Ordinance amending the Health Code, Planning Code, and Police Code to extend the sunset date for provisions governing Medical Cannabis Dispensaries from December 31, 2021, to December 31, 2022; to extend the sunset date for allowing the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use from January 1, 2022, to January 1, 2023; to allow the extension of Temporary Cannabis Business Permits for additional 120-day terms through December 31, 2022, rather than December 31, 2021; and to allow the extension of the Cannabis Event Permit pilot program through December 31, 2023, rather than December 31, 2021;

affirming the Planning Department's determination under the California Environmental

Quality Act; and making findings of consistency with the General Plan, and the eight

[Health, Planning, Police Codes - Various Cannabis Sunset Dates]

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.

priority policies of Planning Code, Section 101.1.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of

Supervisors in File No. 210865 and is incorporated herein by reference. The Board affirms this determination.

(b) On September 30, 2021, the Planning Commission waived its authority to review this ordinance. The Board hereby finds that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1.

Section 2. Article 33 of the Health Code is hereby amended by revising Section 3323, to read as follows:

SEC. 3323. SUNSET PROVISION.

This Article 33 shall expire by operation of law on December 31, 20212022. All permits authorizing the operation of a Medical Cannabis Dispensary issued under this Article 33 shall be rendered invalid after December 31, 2018, except for those permits issued under this Article 33 where the permit holder has applied for a Police Code Article 16 permit, which shall be rendered invalid on December 31, 20212022. Upon expiration of the Article, the City Attorney shall cause it to be removed from the Health Code.

Section 3. Article 1.7 of the Planning Code is hereby amended by revising Section 190, to read as follows:

SEC. 190. CONVERSION OF MEDICAL CANNABIS DISPENSARIES TO CANNABIS RETAIL ESTABLISHMENTS.

(d) This Section 190 shall expire by operation of law on January 1, <u>20222023</u>. Upon its expiration, the City Attorney shall cause this Section 190 to be removed from the Planning Code.

Section 4. Article 16 of the Police Code is hereby amended by revising Sections 1605 and 1621.5, to read as follows:

SEC. 1605. TRANSITION PROVISION.

* * * *

(h) **Duration.** A Temporary Cannabis Business Permit issued under this Section 1605 shall be valid for a period of 120 days and may be extended for additional 120-day periods at the discretion of the Director. Notwithstanding the prior sentence, the Director shall not issue a new temporary permit after January 1, 2019, and shall not extend the term of a Temporary Cannabis Business Permit issued to an applicant for a Cannabis Business Permit under this Article 16 past December 31, 20212022.

* * * *

SEC. 1621.5. EVENTS.

* * * *

- (k) **Pilot Program.** Prior to January 1, 2020, the Director may issue Cannabis Event Permits only in connection with events that meet all the following criteria:
 - (1) The event has previously been held on a regular basis;
 - (2) The event, in prior years, has received a City-issued permit; and
- (3) At the event, in prior years, there has been significant unregulated cannabis sales or consumption, which the Director determines could be reduced or eliminated at the event by the issuance of a Cannabis Events Permit. Except as stated in the following paragraph, the restrictions imposed by this subsection (k) on the operation of this Section 1621.5 shall become inoperative on January 1, 2020.

The Director may extend the pilot program set forth in this subsection (k) one or more times, up to December 31, 20212023, such that no Cannabis Event Permit may issue except as provided under this subsection (k) prior to the date the Director's extension of the pilot program, if any, ends. The Director may extend the pilot program as provided herein only upon the Director's written determination that, in light of other duties imposed on the Office of Cannabis, the Office lacks sufficient resources to process additional Cannabis Event Permit applications or to otherwise effectively regulate cannabis-related events.

* * * *

Section 5. 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.

Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

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

By: /S/ Sarah Crowley
SARAH CROWLEY
Deputy City Attorney

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City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Ordinance

File Number:

210865

Date Passed: October 26, 2021

Ordinance amending the Health Code, Planning Code, and Police Code to extend the sunset date for provisions governing Medical Cannabis Dispensaries from December 31, 2021, to December 31, 2022; to extend the sunset date for allowing the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use from January 1, 2022, to January 1, 2023; to allow the extension of Temporary Cannabis Business Permits for additional 120-day terms through December 31, 2022, rather than December 31, 2021; and to allow the extension of the Cannabis Event Permit pilot program through December 31, 2023, rather than December 31, 2021; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

October 04, 2021 Land Use and Transportation Committee - RECOMMENDED

October 19, 2021 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

October 26, 2021 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210865

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 10/26/2021 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed Mayor

Date Approved