

BOARD of SUPERVISORS



City Hall
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

LAND USE AND TRANSPORTATION COMMITTEE SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Aaron Peskin, Chair, Land Use and Transportation Committee

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: December 15, 2020

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, December 15, 2020

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting, Tuesday, December 15, 2020. This item was acted upon at the Committee Meeting on Monday, December 14, 2020, at 1:30 p.m., by the votes indicated.

Item No. 43 **File No. 201261**

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Vote: Supervisor Aaron Peskin - Aye
Supervisor Ahsha Safai - Aye
Supervisor Dean Preston - Aye

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Aaron Peskin - Aye
Supervisor Ahsha Safai - Aye
Supervisor Dean Preston - Aye

c: Board of Supervisors
Angela Calvillo, Clerk of the Board
Alisa Somera, Legislative Deputy
Anne Pearson, Deputy City Attorney
Kristen Jensen, Deputy City Attorney

File No. 201261 Committee Item No. 1
Board Item No. 43

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date December 14, 2020

Board of Supervisors Meeting Date December 15, 2020

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
|-------------------------------------|-------------------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral CEQA 111220</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral PC 111220</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral SBC 111220</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>PC Response 111220</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>SBC Response 113020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral PC 111220</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Comm Rpt Request Memo 121020</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>_____</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>_____</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>_____</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>_____</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | <u>_____</u> |

Completed by: Erica Major Date December 10, 2020
Completed by: Erica Major Date December 14, 2020

1 [Planning Code - Cannabis Uses]

2

3 **Ordinance amending the Planning Code to extend from January 1, 2021, to January 1,**
4 **2022, the sunset date for the provision allowing for the conversion of Medical Cannabis**
5 **Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming**
6 **the Planning Department’s determination under the California Environmental Quality**
7 **Act; making findings of consistency with the General Plan and the eight priority**
8 **policies of Planning Code, Section 101.1; and making public necessity, convenience,**
9 **and welfare findings under Planning Code, Section 302.**

10 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
13 **Board amendment additions** are in double-underlined Arial font.
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.
15 **Asterisks (* * * *)** indicate the omission of unchanged Code
16 subsections or parts of tables.

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

18

19 Section 1. Findings.

20 (a) The Planning Department has determined that the actions contemplated in this
21 ordinance comply with the California Environmental Quality Act (California Public Resources
22 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
23 Supervisors in File No. 201261 and is incorporated herein by reference. The Board affirms
24 this determination.

25 (b) On November 12, 2020, the Planning Commission, ~~in Resolution No. _____,~~
~~adopted findings that 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

1 General Plan and eight priority policies of Planning Code Section 101.1. ~~In this Resolution,~~
2 ~~the Planning Commission also adopted findings and~~ that the actions contemplated in this
3 ordinance will serve the public necessity, convenience, and welfare, pursuant to Planning
4 Code Section 302. ~~The Board adopts these findings as its own. A copy of said Resolution is~~
5 ~~on file with the Clerk of the Board of Supervisors in File No. _____, and is incorporated~~
6 ~~herein by reference.~~

7

8 Section 2. The Planning Code is hereby amended by revising Section 190 to read as
9 follows:

10 **SEC. 190. CONVERSION OF MEDICAL CANNABIS DISPENSARIES TO**
11 **CANNABIS RETAIL ESTABLISHMENTS.**

12 * * * *

13 (d) This Section 190 shall expire by operation of law on January 1, ~~2021~~2022. Upon
14 its expiration, the City Attorney shall cause this Section 190 to be removed from the Planning
15 Code.

16

17 Section 3. Effective Date; Retroactivity.

18 (a) This ordinance shall become effective 30 days after enactment. Enactment occurs
19 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not
20 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
21 Mayor's veto of the ordinance.

22 (b) It is the intention of the Board of Supervisors that the option to convert a Medical
23 Cannabis Dispensary Use to a Cannabis Retail Use continue uninterrupted until January 1,
24 2022. Accordingly, upon the effective date of this ordinance, the ordinance shall be
25 retroactive to January 1, 2021.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Section 4. 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 A. Crowley
SARAH A. CROWLEY
Deputy City Attorney

n:\legana\as2020\2100116\01500327.docx

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 12/14/2020)

[Planning Code - Cannabis Uses]

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

Existing Law

Planning Code Code Section 190 provides a process for Medical Cannabis Dispensaries to convert a Medical Cannabis Dispensary Use to a Cannabis Retail Use. That Section has a sunset date of January 1, 2021.

Amendments to Current Law

This ordinance would extend the sunset date of Planning Code Section 190 from January 1, 2021, to January 1, 2022.

Background Information

All Medical Cannabis Dispensaries holding permits under Article 33 of the Health Code, and wishing to continue cannabis retail operations, were required to apply for Cannabis Business Permits under Article 16 of the Police Code within 30 days after Article 16 permit applications were first made available in 2018. Planning Code Section 190's current sunset date of January 1, 2021, was set with the expectation that the Office of Cannabis would have completed processing of Article 16 permit applications from Medical Cannabis Dispensaries seeking such permits by January 1, 2021. The Office of Cannabis has experienced unanticipated delays in processing Article 16 permit applications, and will not have completed processing of Article 16 permit applications from Medical Cannabis Dispensaries by January 1, 2021. Therefore, this ordinance seeks to extend the sunset date of Planning Code Section 190 to January 1, 2022, to allow for continued conversion of Medical Cannabis Dispensary Uses to Cannabis Retail Uses while the Office of Cannabis completes processing of Article 16 permit applications from Medical Cannabis Dispensaries. Sections 191 and 205.2 of the Planning Code were previously amended to extend authorization of Temporary Cannabis Sales Uses for Medical Cannabis Dispensaries until January 1, 2022.

FILE NO. 201261

n:\legana\as2020\2100116\01491197.docx

BOARD of SUPERVISORS



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

November 12, 2020

File No. 201261

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On November 3, 2020, Mayor Breed submitted the following legislation:

File No. 201261

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

11/18/2020

A handwritten signature in cursive script, appearing to read "Don Lewis".

Priority Processing

1. **Equity Applicants:** Prioritized, Waived Fees, Interagency Support
2. **Equity Incubators:** Providing Rent Free Commercial Space or Technical Assistance in Exchange for their Own Permit
3. **Federally Enforced Against & PENCOs** (Pre-Existing Non-Conforming Operators): Ceased Operations in Return for the Third Priority Processing
4. **Existing Industry:** MCDs and Temp. Permit Holders
5. **Community Commitments**
6. **General Applicants**

OOOC by the Numbers: Equity Applicants

- Pipeline: Approx. 380 apps for 560 activities (including applications across all tiers)
- Tier 1
- Equity Application Pipeline:
 - Approx. 150 Applications
 - 115 Referrals for Land Use Entitlement
 - 21 Applicants Building Out
 - 14 Permanent Permits Awarded



OOC by the Numbers: Equity Incubators

- Tier 2
- Approx. 25 submitted applications.
- Two of which are actively engaging with the permitting process as of now



OOOC by the Numbers: Federally Enforced MCDs and Pre-Existing Non-Conforming Operators

- Tier 3
- Approx. 30 PENCO verified
- Approx. 3 Federally Enforced MCDs verified
- The OOC is currently processing this group to identify the viable applications.



OOC by the Numbers: Existing MCDs and Temporary Permit Holders

- Tier 4
- Approx. 55 existing MCDs (including both storefront retailers and delivery operators)
- Approx. 80 temporary permit holders (supply chain operators) with 168 cannabis business activities



Thank You

San Francisco Office of Cannabis
49 South Van Ness, Floor 6
San Francisco, CA 94103

officeofcannabis@sfgov.org
415-554-4420



From: [Starr, Aaron \(CPC\)](#)
To: [Major, Erica \(BOS\)](#)
Cc: [Kittler, Sophia \(MYR\)](#); [BOS Legislation. \(BOS\)](#)
Subject: Board File 201261
Date: Thursday, November 12, 2020 2:37:59 PM

Erica,

This afternoon, the Planning Commission waived their opportunity to hear Board file 201261; the item is similar to an extension they reviewed last year (BF 190842) and is a minor clerical correction.

- [201261](#) Planning Code - Cannabis Uses. Sponsor: Mayor. Staff: Starr

Sincerely,

Aaron Starr, Manager of Legislative Affairs

Legislative Affairs

San Francisco Planning

PLEASE NOTE MY NEW ADDRESS AND PHONE NUMBER AS OF AUGUST 17, 2020:

49 South Van Ness Avenue, Suite 1400, San Francisco, CA 94103

Direct: +1628-652-7533 | sfplanning.org

[San Francisco Property Information Map](#)

IN ORDER FOR US TO MOVE, OUR OFFICE WILL BE CLOSED WITH NO ACCESS TO PHONES OR E-MAIL ON THURSDAY, AUGUST 13 and FRIDAY, AUGUST 14, 2020. WE APPRECIATE YOUR PATIENCE.

Due to COVID-19, San Francisco Planning is not providing any in-person services, but we are operating remotely. Our staff are available by e-mail, and the Planning and Historic Preservation Commissions are convening remotely. The public is encouraged to participate. Find more information on our services [here](#).



CITY AND COUNTY OF SAN FRANCISCO
LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS
REGINA DICK-ENDRIZZI, DIRECTOR

November 30, 2020

Ms. Angela Calvillo, Clerk of the Board
City Hall Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: BOS File No. 201261 – Planning Code – Cannabis Uses

Small Business Commission Recommendation to the Board of Supervisors: **Support.**

Dear Ms. Calvillo,

On November 23, 2020 the Small Business Commission (SBC or Commission) heard BOS File No. 201261 – Planning Code – Cannabis Uses. Marisa Rodriguez, Director of the Office of Cannabis provided the SBC with an overview of the legislation. The SBC voted (6-0, with one absent) to recommend that the Board of Supervisors support the legislation.

Thank you for considering the Commission's recommendation. Please feel free to contact me should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Regina Dick-Endrizzi".

Regina Dick-Endrizzi
Director, Office of Small Business

cc: Rafael Mandelman, Member, Board of Supervisors
Sophia Kittler, Mayor's Liaison to the Board of Supervisors
Marisa Rodriguez, Director, Office of Cannabis
Erica Major, Clerk, Land Use and Transportation Committee

BOARD of SUPERVISORS



City Hall
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: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: November 12, 2020

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 201261

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Dominica Donovan, Senior Policy Analyst/Commission Secretary

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

No Comment

Recommendation Attached

Chairperson, Small Business Commission

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

November 12, 2020

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On November 3, 2020, Mayor Breed introduced the following legislation:

File No. 201261

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

c: Rich Hillis, Director
Scott Sanchez, Zoning Administrator
Lisa Gibson, Environmental Review Officer
AnMarie Rodgers, Legislative Affairs
Devyani Jain, Deputy Environmental Review Officer
Adam Varat, Acting Director of Citywide Planning
Aaron Starr, Manager of Legislative Affairs
Andrea Ruiz-Esquide, Deputy City Attorney
Joy Navarrete, Major Environmental Analysis

BOARD of SUPERVISORS



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

November 12, 2020

File No. 201261

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On November 3, 2020, Mayor Breed submitted the following legislation:

File No. 201261

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Clerk
Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

Member, Board of Supervisors
District 3



City and County of San Francisco

AARON PESKIN

DATE: December 8, 2020

TO: Angela Calvillo
Clerk of the Board of Supervisors

FROM: Supervisor Aaron Peskin, Chair, Land Use and Transportation
Committee

RE: Land Use and Transportation Committee
COMMITTEE REPORT

Pursuant to Board Rule 4.20, as Chair of the Land Use and Transportation Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on Tuesday, December 15, 2020, as a Committee Report:

201261 Planning Code - Cannabis Uses

Ordinance amending the Planning Code to extend from January 1, 2021, to January 1, 2022, the sunset date for the provision allowing for the conversion of Medical Cannabis Dispensaries with Planning Commission approval to a Cannabis Retail Use; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

This matter will be heard in the Land Use and Transportation Committee at a Regular Meeting on Monday, December 14, 2020, at 1:30 p.m.

/s/ Aaron Peskin