thursday, June 08, 2017 11:02 AM

To:

Garcia, Barbara (DPH)

Cc:

Wagner, Greg (DPH); Chawla, Colleen (DPH)

Subject:

BOS Referral: File No. 170275 - Administrative Code - Establishing an Office of Cannabis

(Substituted Legislation)

Attachments:

170275-2 FYI.pdf

Hello,

The following legislation is being referred to your department for informational purposes:

File No. 170275

Ordinance amending the Administrative Code to establish an Office of Cannabis.

Please forward any comments or reports.

Regards,

Derek K. Evans

Assistant Clerk, Board of Supervisors (415) 554-7702



Click here to complete a Board of Supervisors Customer Service Satisfaction form.

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

From: Lew, Lisa (BOS)

Sent: Wednesday, March 22, 2017 2:08 PM

To: Garcia, Barbara (DPH) <barbara.garcia@sfdph.org>

Cc: Wagner, Greg (DPH) <greg.wagner@sfdph.org>; Chawla, Colleen (DPH) <colleen.chawla@sfdph.org>; Evans, Derek

<derek.evans@sfgov.org>

Subject: BOS Referral: File No. 170275 - Administrative Code - Establishing a Cannabis Commission and Cannabis

Department

Hello,

The following legislation is being referred to your department for informational purposes:

File No. 170275

Ordinance amending the Administrative Code to establish a Cannabis Commission and Cannabis Department.

Sent on behalf of Derek Evans, Assistant Clerk, Rules Committee. Please forward any comments or reports to Derek Evans.

Regards,

Lisa Lew
Board of Supervisors
San Francisco City Hall, Room 244
San Francisco, CA 94102
P 415-554-7718 | F 415-554-5163
lisa.lew@sfgov.org | www.sfbos.org



Click here to complete a Board of Supervisors Customer Service Satisfaction form

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors 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 Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office 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 Board and its committees—may appear on the Board of Supervisors' website or in other public documents that members of the public may inspect or copy.

Lew, Lisa (BOS)

From:

Lew, Lisa (BOS)

Sent:

Wednesday, March 22, 2017 2:07 PM

To:

Garcia, Barbara (DPH)

Cc:

Wagner, Greg (DPH); Chawla, Colleen (DPH); Evans, Derek

Subject:

BOS Referral: File No. 170275 - Administrative Code - Establishing a Cannabis Commission

and Cannabis Department

Attachments:

170275 FYI.pdf

Hello,

The following legislation is being referred to your department for informational purposes:

File No. 170275

Ordinance amending the Administrative Code to establish a Cannabis Commission and Cannabis Department.

Sent on behalf of Derek Evans, Assistant Clerk, Rules Committee. Please forward any comments or reports to Derek Evans.

Regards,

Lisa Lew
Board of Supervisors
San Francisco City Hall, Room 244
San Francisco, CA 94102
P 415-554-7718 | F 415-554-5163
lisa.lew@sfgov.org | www.sfbos.org



Click <u>here</u> to complete a Board of Supervisors Customer Service Satisfaction form

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors 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 Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office 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 Board and its committees—may appear on the Board of Supervisors' website or in other public documents that members of the public may inspect or copy.

Jalipa, Brent (BOS)

From:

BOS Legislation, (BOS)

Sent:

Monday, March 20, 2017 11:27 AM

To:

Chicuata, Brittni (BOS); BOS Legislation, (BOS)

Cc:

Evans, Derek

Subject:

RE: Fiscal Impact Determination 3/14/17

Categories:

170275

Good morning, Brittni,

Confirming that Supervisor Cohen has been added as a co-sponsor to File No. 170275.

Regards,

Brent Jalipa

Legislative Clerk

Board of Supervisors - Clerk's Office 1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

(415) 554-7712 | Fax: (415) 554-5163 brent.jalipa@sfgov.org | www.sfbos.org

From: Chicuata, Brittni (BOS)

Sent: Monday, March 20, 2017 11:13 AM

To: BOS Legislation, (BOS)

 Subject: RE: Fiscal Impact Determination 3/14/17

Hi there,

Please add Supervisor Cohen as a cosponsor of File #170275 - [Administrative Code - Establishing a Cannabis Commission and Cannabis Department].

Regards,

Brittni Chicuata

Legislative Aide

Office of Supervisor Malia Cohen

Phone: 415-554-7670

From: BOS Legislation, (BOS)

Sent: Monday, March 20, 2017 10:56 AM

To: BOS-Legislative Services < bos-legislative services@sfgov.org >; BOS-Legislative Aides < bos-

legislative aides@sfgov.org>

Cc: BOS Legislation, (BOS) < bos.legislation@sfgov.org >; Campbell, Severin (BUD) < severin.campbell@sfgov.org >; Loeza,

Gabriela (BUD) <gabriela.loeza@sfgov.org>; Newman, Debra (BUD) <debra.newman@sfgov.org>

Subject: FW: Fiscal Impact Determination 3/14/17

Good morning,

The Budget and Legislative Analyst's Office has reviewed the legislation introduced on March 14, 2017, and have released their fiscal impact determinations. Please review the following five determinations of fiscal impact:

170274 - [Accept and Expend Grant - Federal Emergency Management Agency - Adequate Fire and Emergency Response Grant Program - Amend the Annual Salary Ordinance - \$8,533,872]

- Sheehy
- ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee.

170275 - [Administrative Code - Establishing a Cannabis Commission and Cannabis Department]

- Sheehy
- ASSIGNED UNDER 30 DAY RULE to Rules Committee.

170229 - [Emergency Declaration - Construct a Temporary Road Around a Landslide Area at Calaveras Road -Total Estimated Cost Not to Exceed \$1,500,000]

- **PUC**
- RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

170231 - [Grant Agreement - Homebridge - Contract Mode In-Home Supportive Services and Provider Skill Development Training and Supports - \$131,486,797

- **Human Services Agency**
- RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

170232 - [Real Property Lease Extension - Huey Lan F. 2004 Trust - 1701 Ocean Avenue - \$215,400 Annual Base Rent]

- Public Health
- RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Please note that File No. 170275 is not assigned to a fiscal committee; this matter will need to be transferred to a fiscal committee in order to hear the Budget and Legislative Analyst Report.

Tracking commentary has also been added into Legistar for the above matters.

Regards,

Brent Jalipa Legislative Clerk

Board of Supervisors - Clerk's Office 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102 (415) 554-7712 | Fax: (415) 554-5163 brent.jalipa@sfgov.org | www.sfbos.org



Click <u>here</u> to complete a Board of Supervisors Customer Service Satisfaction form

Disclosures: Personal information that is provided in communications to the Board of Supervisors 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 Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office 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 Board and its committees—may appear on the Board of Supervisors' website or in other public documents that members of the public may inspect or copy.

From: Loeza, Gabriela (BUD)

Sent: Monday, March 20, 2017 10:36 AM

To: BOS Legislation, (BOS) < bos.legislation@sfgov.org>
Cc: Newman, Debra (BUD) < debra.newman@sfgov.org>

Subject: Fiscal Impact Determination 3/14/17

Gabriela Loeza Budget & Legislative Analyst's Office 1390 Market Street, Suite 1150 San Francisco, CA 94102 (415) 552-9292 main (415) 252-0461 fax

Introduction Form RECEIVED By a Member of the Board of Supervisors or Mayor A H FRANCISCO

2017 JUN - 6 PM 4: 2 Time stamp

hereby submit the following item for introduction (select only one):	or meeting date
neredy submit the following from for introduction (solect only one).	The state of the s
1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment	ent).
2. Request for next printed agenda Without Reference to Committee.	
3. Request for hearing on a subject matter at Committee.	
4. Request for letter beginning :"Supervisor	inquiries"
5. City Attorney Request.	
6. Call File No. from Committee.	
7. Budget Analyst request (attached written motion).	
✓ 8. Substitute Legislation File No. 170275	
9. Reactivate File No.	
10. Question(s) submitted for Mayoral Appearance before the BOS on	
3	
Please check the appropriate boxes. The proposed legislation should be forwarded to the fe	ollowing:
Small Business Commission Youth Commission Ethics	Commission
Planning Commission Building Inspection Comm	ission
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Impe	erative Form.
Sponsor(s):	
Sheehy, Cohen	
Subject:	
Office of Cannabis	
The text is listed:	
Please see attached ordinance.	
Signature of Spansoning Symonyigan	
Signature of Sponsoring Supervisor:	
For Clerk's Use Only	

Introduction Form

By a Member of the Board of Supervisors or the Mayor

I hereby submit the following item for introduction (select only one):



YED PERYISORS LCISCO

Time stamp or meeting date

\boxtimes	1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
	2. Request for next printed agenda Without Reference to Committee.
	3. Request for hearing on a subject matter at Committee.
	4. Request for letter beginning "Supervisor inquires"
	5. City Attorney request.
	6. Call File No. from Committee.
	7. Budget Analyst request (attach written motion).
	8. Substitute Legislation File No.
	9. Reactivate File No.
	10. Question(s) submitted for Mayoral Appearance before the BOS on
Note:	e check the appropriate boxes. The proposed legislation should be forwarded to the following: Small Business Commission Youth Commission Ethics Commission Planning Commission Building Inspection Commission For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.
Spons	**
	visor Sheehy
Subje	
Non-N	Medical Cannabis Regulation
The to	ext is listed below or attached:
Ordin	ance amending the Administrative Code to establish a Cannabis Commission and Cannabis Department.
	Signature of Sponsoring Supervisor:
For C	Clerk's Use Only: