

FILE NO: 191278

Petitions and Communications received from December 2, 2019, through December 9, 2019, for reference by the President to Committee considering related matters, or to be ordered filed by the Clerk on December 17, 2019.

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 will not be redacted.

From the Controller's Office, submitting updated Demographics Benchmarking dashboards. Copy: Each Supervisor. (1)

From the Free City College Oversight Committee, pursuant to Ordinance No. 125-17, submitting the Free City Annual Report for 2017-2019. Copy: Each Supervisor. (2)

From the Controller's Office, partnered with the San Francisco Police Department and the Department of Emergency Management, submitting new response time performance and targets for the San Francisco Police Department. Copy: Each Supervisor. (3)

From the Controller's Office, submitting updated Public Health Benchmarking dashboards. Copy: Each Supervisor. (4)

From the Controller's Office, submitting the report "Cannabis in San Francisco: A Review Following Adult-Use Legislation." Copy: Each Supervisor. (5)

From the San Francisco Board of Appeals, pursuant to Charter, Section 4.103, submitting their Annual Report for FY2019. Copy: Each Supervisor. (6)

From California Fish and Game Commission, pursuant to California Fish and Game Code, Section 2073.3, submitting notice of two petitions received to list Shasta snow-wreath and western Joshua tree as threatened species under the California Endangered Species Act. 2 letters. Copy: Each Supervisor. (7)

From concerned citizens, regarding a new location for a permittee's medical cannabis dispensary permit. File No. 190973. 10 letters. Copy: Each Supervisor. (8)

From concerned citizens, regarding Senate Bill No. 50, the More HOMES Act (Wiener). File No. 190398. 4 letters. Copy: Each Supervisor. (9)

From Mari Eliza, regarding a proposed Resolution for new, existing and revised designations of Priority Development Areas (PDA's). File No. 191120. Copy: Each Supervisor. (10)

From Reverend Dr. Amos C. Brown with the NAACP, regarding a proposal to create a reparations fund with hotel and marijuana taxes. Copy: Each Supervisor. (11)

From Citizens Climate Lobby-San Francisco Chapter, regarding the resolution that endorses the Energy Innovation and Carbon Dividend Act. File No. 191188. Copy: Each Supervisor. (12)

From concerned citizens, regarding support for City College of San Francisco. 2 letters. Copy: Each Supervisor. (13)

From Mari Eliza, regarding a request for legislation to protect installed solar rooftop systems. Copy: Each Supervisor. (14)

From concerned citizens, regarding the Teatro ZinZanni hotel, entertainment venue, and public open space project. File No. 191181. 4 letters. Copy: Each Supervisor. (15)

From Anonymous, regarding a request to ensure strict compliance with the Sunshine Ordinance for SB 1421 public records disclosures and the Police Commission's December 4, 2019 meeting. Copy: Each Supervisor. (16)

From concerned citizen, regarding the recent rainstorm flooding. Copy: Each Supervisor. (17)

From Ruzicka, Wallace & Coughlin LLP, submitting a request for a list of all active local emergencies declared by the Board of Supervisors. Copy: Each Supervisor. (18)

From Allen Jones, regarding the quality of movies being shown at Juvenile Hall. Copy: Each Supervisor. (19)

From Aaron Goodman, regarding Senate Bill No. 50, the More HOMES Act (Wiener) and a proposed Resolution for new, existing and revised designations of Priority Development Areas (PDA's). File Nos. 190398 and 191120. Copy: Each Supervisor. (20)

From Bob Planthold, regarding the Academy of Art lawsuit settlement. Copy: Each Supervisor. (21)

From Susan Hill, regarding safety in San Francisco. Copy: Each Supervisor. (22)

From Ed Cota, regarding Supervisor Fewer's remarks while at Mr. Boudin's election headquarters. Copy: Each Supervisor. (23)

From: Reports_Controller (CON)
To: Calvillo, Angela (BOS); Mchugh, Eileen (BOS); BOS-Supervisors; BOS-Legislative Aides; Elsbernd, Sean (MYR); Fay, Abigail (MYR); Bruss, Andrea (MYR); Philhour, Marjan (MYR); Power, Andres (MYR); Kirkpatrick, Kelly (MYR); Ma, Sally (MYR); Cretan, Jeff (MYR); Lynch, Andy (MYR); Kittler, Sophia (MYR); alubos@sftc.org; pkilkenny@sftc.org; Rose, Harvey (BUD); Campbell, Severin (BUD); Docs_SF (LIB); CON-EVERYONE; MYR-ALL Department Heads; CON-Finance Officers
Subject: Issued: Updated Demographics Benchmarking Dashboards
Date: Wednesday, December 4, 2019 10:45:58 AM

Today the Controller's Office is releasing updated [Demographics Benchmarking](#) dashboards on the benchmarking section of the [Performance Scorecards](#) website.

In the updated [Demographics dashboards](#), learn more about:

- How San Francisco compares to peer cities in terms of population, density, race/ethnicity, age, and educational attainment.
- Residential segregation in San Francisco and other peer cities.
- Housing data, income, and cost of living in San Francisco and our peer cities.

Visit <https://sfgov.org/scorecards/benchmarking/demographics> to learn more.

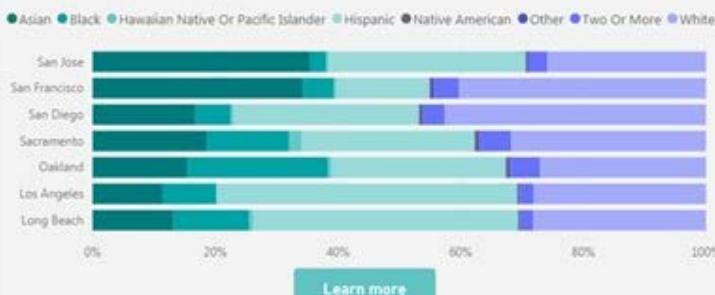
DEMOGRAPHICS

Updated November 2019

Race & Ethnicity

Racial and Ethnic data is shown below for San Francisco and California peers. See all peers by clicking the "Learn more" button below.

Race & Ethnic Breakdown, 2017



Age Trends

In 2017, **fewer San Franciscans were under the age of 18** than any other peer city. In contrast, **more San Franciscans were 65 years old or older** than most peers.



Residential Segregation

San Francisco is more segregated than our California peers in terms of black/white segregation. Click learn more to see more residential & school segregation data.



Education Level

More San Franciscans had Associates, Bachelor's, or Graduate degrees than our peers on average.



Population

In 2017, San Francisco was the **sixth most populous city out of our 17 peer cities** in terms of both number of residents and daytime population.

San Francisco Residents

884,363

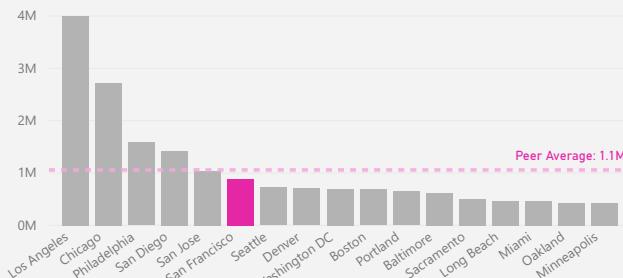
Resident Population

San Francisco Daytime Population

1,125,330

Daytime Population

Resident Population, 2017



[Learn more](#)

Land Area

San Francisco is about 47 square miles, making it the **second-to-smallest city** in our peer group; only Miami is smaller.



[Learn more](#)

Density

San Francisco has the **highest population density** among our peers (almost 19,000 residents for every square mile).

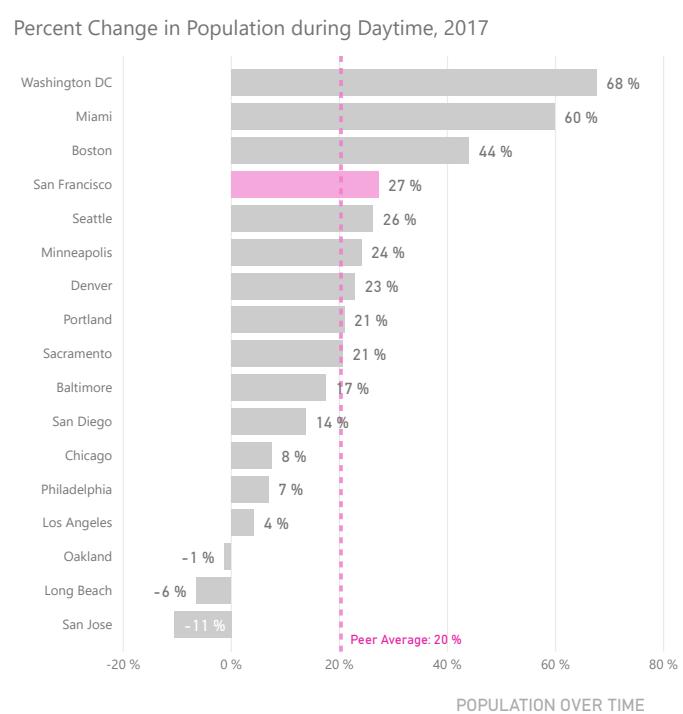
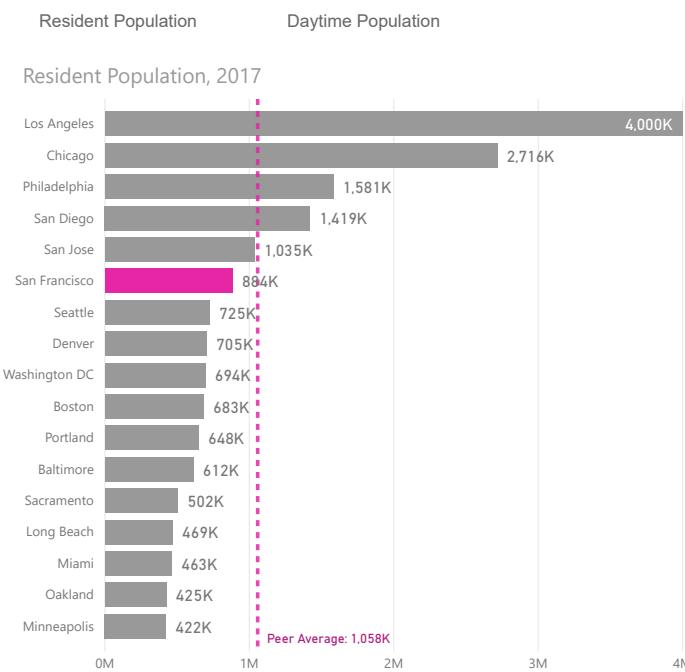
Density, Residents per Square Mile



[Learn more](#)

HOME

Population Data



HOME

POPULATION OVER TIME

HOME

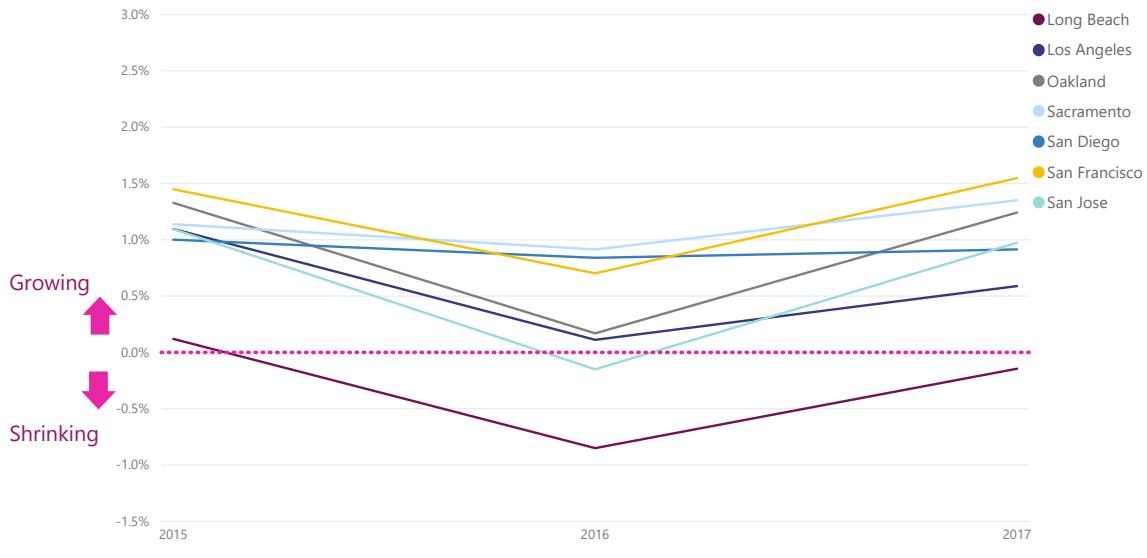
Population Change Over Time

The figure below shows each city's rate of population growth (or decline) over time. As shown, most peers have been growing at a modest rate of about 1% per year for the past three years. San Francisco is similar to peers in terms of population growth. Choose the cities to display from the list at the left.

Choose Cities

- Select all
- Baltimore
- Boston
- Chicago
- Denver
- Long Beach
- Los Angeles
- Miami
- Minneapolis
- Oakland
- Philadelphia
- Portland
- Sacramento
- San Diego
- San Francisco
- San Jose
- Seattle
- Washington DC

Percent Change in Resident Population



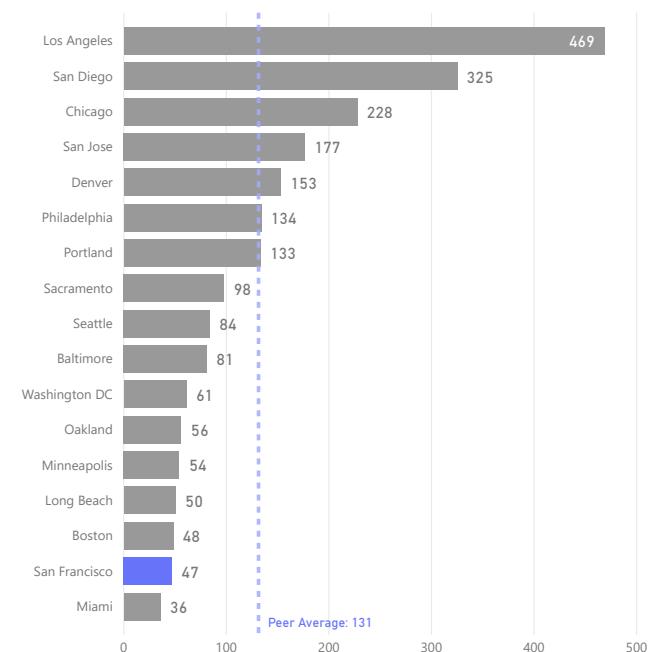
HOME

Land Area

Land Area (Square Miles)



Land Area (Square Miles)



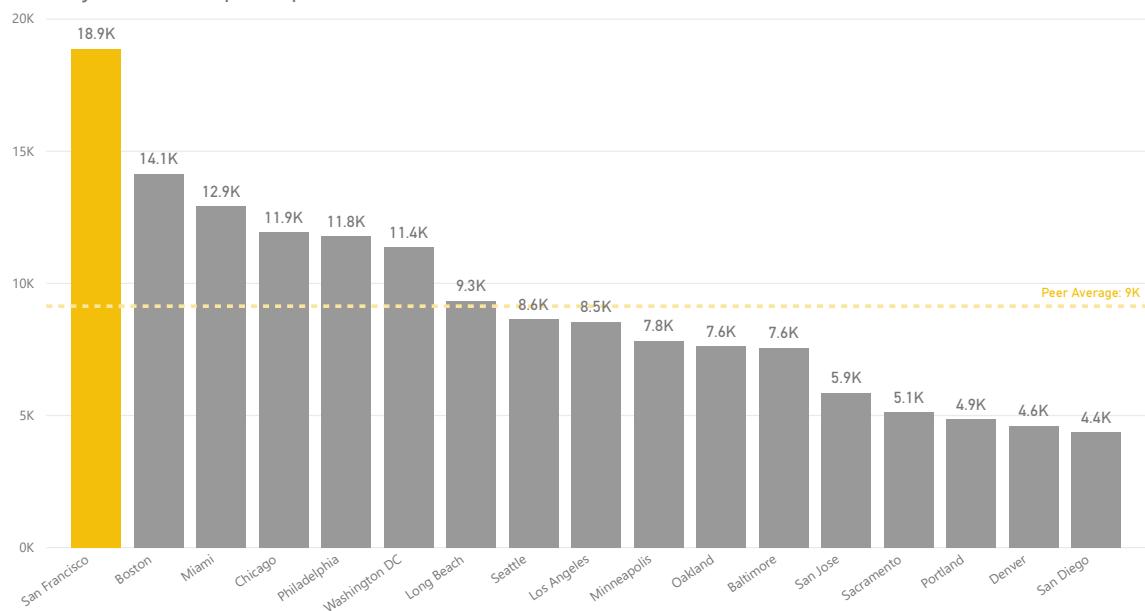
POPULATION OVER TIME

DENSITY

HOME

Density

Density (Residents per Square Mile), 2017



LAND AREA

DATA NOTES

HOME

Data NotesPopulation versus Daytime Population

Population (also referred to as Resident Population) is the number of people who live in each city according to the 2017 American Community Survey (the 1-year estimates), Table B01003.

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Daytime Population is calculated for each city by taking:

Total Population (Table B01003 of the American Community Survey)

adding the Worker Population (Table B08604)

subtracting Workers who work in place of residence (Table B08008)

subtracting Workers who work outside place of residence (Table B08008)

Population, Area, Density

Total Population for each city (Table B01003 of 2017 American Community Survey).

Land area comes from the Decennial US Census (G001 in the 2010 Census, variable VD067 in the dataset).

Density is calculated by dividing the population data by area for each city.

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Questions or Comments?

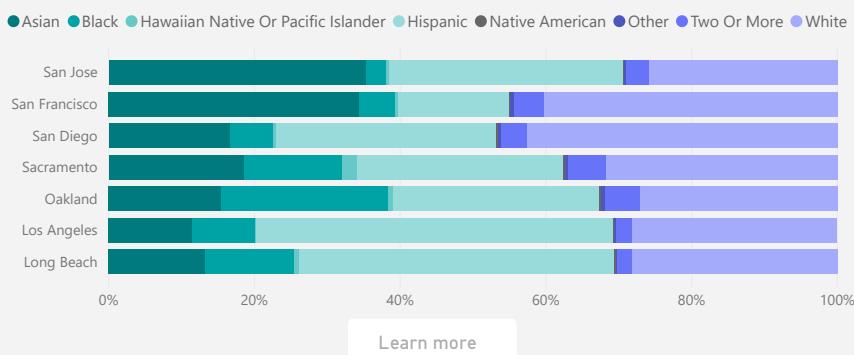
Please contact us at performance.con@sfgov.org

DENSITY

Race & Ethnicity

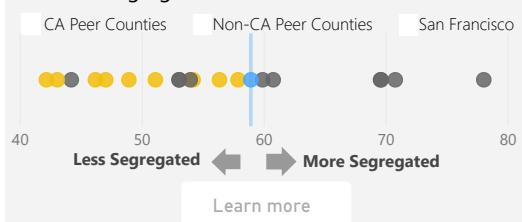
Racial and Ethnic data is shown below for San Francisco and California peers. See all peers by clicking the "Learn more" button below.

Race & Ethnic Breakdown, 2017



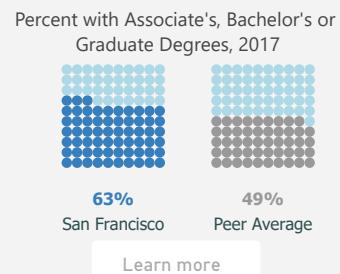
Residential Segregation

San Francisco is more segregated than our California peers in terms of black/white segregation. Click learn more to see more residential & school segregation data.



Education Level

More San Franciscans had Associates, Bachelor's, or Graduate degrees than our peers on average.



Age Trends

In 2017, **fewer San Franciscans were under the age of 18** than any other peer city. In contrast, **more San Franciscans were 65 years old or older** than most peers.



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Race & Ethnicity

These figures show the racial & ethnic breakdown for San Francisco and all peers. Using the buttons below, you can filter by year and click on a specific category to see each city ranked. If you click more than one category, the categories will be summed, and then the cities will be ranked.

Choose a Census Year:

2013 2014 2015 2016 2017

Choose One or More Race/Ethnicity Categories to see Cities Ranked:

Asian

Black

Hawaiian Native Or ...

Hispanic

Native American

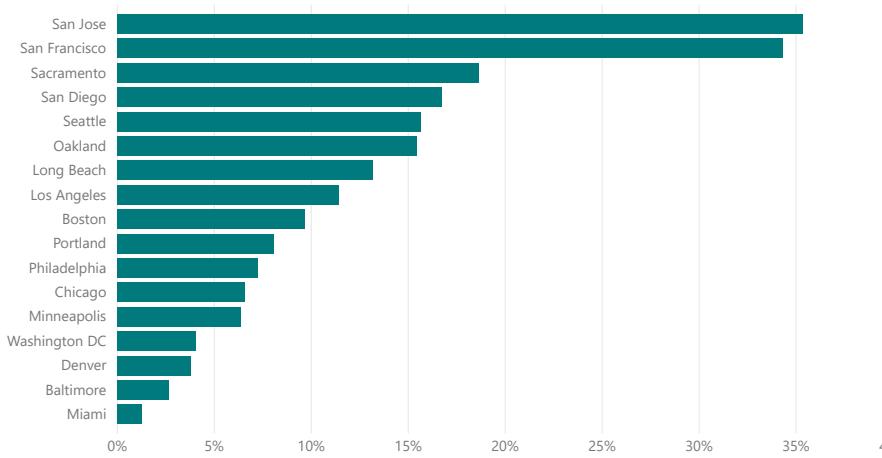
Other

Two Or More

White

Race & Ethnic Breakdown

● Asian



City	Asian
San Jose	35.4 %
San Francisco	34.3 %
Sacramento	18.6 %
San Diego	16.7 %
Seattle	15.7 %
Oakland	15.4 %
Long Beach	13.2 %
Los Angeles	11.4 %
Boston	9.7 %
Portland	8.1 %
Philadelphia	7.2 %
Chicago	6.6 %
Minneapolis	6.4 %
Washington DC	4.0 %
Denver	3.8 %
Baltimore	2.7 %
Miami	1.2 %

RACE/ETHNICITY OVER TIME

HOME

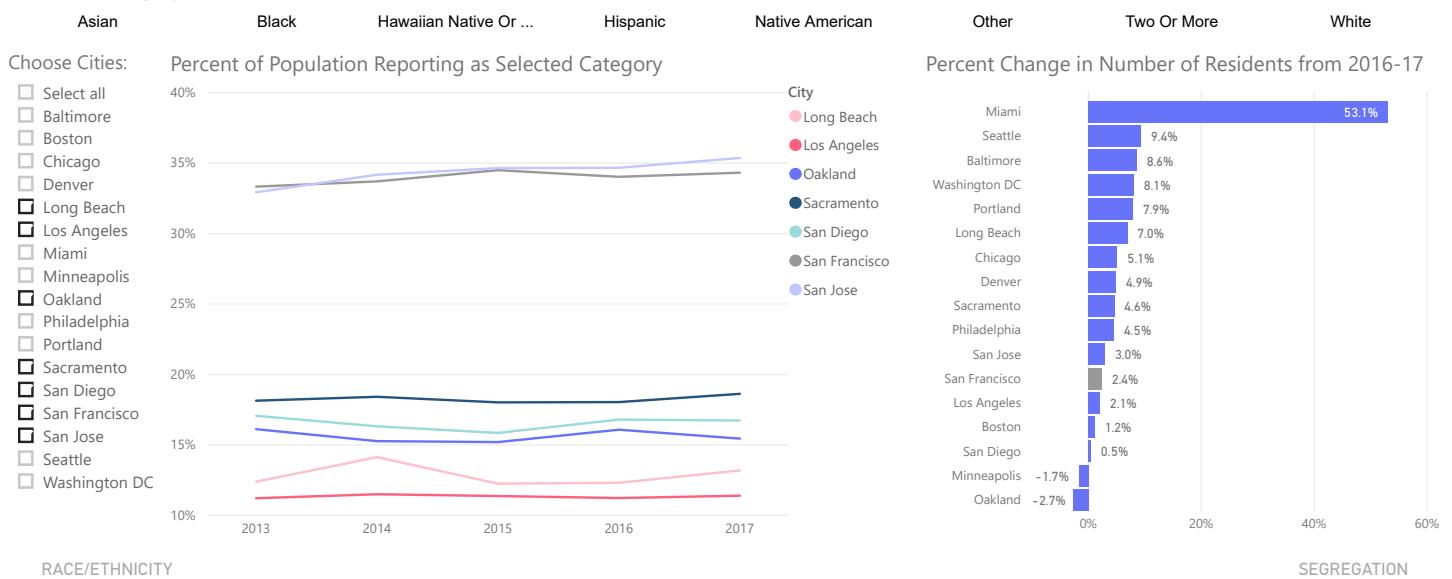
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Race & Ethnicity: Change Over Time

The line graph below shows the percentage of residents self-reporting as a specific racial or ethnic category from 2013-2017. The bar graph shows the percent change of the number of residents reporting as the selected category from 2016-2017. In San Francisco, the *percentage* of the population reporting as Asian was the same in 2016 and 2017 (34%). However, the *number of people* in San Francisco reporting as Asian increased 2.4%. This is because the total population of each city changes every year.

Interpret with Caution: Note the changes in the vertical axis of the line graph; smaller percentages may fluctuate because of sampling or methodological changes.

Choose a Category:



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Residential Segregation

There are several different ways to measure segregation. The one shown here, a "Dissimilarity Index", was calculated for all US counties by County Health Rankings & Roadmaps, a Robert Wood Johnson Foundation Program. [They describe this measure](#) as a measure of how evenly two groups (Black and White residents, in this case) are distributed across space. The values shown below represent the percentage of residents of one demographic group who would need to relocate to another neighborhood to be fully integrated with the other group. For example, 59% of white San Franciscans would need to move to a different census tract for San Francisco to be fully integrated.

Choose a Measure:

Why Compare Levels of Segregation?

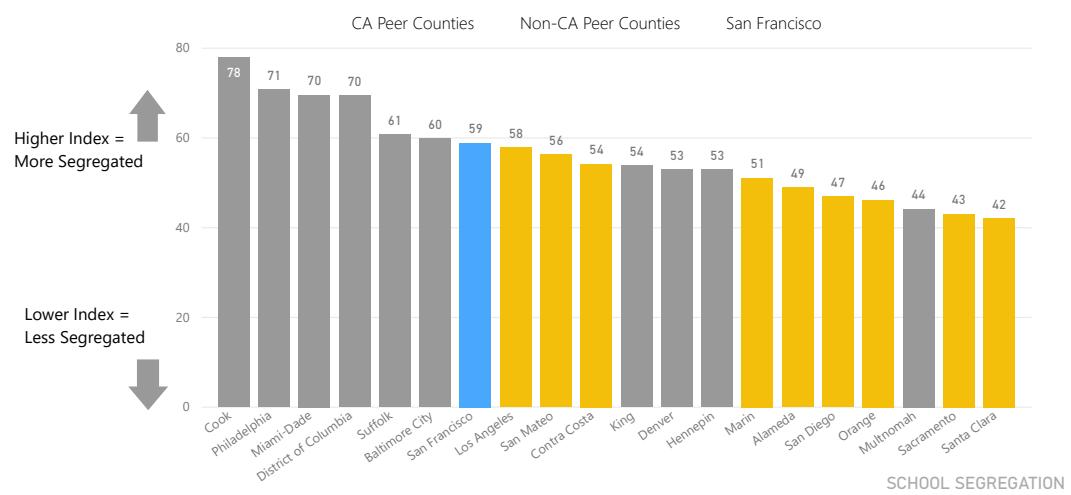
Residential segregation can negatively impact many aspects of life for residents, particularly for residents of color. Read more about segregation [here](#), and why studying segregation is important [here](#).

Like the other data presented in this dashboard, this context is important to consider when comparing other City functions, like transportation and public health services.

See the [Public Health Benchmarking Dashboards](#) for more on how segregation may impact health.

Black-White Dissimilarity Nonwhite-White Dissimilarity

Dissimilarity Index by County, 2012-2016 American Community Survey Data



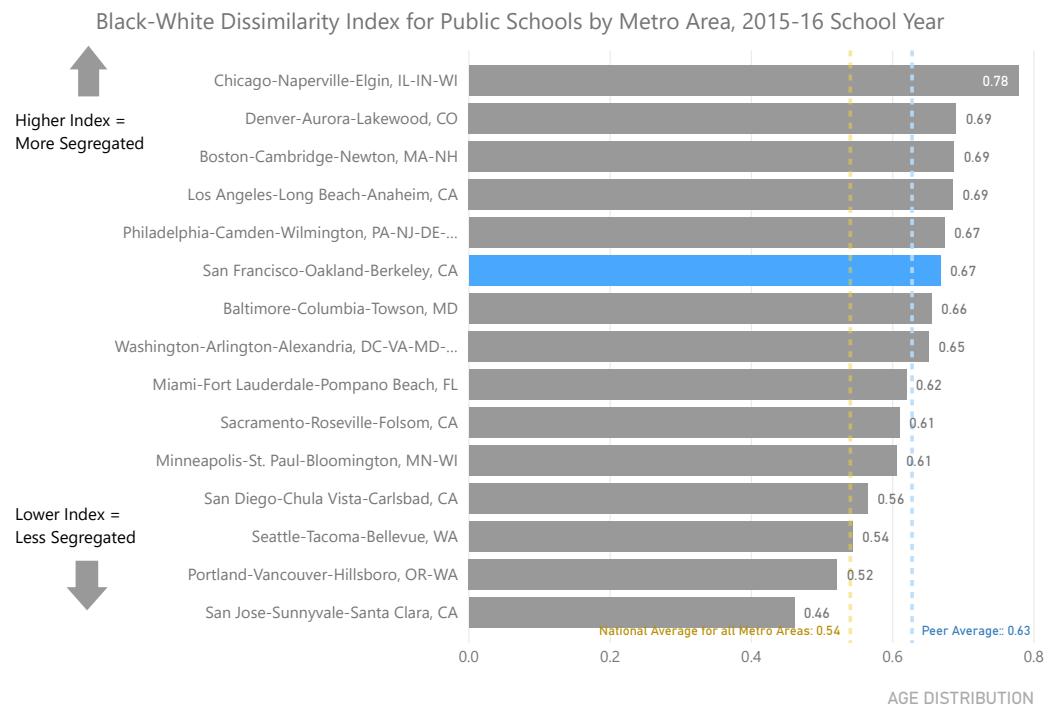
RACE/ETHNICITY OVER TIME

HOME

School Segregation

As with residential segregation, there are several different ways to measure school segregation. The one shown here is also a "Dissimilarity Index" calculated for all US Metro Areas by [Governing, in a study on segregation](#). Governing calculated the black-white dissimilarity indices for public schools within metro areas using the Department of Education's National Center for Education Statistics [Common Core of Data](#).

Note that segregation is calculated for a Metro Area - so San Francisco is grouped with Oakland and Berkeley.



SEGREGATION

HOME

Age Distribution

The chart below shows the age distribution for San Francisco and all peers. Using the buttons below, you can filter by year and click on a specific age category to see each city ranked. If you click more than one category, the categories will be summed, and then the cities will be ranked.

Choose a Year:

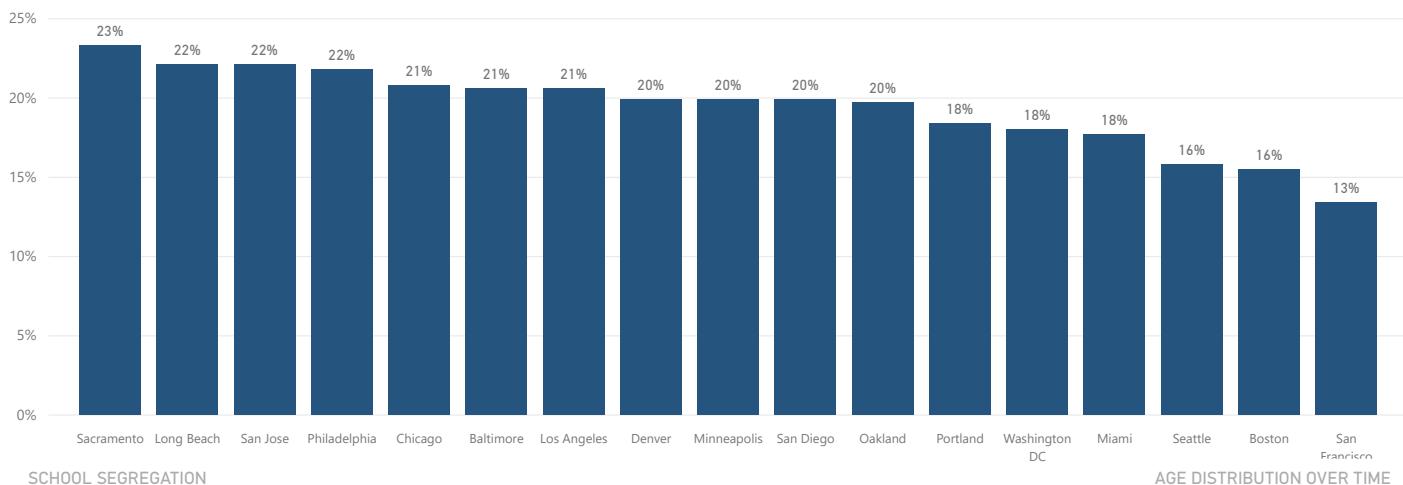
2013 2014 2015 2016 2017

Choose a Year:

Under 18 18 to 24 25 to 34 35 to 44 45 to 54 55 to 64 65 and Up

Age Distribution

● Under 18



SCHOOL SEGREGATION

AGE DISTRIBUTION OVER TIME

HOME

Age Distribution: Change Over Time

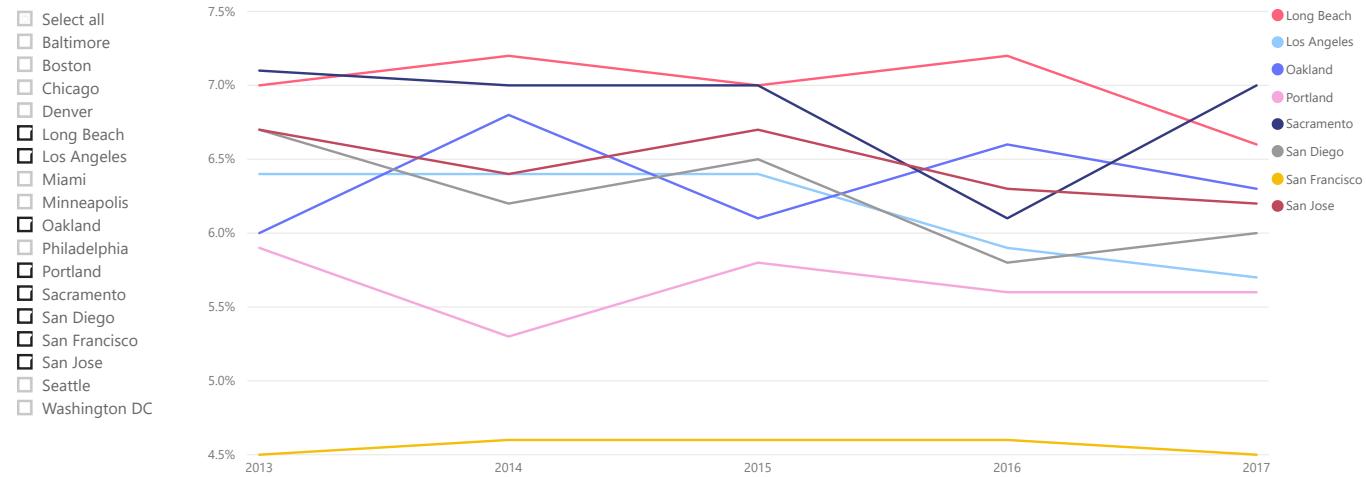
This line graph shows how the percentage of the population within each age category has changed over time. San Francisco has consistently had the lowest percentage within all age categories under the age of 18. Select the age category below to see how the percentage of the population in that age group has changed since 2010. Select the cities you would like to compare from the list on the left.

Choose an Age Category:

Under 5 5 to 14 15 to 17 18 to 24 25 to 34 35 to 44 45 to 54 55 to 64 65 and Up

Choose Cities:

Percent of Residents in Selected Age Category



HOME

Educational Attainment

Using the buttons below, you can filter by year and educational attainment category to see each city ranked. If you click more than one category, the categories will be summed, and then the cities will be ranked.

Choose a Year:

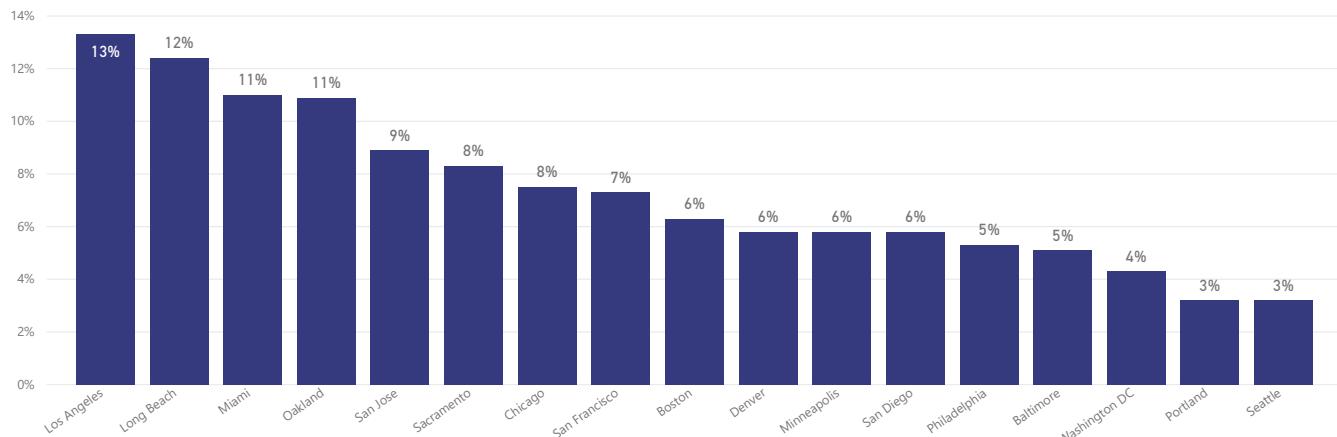
2013 2014 2015 2016 2017

Choose One or More Categories:

Less Than 9th Grade 9th-12th Grade No Diploma High School Grad Some College No Diploma Associates Bachelors Graduate Or Professional

Educational Attainment of Residents 25 years and Older

● Less Than 9th Grade



AGE DISTRIBUTION OVER TIME

DATA NOTES

HOME

Data NotesRace & Ethnicity

Race and Ethnicity from Table B03002 of the 2017 US Census. Race and Ethnicity Over Time from Table B03002 in 2013-2017 Censuses.

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Segregation

Residential Segregation from the County Health Rankings and Roadmaps, 2018 Report.

(<https://www.countyhealthrankings.org/explore-health-rankings/measures-data-sources/county-health-rankings-model/health-factors/social-and-economic-factors/family-social-support/residential-segregation-blackwhite>)

School Segregation from the Governing study on Segregation.

(<https://www.governing.com/gov-data/school-segregation-dissimilarity-index-for-metro-areas.html>)

Age

All Age Groups: Table S0101 of the 2016 US Census.

Change in children age groups: Table S0101 of the 2013-2017 Censuses.

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Educational Attainment

Educational attainment for individuals over 25 years old from Table S1501 of the 2016 US Census.

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Questions or Comments?

Please contact us at performance.con@sfgov.org

EDUCATIONAL ATTAINMENT

Housing Overview

In San Francisco, about 9% of housing units are vacant (as of 2017). This is similar to our peers.

In San Francisco, **64% of housing units are renter-occupied**. This is higher than most peers.

[Learn more](#)

A larger portion of housing units in San Francisco were built before 1940 than in peer cities. A lower percentage of housing units in SF were built recently (since 1980) than peers.

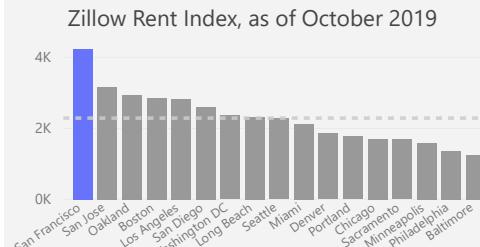
% of Units Built Before 1940
SF: 48% Peers: 29%

% of Units Built After 1980
SF: 20% Peers: 27%

[Learn more](#)

Rental Value

San Francisco's rent index is higher than any other peer city.



In the last few months, **the rent index in San Francisco has been falling**.

Change in Rental Values from Last Quarter, as of October 2019

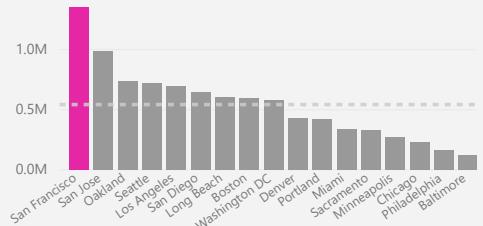


[Learn more](#)

Home Value

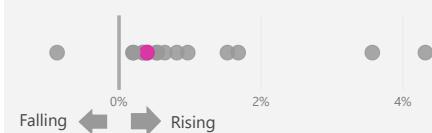
San Francisco **home values are higher than any other peer city**.

Zillow Home Value Index, as of October 2019



Unlike rents, **SF home values have continued to rise** in recent months.

Change in Home Values from Last Quarter, as of October 2019

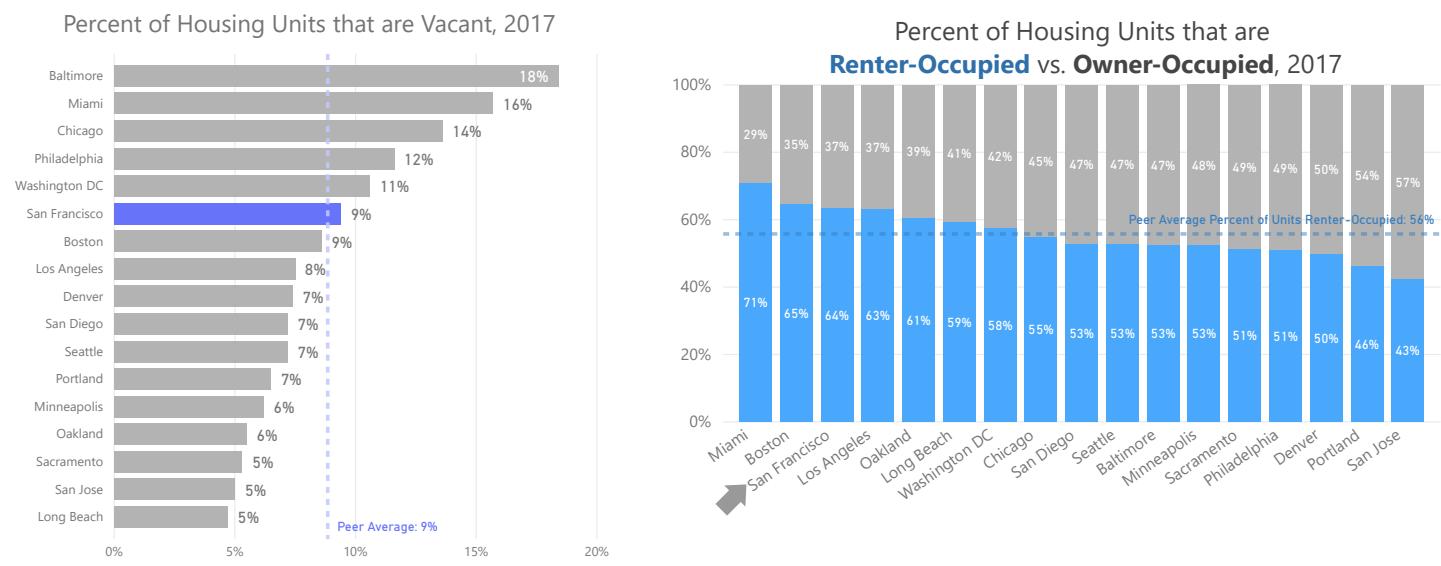


[Learn more](#)

HOME

Housing Units Overview

The American Community Survey (ACS) includes questions about the housing stock. The figure on the left shows the percent of housing units that were vacant in 2017. Vacant is defined as no one living in the unit, or the individuals living in the unit plan to stay less than 2 months and have permanent residences elsewhere. **About 9% of San Francisco's housing units were vacant in 2017.** The figure on the right shows the breakdown of housing units by whether they were owner-occupied, or renter-occupied. **A majority (64%) of housing units in San Francisco were renter-occupied in 2017.**



HOME

AGE OF HOUSING STOCK

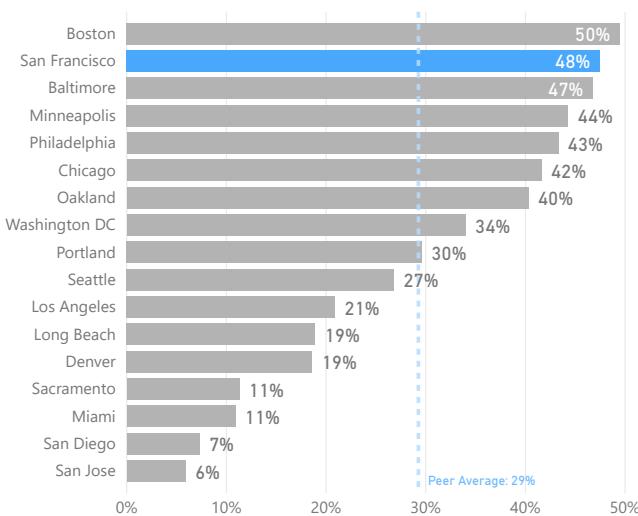
HOME

Age of Housing Stock

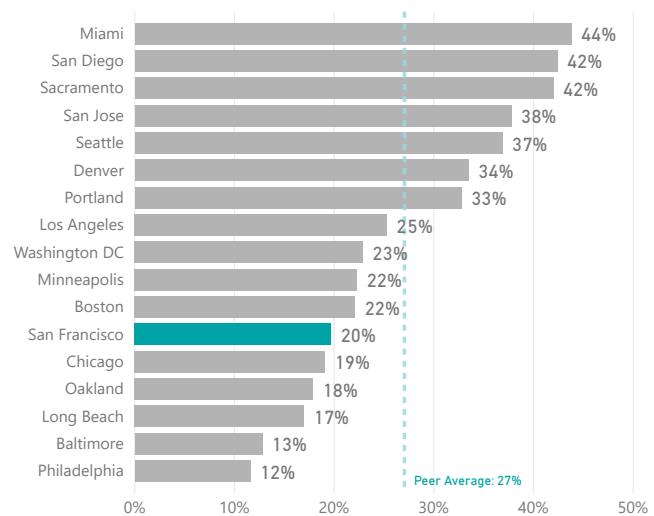
The 2017 American Community Survey also asked when housing units were built. The age of our housing stock is interesting to consider, both in how it affects San Francisco residents' quality of life, and how it may play an important role in our preparation and resiliency in case of disaster.

Of all housing units, **48% in San Francisco were built before 1940**. This is much higher than peer cities, where on average 29% of housing units were built before 1940. When looking at more recent building, about **20% of housing units in San Francisco were built after 1980**, which is lower than most peer cities.

Percent of Housing Units Built before 1940, as of 2017



Percent of Housing Units Built After 1980, as of 2017



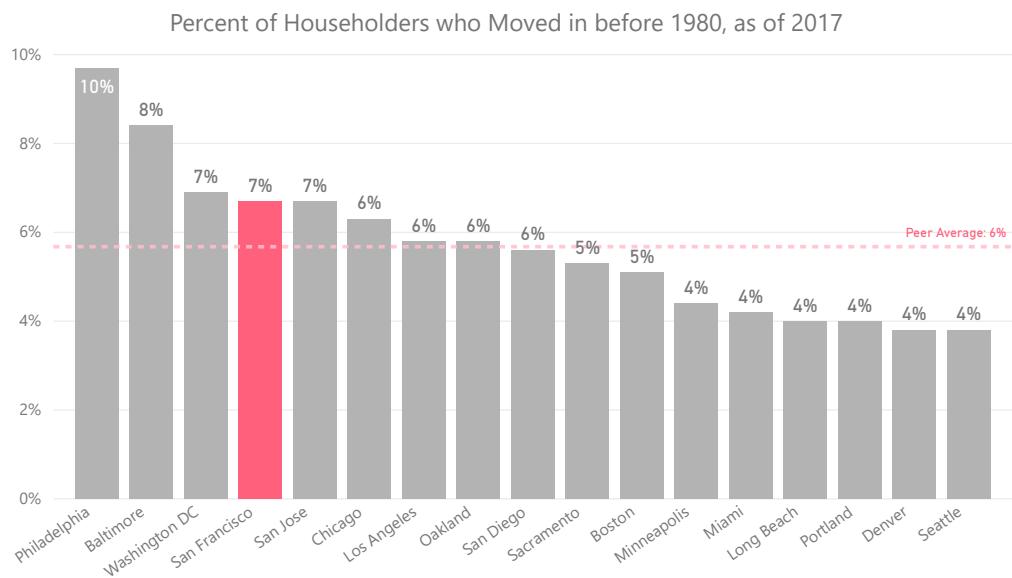
HOUSING UNITS OVERVIEW

HOUSEHOLDER TENURE

HOME

Household Tenure in Housing Unit

The 2017 American Community Survey also asked when the householder moved into their house of current residence. Of all householders, **7% in San Francisco moved in before 1980**, which is slightly higher than the peer average.



AGE OF HOUSING

RENTAL VALUE

HOME

Rental Values

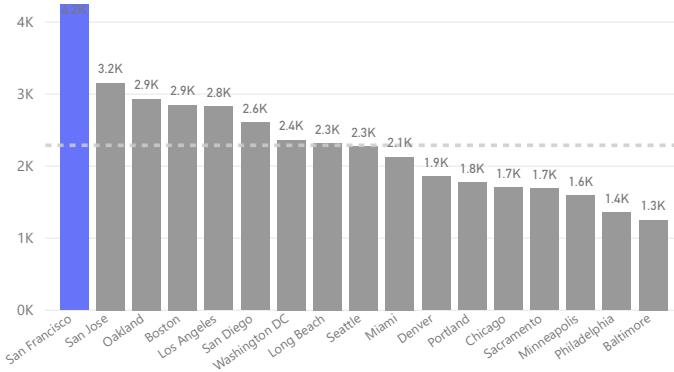
The Zillow Rent Index (ZRI) is the median monthly rent of all homes within a market. Like the Home Values Index, the ZRI is also unaffected by the mix of homes for rent in a city. In October 2019, San Francisco had the highest rent value among all our peers (using Zillow's indices, as shown on the vertical axes below).

The change in the ZRI is shown below. Use the buttons to the right to see the change over different periods of time. As shown, the rental rate continues to increase (as it has the past year).

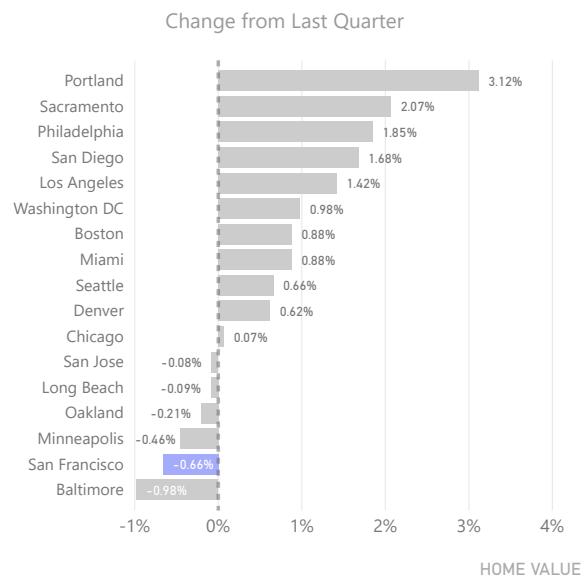
Choose a Time Period:

 Change from Last Month
 Change from Last Quarter
 Change from Last Year

Zillow Rent Index, as of October 2019



HOUSEHOLDER TENURE

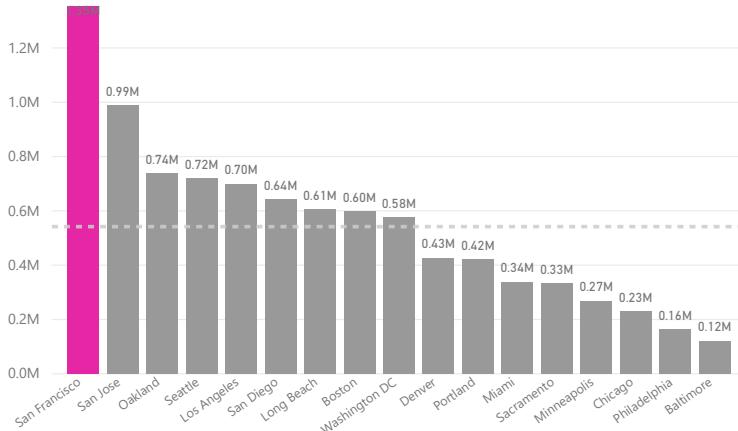


HOME

Home Values

The Zillow National Home Value Index (ZHVI) is the median of actual and estimated market values of all homes within a market (these values are estimated by Zillow). The index was created such that they are unaffected by the mix of homes for sale in a city. In October of 2019, San Francisco had the highest home value among all our peers (as shown below).

Zillow Home Value Index, as of October 2019



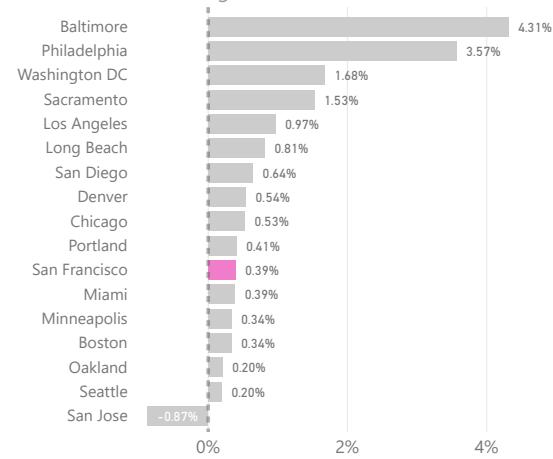
RENTAL VALUE

The change in the ZHVI is shown below. Use the buttons to the right to see the change over different periods of time. While the current home value is higher than it was last year (and 5 and 10 years ago), it has dropped in the past quarter and month.

Choose a Time Period:

- Change from Last Month
- Change from Last Quarter
- Change from Last Year
- Change from 5 Years Ago
- Change from 10 Years Ago

Change from Last Quarter



DATA NOTES

HOME

Data Notes[Housing Overview Data: Vacancy, Renters, Age of Housing](#)

American Community Survey (ACS), 2017, 1-Year estimates, Table CP04

Download data here: <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>[Home Values](#)

Zillow Home Value Index (ZHVI), downloaded August 2019

<https://www.zillow.com/research/data/>More information here: <https://wp.zillowstatic.com/3/ZHVI-InfoSheet-04ed2b.pdf>[Rental Values](#)

Zillow Rent Index (ZRI), downloaded August 2019

<https://www.zillow.com/research/data/>More information here: <https://www.zillow.com/research/zillow-rent-index-methodology-2393/>**Questions or Comments?**Please contact us at performance.con@sfgov.org

HOME VALUE

Income

The **median earnings for a full-time, year-round worker in San Francisco was higher than any other peer city** in 2017 (\$81,000). However, once converted to average US dollars (adjusting for price differences), San Francisco's median income is less than Seattle's.

Choose an Income Measure to Show:

2017 Median Earnings of Full-Time, Year-Round Workers

2017 Price-adjusted Median Earnings of Full-Time, Year-Round Workers in Average US Dollars



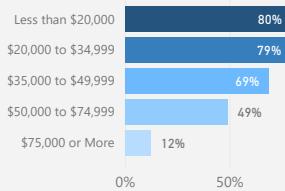
[Learn more](#)

Housing Burden

According to the Census, a household spending more than 30% of their income on rent is considered rent-burdened. **In San Francisco, 36% of households are rent-burdened**, which is less than any other peer.



San Francisco: Percent Rent-Burdened by Income, 2017



Cost of Living (Prices)

In 2017, the **San Francisco-Oakland-Hayward Area has higher prices than almost all peers** (only San Jose-Sunnyvale-Santa Clara is higher).



[Learn more](#)

Housing burden varies based on household income. A much higher percentage of households making less than \$50,000 are rent-burdened, when compared to households with higher incomes. Click "Learn More" to see more data.

[Learn more](#)

Income Distribution

About **54% of full-time year-round workers in San Francisco make more than \$75,000** (this is the highest percentage of residents in this income category among all peers).

[Learn more](#)

HOME

Median Income for Full-time, Year-round, Workers

This graph shows the median annual income of full-time, year-round, workers. The first income measure is in local dollars, i.e. the median of the actual dollar amount that individuals reported.

Earnings in different cities can't be compared as *real income* because there are different price levels across cities. In other words, a dollar in San Francisco is not the same as a dollar in Portland, because the prices of goods and services tend to be lower in Portland.

The second income measure is median income converted to US average dollars (using Regional Price Parities). The second measure can be interpreted (roughly) as median income, controlling for regional price levels.

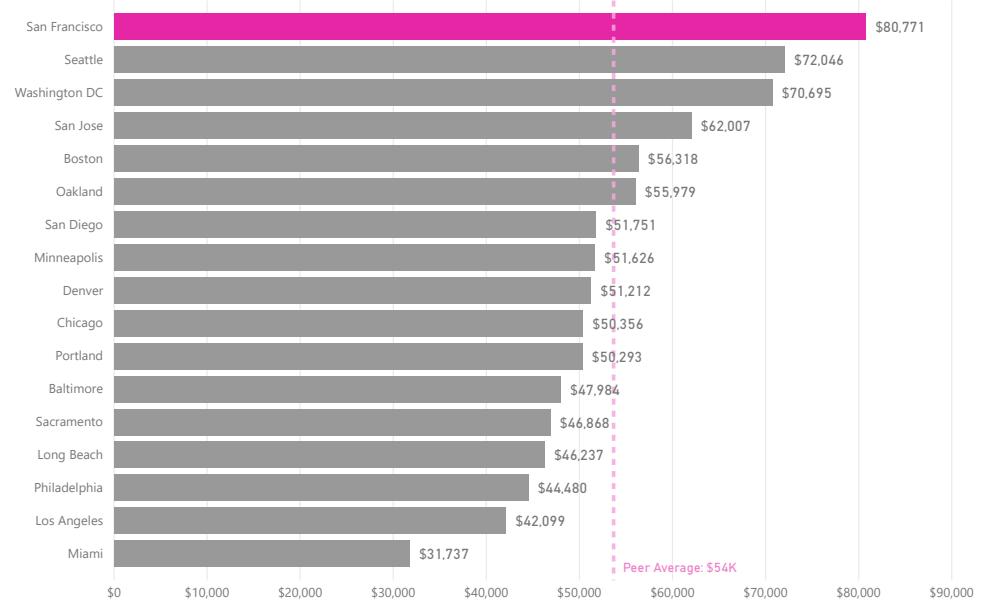
Note: While median income is available for each city, the Regional Price Parities (RPPs) are only available for regions. This means, the same RPP value was used for San Francisco and Oakland, which assumes price levels are relatively even within region. While this assumption isn't perfect, this is the best price data available at this time, and general comparisons are still meaningful (though should not be interpreted as exact measures).

To see the Regional Price Parities that were used in this calculation, continue to the next slide.

Choose an Income Measure to Show:

2017 Median Earnings of Full-Time, Year-Round Workers

2017 Price-adjusted Median Earnings of Full-Time, Year-Round Workers in Average US Dollars



HOME

REGIONAL PRICE PARITIES

HOME

Regional Price Parities

Regional Price Parities

Cost of living can be measured with Regional Price Parities (from the US Bureau of Economic Analysis). These show differences in price levels and are expressed as a percentage of the US national price level. All of our peer metropolitan areas are above the national price level, though the San Francisco-Oakland-Hayward region is far above the peer average.

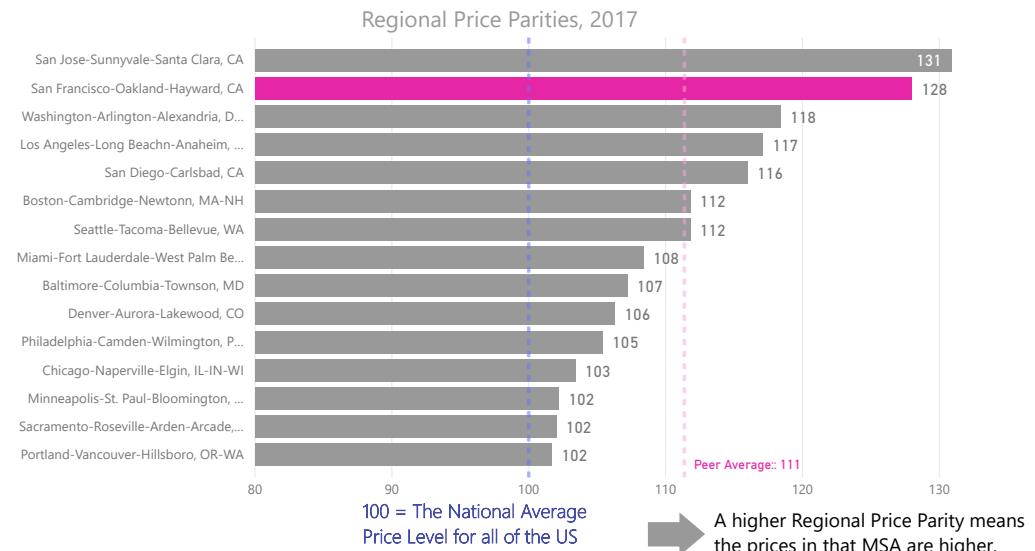
Note that these price parities are calculated for metropolitan statistical areas (MSA) and San Francisco's MSA includes Alameda and Contra Costa Counties. Click through the buttons above the graph to see the overall RRP ("All items") and then the RPP for all goods, then services broken into two categories: rents, and other services.

Choose a Year:

2008 2009 2010 2011 2012 2013 2014 2015 2016 2017

Regional Price Parities: Expenditure Categories

RPPs: All items RPPs: Goods RPPs: Services: Other RPPs: Services: Rents



MEDIAN INCOME

RENT BURDEN

HOME

Rent Burden

In the American Community Survey, households are asked to report their household income and the amount that they spend on rent. Using this information, the US Census Bureau calculates the percent each household is spending on rent.

A household spending more than 30% of their income on housing is considered housing-burdened. **In San Francisco, 36% of households are rent-burdened**, which is less than any other peer.

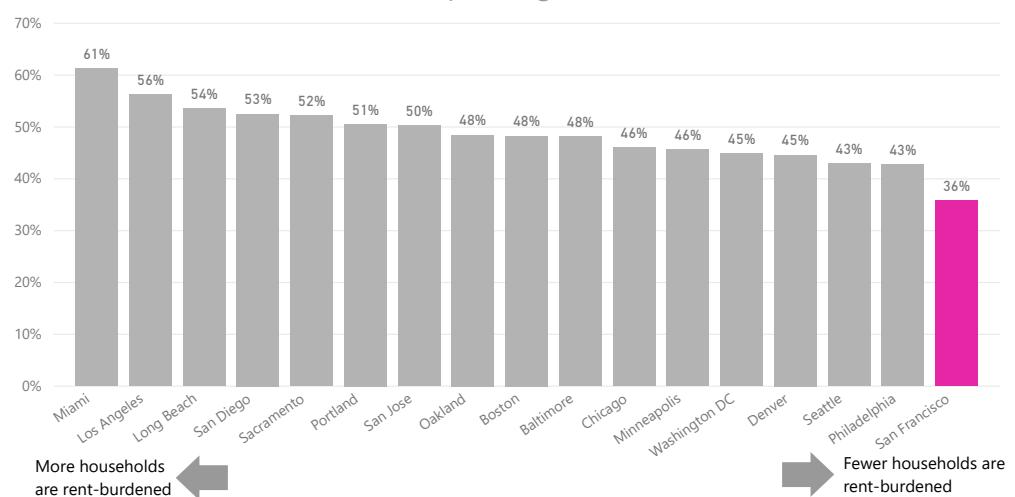
A household spending more than 50% of their income on housing is considered severely housing burdened. **In San Francisco, 17% of households are severely rent-burdened**, which is less than any other peer.

This percentage varies by income, which you can see on the next slide.

Choose a Level of Housing Burden:

Percent of Households Spending 30% or More on Rent
Percent of Households Spending 50% or More on Rent

Percent of Households Spending 30% or More on Rent



HOUSING BURDEN BY INCOME GROUP

REGIONAL PRICE PARITIES



HOME

Housing Burden by Income Group

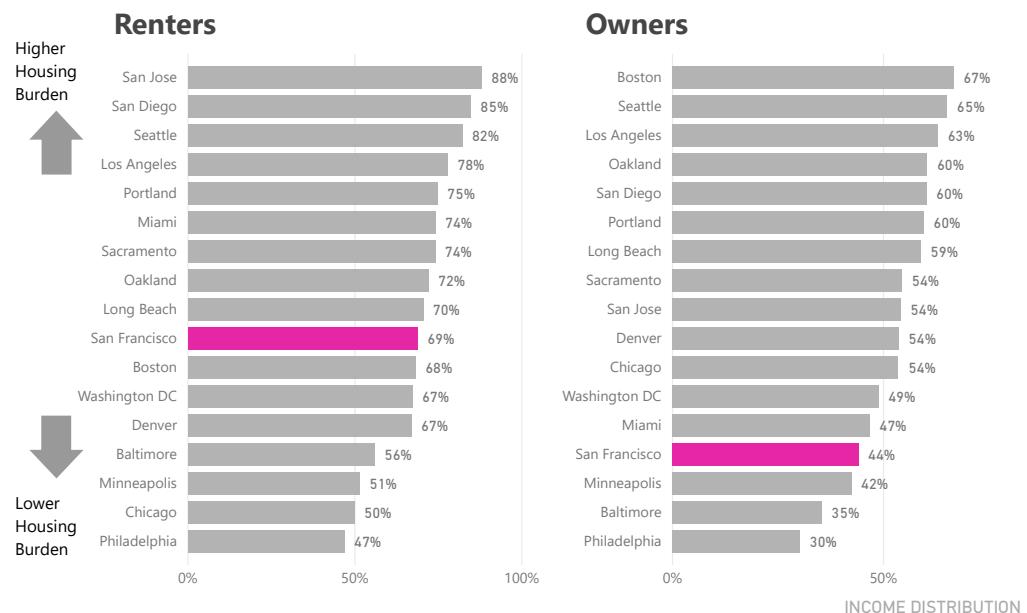
These graphs show the percentage of households that are housing burdened (spending 30% or more of their income on housing).

For San Francisco, the differences are clear: **while 36% of all households are rent-burdened, 69% of households making between \$35,000 and \$49,999 are rent-burdened.**

Choose an Income Category to see the rates of housing burden for renters and owners - and compare San Francisco to our peer cities.

Choose an Income Category:

Percent of Households Making \$35,000 to \$49,999 that Spend 30%+ of Income on Housing, 2017



RENT BURDEN

INCOME DISTRIBUTION

HOME

Income Distribution

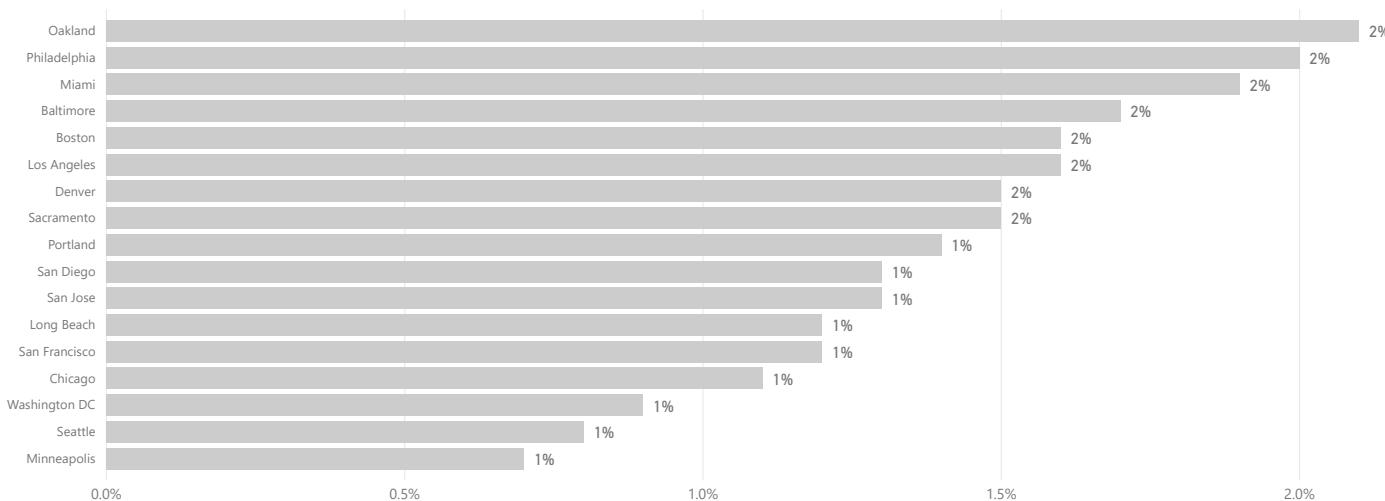
This graph shows the percent of full-time, year-round, workers that earn within each income group. Click the buttons below to see the cities ranked by the percentage of full-time residents with that income range. As you select more than one group, the cities will be ranked by the sum of all groups selected.

Choose Income Group(s):

\$1 to \$9,999 or less \$10,000 to \$14,999 \$15,000 to \$24,999 \$25,000 to \$34,999 \$35,000 to \$49,999 \$50,000 to \$64,999 \$65,000 to \$74,999 \$75,000 to \$99,999 \$100,000 or more

Income Distribution, 2017

\$1 to \$9,999 or less



HOUSING BURDEN BY INCOME

DATA NOTES

HOME

Data NotesIncome Data

Median Income - Table S2001 of the 2017 US Census (1-year estimates).

Income Distribution - Table S2001 of the 2017 US Census (1-year estimates).

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Cost information: Regional Price Parities

US Bureau of Economic Analysis, Regional Price Parities 2017 data downloadable here:

<https://www.bea.gov/itable/itable.cfm?ReqID=70&step=1#reqid=70&step=1&isuri=1&7022=101&7023=8&7024=non-industry&7001=8101&7090=70>

"Real Personal Income for States and Metropolitan Areas", US Bureau of Economic Analysis, 2017

https://www.bea.gov/newsreleases/regional/rpp/rpp_newsrelease.htm

Housing Burden Data

Rent Burden - Table B25070 of the 2017 US Census (1-year estimates).

Housing Burden by Income Group - Table B25106 of the 2017 US Census (1-year estimates).

(<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>)

Questions or Comments?

Please contact us at performance.con@sfgov.org

INCOME DISTRIBUTION

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Free City College Report
Date: Monday, December 9, 2019 5:03:00 PM
Attachments: [CCSF Free City Annual Report 2019 - November 2019 Distribute.pdf](#)

From: Chisti, Aliya (CHF)
Sent: Tuesday, November 26, 2019 12:42 PM
To: Somera, Alisa (BOS) <alisa.somera@sfgov.org>
Cc: Young, Victor (BOS) <victor.young@sfgov.org>
Subject: Free City College Report

Hi Alisa,

I hope this e-mail finds you well. In this e-mail, I have attached the Free City Annual Report required by ordinance 170555. Thank you!

FREE CITY ANNUAL REPORT

2017-2018

November 26, 2019



FREE CITY OVERSIGHT COMMITTEE

The Free City Annual Report was drafted and prepared by the Free City Oversight Annual Report Subcommittee, and adopted by the Free City Oversight Committee pursuant to [Administrative Code 10.100-288.](#)

Below is a list of those who most recently held seats on the Oversight Committee:

Seat 1: TOM TEMPRANO

The City College Board of Trustees shall appoint one member of the Governing Board of City College.

Seat 2: MARKEDA GREY

The City College Board of Trustees shall appoint one member who is a City College financial aid counselor or specialist.

Seat 3: LUTHER AABERGE (CHAIR)

The City College Board of Trustees shall appoint one member from the Office of the Chancellor of City College.

Seat 4: ALISA MESSER

The City College Academic Senate shall appoint two faculty members.

Seat 5: JAMES TRACY

The City College Academic Senate shall appoint two faculty members.

Seat 6: BOUCHRA SIMMONS

The City College Associated Students Executive Council shall appoint one student body representative.

Seat 7: SUPERVISOR GORDON MAR

The Board of Supervisors shall appoint one member of the Board of Supervisors.

Seat 8: CONNY FORD

The Board of Supervisors shall appoint one person not otherwise eligible to serve in one of the dedicated seats on the Oversight Committee.

Seat 9: PRESIDENT STEVON COOK

The San Francisco Board of Education shall appoint one member of the Board of Education.

Seat 10: JENNY LAM

The Mayor shall appoint one member from the staff of the Mayor's office.

Seat 11: JAY M. LIAO (CO-CHAIR)

The Controller shall appoint one member from the staff of the Controller's office.

STATEMENT FROM MAYOR BREED

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

Free City College represents our City's commitment to ensuring access to quality education and a path to upward mobility for all San Franciscans. At a time of growing economic inequality, we must advance innovative educational programs to give our residents the tools they need to thrive.

In its first year, Free City College helped more than 20,000 students realize their goals. As we look to the next 10 years, this first Annual Report will guide our efforts to build on this critical program to make a college education accessible to even more students, particularly those who historically have been left behind. Through Free City College and other Citywide strategies, we will continue our work to dismantle barriers for low-income students and students of color and strengthen the college-to-workforce pipeline.

In addition to Free City College, we have made several investments that underscore our focus on equity. Last year, we launched Opportunities for All to provide thousands of high school-aged youth with paid internships and employment training. We have invested in stipends for San Francisco Unified School District educators in high-potential schools to retain talent and improve student outcomes. Further, we have expanded our Bridge to Excellence Scholarship Program, which provides low-income graduating high school seniors with scholarships. These initiatives are important steps to ensuring that income is not a barrier to educational success.

Thank you to the Free City College Oversight Committee for stewarding the implementation of this important program. I would also like to acknowledge the efforts of City College of San Francisco's faculty, students, administrators, and Board of Trustees; the Department of Children, Youth and Their Families; the American Federation of Teachers 2121; and the San Francisco Labor Council for their hard work in support of the Free City College vision.

I look forward to seeing how Free City College continues to help San Franciscans achieve their educational goals.

Sincerely,

A handwritten signature in black ink that reads "London Breed".

London N. Breed
Mayor

LETTER FROM FORMER SUPERVISOR JANE KIM

In the 20th century, America made an expensive choice—we determined that a K-12 public education was fundamental to our citizenry and a workable nation, and that this public education should be free and universal.

It used to be that many good-paying jobs only required a high school diploma, and that this diploma was enough to give most Americans an opportunity to climb into the middle class. However, in the last 30 years, innovation and technology has raced ahead of our public education system.

Now research shows that by 2020, 70% of all jobs will require some type of post-secondary degree, training or certificate. Politicians are taking note. In 2015, President Obama proposed a plan to make community college free for all Americans for two years. States like Oregon, Minnesota, and Tennessee implemented a variety of programs to make community college free for eligible high school students. We studied and learned from these programs when developing the Free City policy in 2016.

We learned that tuition-free programs do not necessarily incentivize the enrollment of low-income students because other costs such as books, childcare, and transportation exceed the cost of classes. We also learned that requiring students to enroll full-time in order to be eligible for tuition-free programs excludes individuals who simply must work while attending classes. Many promise programs also exclude those who are not recent high school graduates but wanted to upskill, switch careers, or get their associates degrees later in life.

Community colleges are our only life-long learning institutions. As such, it's important that we now think of access to higher education the way we consider access to K-12 public education. As policy makers, it is our responsibility to examine and RE-examine the tools and resources we consider fundamental to our citizens in order to provide all people a fighting chance to be productive members of our society.

40 years ago, middle-class Americans outnumbered Americans in either the low- or upper-income brackets. Now, those who are either low-income or upper-income outnumber Americans in the middle class. The Brookings Institution found that the income gap between San Francisco's rich and poor is growing faster than in any other city in the nation. No one can deny this growing inequality—we don't need to agonize over the data, we see it on our streets.

We are responsible for at least trying to reverse this trend.

There is no better way of doing this than investing in our citizens, investing in their education, and raising their likelihood of succeeding in our region.

San Francisco has the opportunity—and perhaps, even the responsibility—to play a leadership role in a national dialogue about how we can best invest in our citizens to ensure they succeed. San Francisco is one of the wealthiest cities in the world, which means we can afford to enact dream policies, demonstrate how these policies should work, and measure their outcomes.



San Francisco has a legacy of being bold and progressive. We are one of the first cities to marry gay couples, establish universal health care, and raise the minimum wage of ALL of our workers to \$15/hour. In 2016, San Francisco voters passed our initiative to raise revenue to make City College free. I am proud to have played a leadership role in making San Francisco the ONLY city in the nation to make community college free to all our residents, regardless of income, age, or GPA.

San Francisco has the opportunity—and perhaps, even the responsibility—to play a leadership role in a national dialogue about how we can best invest in our citizens to ensure they succeed. San Francisco is one of the wealthiest cities in the world, which means we can afford to enact dream policies, demonstrate how these policies should work, and measure their outcomes.

And organizers, community leaders and elected representatives around the state and the country have taken note. New York announced tuition-free state college for full time students, and California passed legislation making community college free for the first year. I am excited that Governor Newsom has proposed making community college free for two years. And Delaware, Hawaii, Washington, Rhode Island, Montana, and Nevada have implemented some type of tuition assistance program to make public college more accessible and affordable for their residents as well.

This is the first annual report (of many!) presenting the data and outcomes of Free City's first year of implementation. Thank you to the team of City College of San Francisco faculty, students and administrators; the San Francisco Controllers Office and Department of Children, Youth and Their Families; and Mayor Edwin Lee and London Breed's office for their collaborative work to implement this program and assemble this report.

Finally, I want to recognize and thank AFT 2121 and the San Francisco Labor Council—as well as the broader coalition including the CCSF Solidarity Committee, Community Housing Partnership, and Jobs With Justice—for their leadership, research, advocacy, and partnership with our office to make City College free.

Sincerely,



Jane Kim

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I. EXECUTIVE SUMMARY

In 2017, San Francisco became the first major city in the U.S. to offer its residents a tuition-free college education, regardless of income, age, or academic standing. On top of that, the program went one step further than many free tuition programs by providing additional monetary support to low-income students. In its first year, through City College of San Francisco, Free City served 24,000 San Francisco residents, providing San Franciscans with more affordable access to educational opportunities.



This report provides a summary of findings regarding the implementation of a Free City pilot program. Students who participated in the program were California residents who lived in San Francisco and took classes for college credit during the Fall 2017 and/or Spring 2018 semesters. During this first year of implementation, the College experienced a significant boost in enrollment, the largest increase in enrollment that the institution had seen in over a decade. The College saw growth in both full-time and part-time students across every race/ethnicity, age category, and across every zip code in San Francisco. The broad-based growth also meant that there was no statistically significant demographic shift in any one cohort of the overall student population. For the student population as a whole, there was no meaningful change in the rates of dropped classes or completion. Free City students seem to demonstrate marginally lower success rates, but at a minimal rate that does not in any way reflect concerns voiced by some that students must pay for a college education in order to take it seriously.

Free City is a partnership between the City and County of San Francisco and City College of San Francisco. The funding of the Free City program was contingent upon new City revenue, which came in the form of November 2016's Proposition W, an increase to the real estate transfer tax on any San Francisco properties valued at \$5 million dollars or more. While revenues from Proposition W would go into the City's general fund, the increased revenue made the Free City Program possible.

The budget as projected in the Free City Memorandum of Understanding for the Fall 2017 and Spring 2018 semesters was approximately \$5.4 million, excluding staffing costs. The actual cost of the program was \$7.9 million, leaving the program with a \$2.5 million shortfall. The two primary contributors to this overage were: 1) the number of credit units that served as the basis for the budget projection was underestimated, and 2) a greater number of students were expected to apply and qualify for financial aid. As a result, the program funded a more than anticipated number of the more expensive tuition waivers, and a fewer than anticipated number of the less expensive stipends.

In 2019, Mayor London Breed provided funding to the College for the program shortfall from the pilot years and increased the year-over-year funding for the program for the next ten years, including summer semesters, ensuring the long-term availability of the Free City Program for the residents of San Francisco.

The Oversight Committee has concluded this report with the following recommendations:

- Establish shared goals and expectations prior to program implementation, including success and equity-based metrics;
- Improve access to data and infrastructure to facilitate data reporting;
- Provide accurate program cost estimates;
- Increase staff support for CCSF; and
- Expansion or adjustments to program design should include clear metrics, goals, and accurate cost projections.

II. INTRODUCTION AND PURPOSE

WHO IS CITY COLLEGE OF SAN FRANCISCO?

City College of San Francisco was founded almost 85 years ago in response to growing demand for a public institution that could serve the academic and vocational needs of San Franciscans. What started as a single campus with just over 1,000 students is now 10 instructional locations across the City.

The College offers more than 250 degrees and certificates, with additional programs being added to the curriculum every year in response to the quickly-transforming employment landscape. Through hundreds of credit and noncredit classes, career education programs, and extensive supportive services, the College provides an incredibly important path to four-year degrees and living-wage jobs for some of the City's most vulnerable populations. The College offers one of the largest non-credit community college programs in the state, and is nationally recognized as a Hispanic Serving Institution (HSI). The majority of students are students of color, and many are the first in their families to attend college.

CCSF serves a wide range of communities in the Bay Area through its credit and free noncredit programs, each of which has distinct student profiles. Most credit students are in their 20s, in contrast to noncredit students, whose ages are more evenly distributed, with many aged 40 and above. Even so, CCSF's credit students, like other California community colleges, are more diverse in age than a typical four-year university. Females make up 53 percent of credit students, and 60 percent of noncredit students. Proportionately more Asians and Latinos enroll in noncredit courses, many from immigrant communities participating in the large noncredit English as a Second Language (ESL) program. (City College of San Francisco Research, Planning, and Grants, 2017).

CONTEXT OF FREE COLLEGE AND ACCESS TO EDUCATION

California's Community Colleges were once free under the much-lauded 1960 California Master Plan for Higher Education, which included a state promise that community colleges would be free for "all who can benefit." However, community college tuition "fees" were introduced in 1983, culminating in a jump from \$20 per unit in 2008 to \$46 per unit in the summer of 2012. While more affordable than much of the educational sector, California Community Colleges have documented a correlation between increased fees and lower enrollment—even when financial aid is available (Academic Senate Educational Policies Committee, 2004). A majority of community college students qualify for some form of financial aid, but many do not apply until after they have enrolled in college classes or do not apply at all—a trend noted by much of the national financial aid literature. Thus, the very notion of free college tuition serves to "break down barriers" and provide expanded access to education.

DEVELOPMENT OF THE FREE CITY DESIGN

The Free City Program was conceived at a time when the cost of college was rising, and much of the United States had become increasingly aware of a student debt crisis in the country. As the initial resolution adopted by the San Francisco Supervisors noted, "Nationally the movement to make public higher education free has gained immense momentum, with President Obama unveiling a proposal for free community college in 2015, at least two Democratic Presidential candidates speaking publicly

about making college ‘free for all’ (Bernie Sanders) or ‘debt-free’ (Hillary Clinton), and at least three states having established free community college programs statewide, with other states in progress, and several cities following suit.”

In the run-up to the Free City proposal, constituents researched some of the country’s many free tuition programs (see **Appendix 1**, which details distinctions between some of the 2015 and 2016 free college “promise” programs).¹ The cost of living had to be considered, as many students already receiving financial aid still had unmet financial needs. Some free college programs primarily benefitted middle-income students but did not add support for struggling low-income students receiving aid, and who too often have to resort to student loans. Other programs were difficult to access, or only served students who had already demonstrated academic success (see Miller-Adams, 2015, p. 45 for some of the many concerns raised regarding merit-based programs). Some provided only a small window for students to enroll, such as during the first academic semester after graduating high school², which excluded the many returning students community colleges serve.³

“Free” is a powerful message and was considered in program design: “universal and free” education were stated goals. Free college programs “capture the positive effect that a clear affordability message can have on spurring college attendance amongst student who might not otherwise enroll, or who might qualify for aid but not realize it.” (Mishory, 2017, March, p. 1)

The different national models helped determine the best fit for San Francisco with the intent of building a broad program. Including tuition and—for low-income students, stipends—Free City would make higher education universally accessible to San Franciscans. As some of the early literature for Free City described⁴, the program was designed to:

- Cover enrollment fees for City College students who live in San Francisco
- Offset educational costs like textbooks and transit for low-income students with unmet financial aid needs
- Expand the school-to-college pipeline—not the school-to-prison pipeline
- Reverse alarming trends in student debt while helping to grow back and stabilize CCSF’s enrollment
- Serve a diverse range of students with expanded educational access—from traditional college-age students to their neighbors, mothers, and grand-moms

1 Since this time, much more has been written about how some promise programs do too little to support low-income, first-generation, and students of color. (See Poutre & Voight (2018, September) and Jones & Berger (2018, September)).

2 See Zinshteyn, 2019.

3 Critiques of program structures were sparse at the onset of the Free City pilot program, but interest in promise programs has increased scrutiny of program design and impact on low-income students. According to Mishory & Granville’s comprehensive survey of the nineteen statewide free college programs in place (2019, June), “Of the fifteen active programs enacted since 2014, eleven are both last-dollar and limited to tuition and fees, which will generally require the student to pay for the remaining 70 percent of the full cost of attendance. Four of those newer programs are inaccessible to those who are not recent high school graduates, who tend to be lower-income; and four leave out part-time students, who are more likely to be financially independent. All of those design choices limit the programs’ positive effects.”

4 See for instance Messer & Killikelly, 2016.

LEGISLATION AND FUNDING OF THE FREE CITY PROGRAM

The initial proposal to make City College of San Francisco free for residents was driven by a broad coalition of San Francisco labor, community, and student groups, and was introduced to the San Francisco Board of Supervisors by Supervisor Jane Kim. In July 2016, the Board passed a Resolution reclaiming the promise of free higher education in the City and County of San Francisco by securing funding to eliminate enrollment fees for students who are San Francisco residents or working at least half-time in San Francisco, and by supporting educational costs for enrolled students who are in receipt of federal or state financial aid (**Appendix 2**). While some aspects of the program's vision were later adjusted, such as excluding workers who do not reside in San Francisco, **Appendix 1** referenced previously provides the broader blueprint for what became the Free City Program.

The Resolution indicated that the program would be contingent upon new revenue, which came in the form of Proposition W, an increase to the real estate transfer tax on any San Francisco property sold at over \$5 million. While revenues raised by Proposition W, passed by the voters in November 2016, go into the City's general fund, the increased revenue would make the Free City program possible. With these new revenues assured, supervisors also created the San Francisco City College Enrollment Fee Assistance Fund, and in December 2016 put aside \$9 million to seed the program's foundation for the following year (Green, 2016, Sabatini, 2017).

An agreement on specifics of the program was reached between the Board of Supervisors, Mayor Edwin Lee, and City College of San Francisco in February 2017 with a commitment to a two-year pilot program that would begin in the fall of 2017 (Asimov, 2017). The program would cover tuition fees for all San Francisco residents who qualified for in-state tuition, including AB540 and California Dream Act students. For those students who qualified for tuition waivers under the state financial aid process, the Free City program would provide additional funding for educational expenses at \$250 per semester for full-time students, and \$100 per semester for part-time students taking at least 6 units. More details about stipends can be found in **Section V** of this report.

In November of 2017, the Board of Supervisors ratified a Memorandum of Understanding between the City and County of San Francisco and the San Francisco Community College to lay out the terms of the new Free City policy, which is outlined in Section IV of this report. The full MOU can be found in **Appendix 3**.

GLOSSARY OF TERMS

AB13 – Exempts veterans from paying nonresident tuition

AB19 – A statewide 2018 bill that provides funding to community colleges to support first-time full-time college students

AB540 – Exempts certain students from paying nonresident tuition and allows them to apply for different types of California Dream Act financial aid

California Resident Tuition – \$46/unit

CCSF – City College of San Francisco (also referred to as the San Francisco Community College District)

CCPG Waiver (Formerly Known As BOG) – the California College Promise Grant, state financial aid that covers the cost of community college in-state tuition. Known until recently as the California Community College Board of Governors Fee Waivers or BOG.

The City – City and County of San Francisco

DCYF – Department of Children, Youth, and Their Families - the City department charged with the Free City program, including oversight of the fund and paying invoices submitted by the College

DREAM Act – Legislation that allows undocumented, DACA, or temporary protected status students to apply for state financial aid

FAFSA – Free Application for Federal Student Aid

FCC – Free City College, the program enacted by the City to cover enrollment fees or stipends to residents of San Francisco

FCCW – Free City College Waiver, which refers to the tuition assistance provided by the City to cover enrollment fees

Free City College Grant – This refers to the \$250 per semester stipend for full-time students or the \$100 stipend per semester for part-time students

Full-Time Student – A student enrolled in 12 or more units

MOU – Memorandum of Understanding entered between the City and County of San Francisco and the San Francisco Community College District

Non-Resident Tuition – For out of state and international students, the 2017 – 2018 academic year cost is \$257/unit.

Part-Time Student – For Free City, defined as a student enrolled in 6-11 units. This cohort includes 3/4-Time students (defined as a student enrolled in 9-11.5 units) and Half-Time students (defined as a student enrolled in 6-8.5 units).

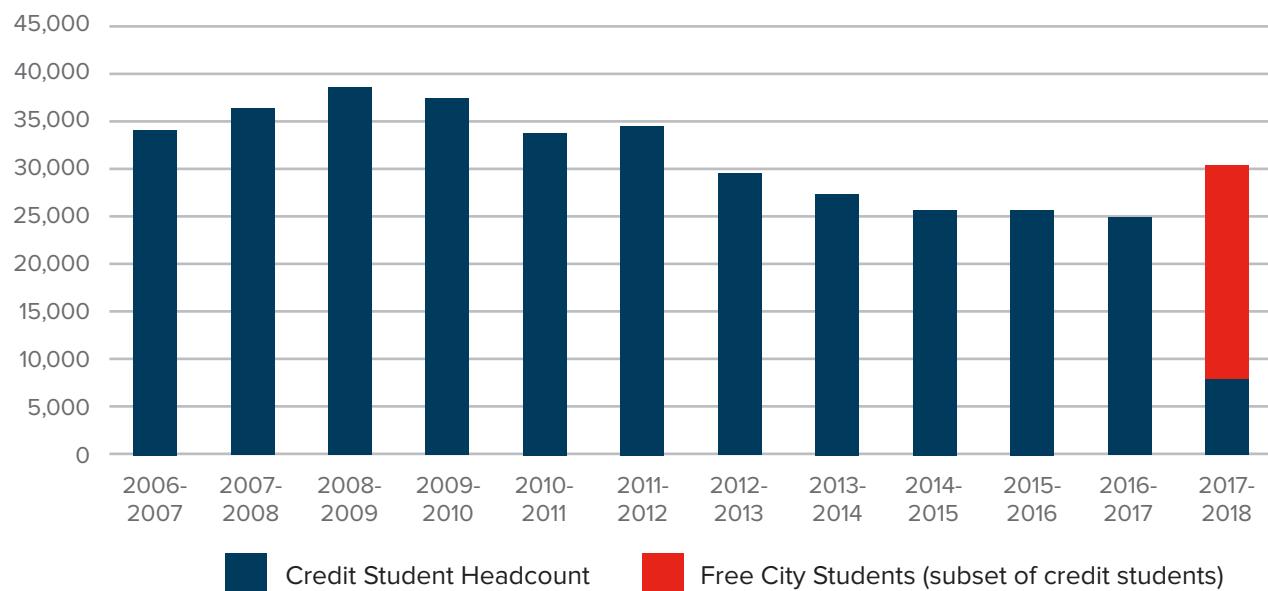
Promise Program – Generally, a higher education scholarship program designed to cover tuition and sometimes educational expenses for students in a geographical area.

III. IMPACT TO THE CITY AND STUDENTS

A. ENROLLMENT OUTCOMES

The Free City program creates an opportunity for many San Francisco residents to attend college, many who otherwise would not have been able to afford higher education. CCSF experienced its first meaningful enrollment increase in over a decade between Academic Year 2016-17 and the first year of Free City implementation in 2017-18. During this period, enrollment of credit students residing in San Francisco grew from 24,833 students to 30,431 students, marking a 22.3% increase. **More students enrolled at City College because of the Free City program, which served 24,030 students during the fall and spring semesters of 2017-18.⁵**

**CHART 1:
ANNUAL CREDIT STUDENT UNDuplicated HEADCOUNT OF SAN FRANCISCO RESIDENTS**



Source: City College of San Francisco—Institutional Research

B. ENROLLMENT DEMOGRAPHICS – RACE / ETHNICITY, AGE, ZIP CODE

Between the 2016-2017 and 2017-2018 academic years, the College saw growth across every race/ethnicity category, age category, and even across every zip code. The broad-based growth also meant that there was no statistically significant demographic shift in the overall student population.

5. See **Appendix 4** for more information about how students are counted.

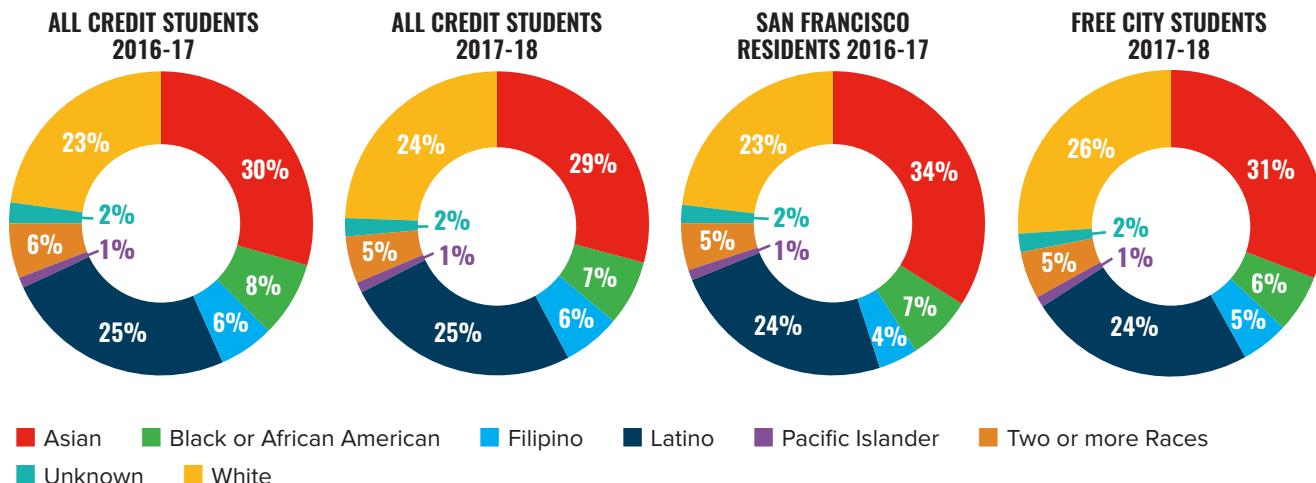
The broad-based growth and demographic outcomes hold true when looking specifically at the Free City student population. When using the San Francisco credit student population from prior years as a point of comparison, we see broad-based growth across all demographic categories with little change to proportional representation. Like the prior year San Francisco credit student population, the Free City population is mostly Asian, White, and Latino. When compared to non-Free City students, the population tends to include more non-traditionally aged college students with more educational attainment. Geographically, enrollment grew across all neighborhoods in San Francisco.

RACE / ETHNICITY BREAKDOWN FOR FCC STUDENTS

City College saw growth across all race/ethnicity categories for all credit students between Academic Years 2016-17 and 2017-18, the highest growth rates coming from Pacific Islander, White, and Filipino students. Given the broad-based growth, the proportions across race/ethnicity categories did not shift significantly. Asians remain the largest proportion of students at the college with 29.4% of the student population, followed by Latino and White students who make up 25.0% and 24.4% respectively.

In **CHART 2**, San Francisco credit students from Academic Year 2016-17 were used as a point of comparison to the Free City population to analyze any possible impact the program may have had on the race/ethnicity breakdown. The Free City race/ethnicity breakdown looks similar to the prior year San Francisco credit student population. Asian students are the largest proportion of students taking up the Free City program with 30.9% of the Free City population, followed by White and Latino students who make up 26.0% and 24.2% respectively.

CHART 2: RACE / ETHNICITY BREAKDOWN FOR FCC STUDENTS

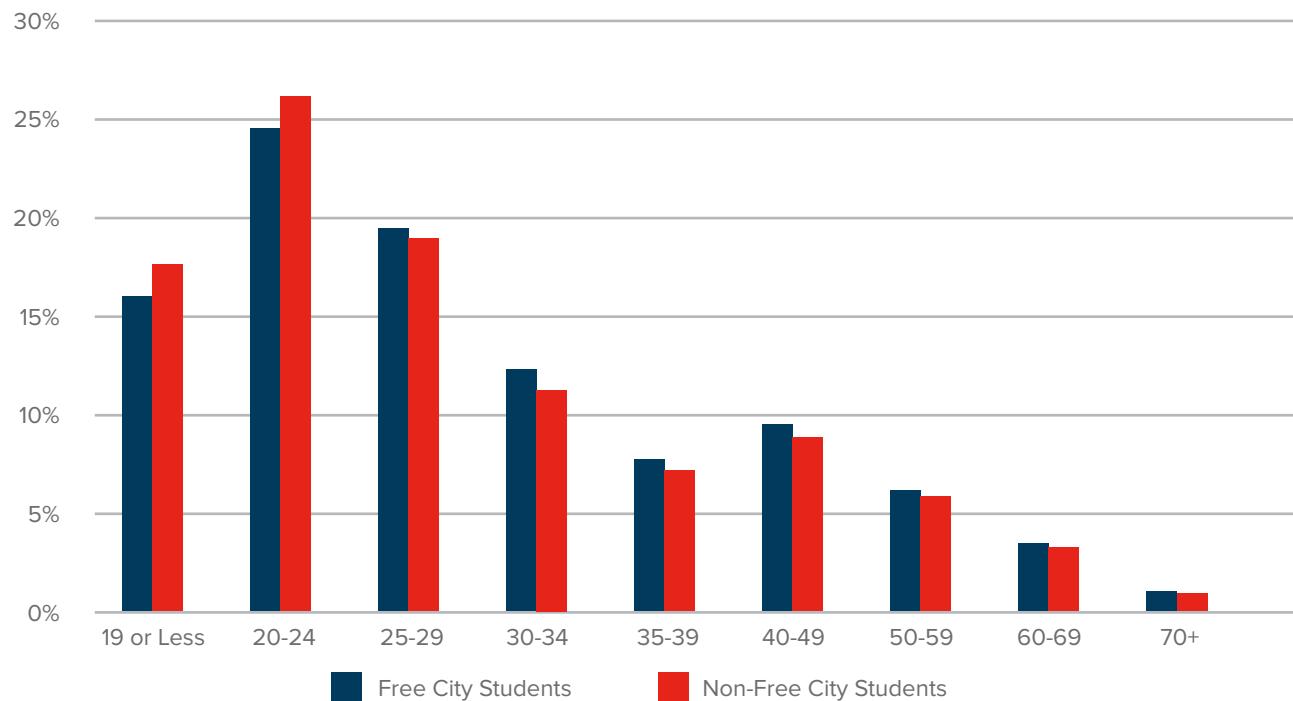


Source: City College of San Francisco—Institutional Research

BREAKDOWN OF STUDENTS BY AGE

The age distribution for Free City students is similar to the distribution of non-Free City students. Students ages 20-24 make up the largest proportion of Free City students with 24.5%. Students 25 and older make up a higher proportion of the Free City student population than the non-Free City student population. The growth rate of students aged 30 and over increased significantly more than the population of students below 30. In effect, this makes Free City students on average older than the rest of the City College student population. According to the College's Institutional Research department, there is also a larger proportion of degree-holding students, reflecting a higher number of students returning to school for retraining and lifelong learning. Research on the long-term demographic reach of Free City as well as those of the City as a whole is warranted, and may provide valuable information about which San Franciscans need more information about how to access Free City.

CHART 3:
AGE DISTRIBUTION OF CITY COLLEGE STUDENTS, PRE- VS. POST-FREE CITY



Source: City College of San Francisco-Institutional Research

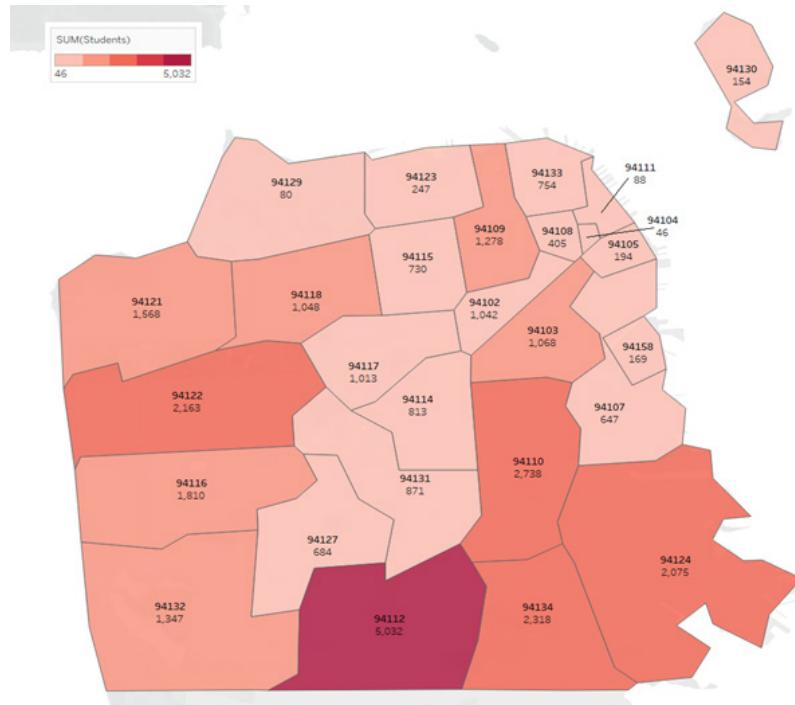
Student credit enrollment for San Francisco residents saw growth across all age categories. While growth was broad-based, age categories over 30 years old saw higher growth rates, averaging 24.4% growth compared to students under 30 who averaged 9.8% growth.

GEOGRAPHIC DISTRIBUTION OF STUDENTS BY DISTRICT, ACADEMIC YEAR 2017-2018

Increases in enrollment were experienced across all SF neighborhoods with the distribution of enrollment by neighborhood remaining fairly consistent. There are 5,032 credit students from the Ingleside-Excelsior/Crocker-Amazon neighborhoods, making it the area with the largest proportion of San Francisco credit students at 16.6% of the population. As **IMAGE 4** shows, the student population tends to be concentrated in the southern part of the City (where the main Ocean campus is located), as well as in the Sunset.

While growth was seen across the City, some neighborhoods saw larger growth rates. The newly-developed Mission Bay neighborhood, while a small portion of the student population, saw the highest growth with a 44.4% increase. Haight-Ashbury/Cole Valley, Embarcadero South, Castro/Noe Valley, South of Market, and Potrero Hill all saw growth rates above 30%.

IMAGE 4: GEOGRAPHIC DISTRIBUTION OF STUDENTS BY DISTRICT, ACADEMIC YEAR 2017-2018



See **Appendix 5** for a complete table of neighborhoods, zip codes, and student counts.

IV. ADMINISTRATION OF FREE CITY COLLEGE

A. MOU SUMMARY

On November 14, 2017, the San Francisco Board of Supervisors ratified a Memorandum of Understanding (MOU) between the City and County of San Francisco (represented by the Department of Children, Youth, and Their Families) and the San Francisco Community College District (City College of San Francisco). This program was to use City funds to provide San Francisco residents with free access to college through the form of waived enrollment fees or stipends for additional educational expenses.

THE KEY COMPONENTS OF THE PILOT AGREEMENT WERE AS FOLLOWS:

Term Length: July 1, 2017 - June 30, 2019 (2 years)

Funding: The maximum amount allocated by the city for spending on the pilot program is \$11,233,904 for two academic years, which includes the allocation of \$500,000 to cover the costs of the college's program administration. Funding excludes Summer sessions.⁶

Benefits: A summary of benefits through the program are as follows:

- Free City covers tuition fees for SF residents who qualify for in-state tuition (\$46/unit for credit courses), regardless of age, previous educational experience or attainment, course load, or course of study.
- For students whose tuition fees are covered by state or federal financial aid, supplemental Free City-funded aid is offered for educational expenses: for full-time students (12 or more units), a \$250 per semester stipend, and for students taking 6-12 units, a \$100 stipend per semester.
- Students who drop classes after the refund deadline (a couple of weeks into the semester) are expected to repay the cost of tuition but are otherwise eligible to access the program again in future semesters.

Student Application Process: Students are determined to be eligible for Free City (tuition waivers or stipends) during the application process based on their reported address.

Payment from the City: City College was required to submit quarterly invoices to DCYF, which made disbursements to City College within 30 days.

Oversight Committee: An oversight committee was established via legislation to meet at least once every three months and prepare annual reports on program implementation. The committee consists of 11 appointed members, which are made by the following bodies: three by the CCSF Board of Trustees, two faculty by the City College Academic Senate, one student by the Associated Students Executive Council, two by the Board of Supervisors, one by the San Francisco Unified School District Board of Education, one by the Mayor, and one by the Controller's office.

⁶ In 2018, an additional allocation of \$1.2 million was made to include Summer Session 2019 for a total amount of \$12.4 million.

B. ADMINISTRATION

STUDENT APPLICATION PROCESS

Students who apply for Free City College first register online to attend City College, and then complete the Free City College affidavit (see **Appendix 6**). Based on their responses, the next screen provides information as to whether or not the student has been deemed eligible for Free City tuition waivers or stipends. Students are not required to determine whether or not they are eligible for other forms of financial assistance, but the College agreed to make a good faith effort to get students to apply for state and federal financial aid.

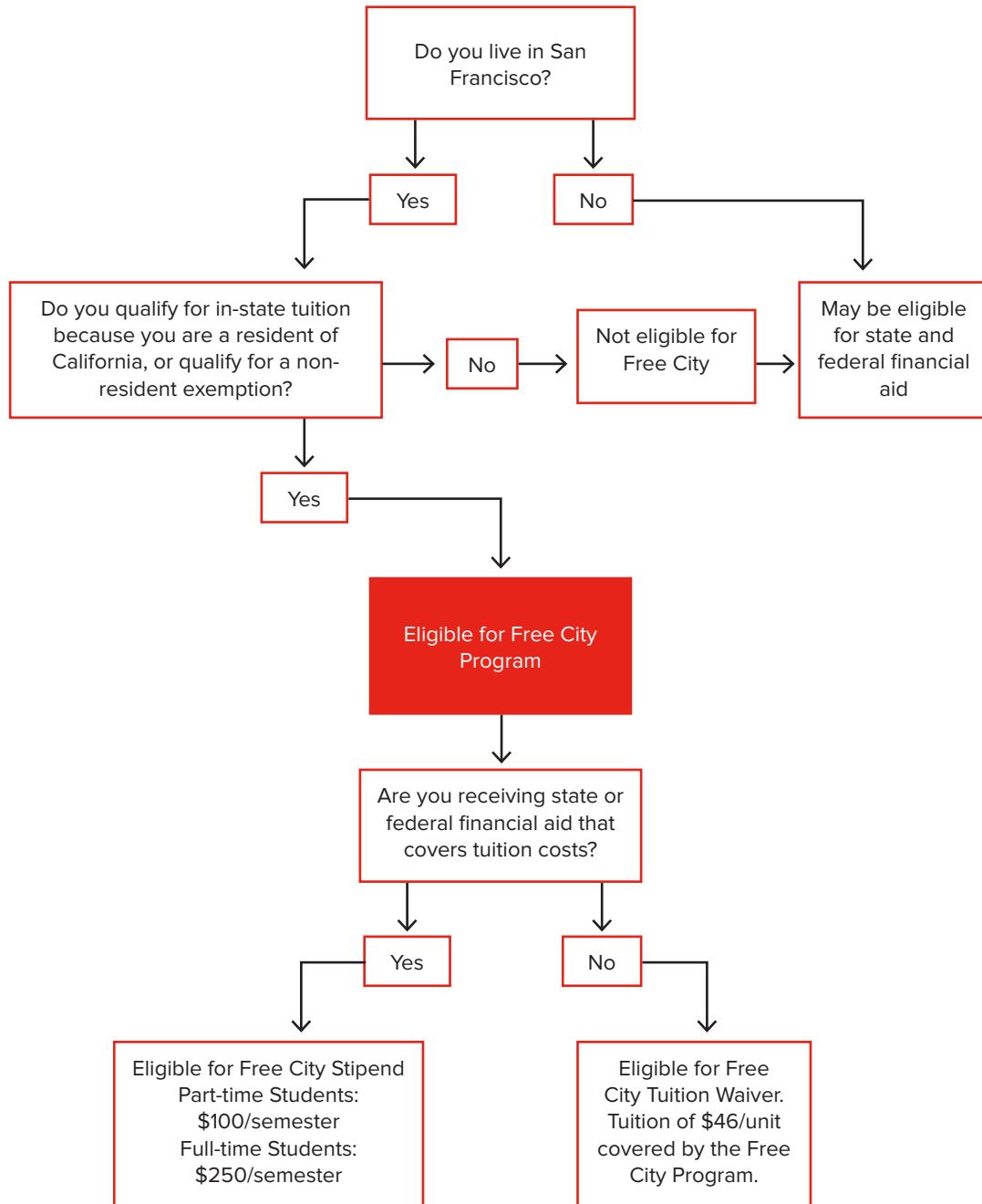
In the next step, students sign up for classes and are sent to a payment screen. If a student is eligible for tuition waivers, there will be no enrollment balance due on the payment screen. If the student is already in the City College database as a financial aid recipient for programs such as FAFSA or the DREAM Act, or receives a CCPG waiver, the screen lets the student know they are eligible for a stipend. The stipend amount is based on the student's unit load. Those students who are ineligible for Free City and financial aid are charged tuition fees.

If a student qualifies for financial aid after enrollment fees have been covered through Free City, the Bursar's Office adjusts the student's account to ensure that the state of California covers the enrollment fees rather than the City.

FREE CITY PROGRAM AND FINANCIAL AID PROGRAM ELIGIBILITY

The following chart demonstrates how City College of San Francisco determines whether or not a student is eligible for tuition fee waivers or stipends.

IMAGE 5:
FREE CITY PROGRAM AND FINANCIAL AID PROGRAM ELIGIBILITY



**California law provides in-state college tuition through non-resident exemptions for undocumented students meeting certain qualifications (AB540, AB2000) or for students who are non-resident veterans (AB 13).

C. OUTREACH

ACCESS. OPPORTUNITY.

The college made the Free City launch the center of significant advertising during the first year of implementation. Free City funds were not used for this marketing, which was paid for by CCSF. The key themes of the campaign were an extension of those underlying the program itself: access and opportunity. Extensive quantitative and qualitative research built the strategic foundation for the multi-channel outreach campaign that was implemented for the Fall 2017 semester, which focused on free tuition, and the Spring 2018 campaign, which focused on the quality of education.

This multi-channel campaign featured digital and transit advertising, extensive community outreach, and a coordinated media strategy to effectively reach the majority of the San Francisco population.

ADVERTISING

The students featured in the Fall 2017 advertising campaign were current Free City College students, and represented the range of ages and ethnicities represented in the College's enrolled student population. The majority of students at CCSF are students of color, and—while some students enroll at City College shortly after completing high school—many older students return to school to complete their educations or build skills much later in life. It was important for prospective students to see themselves in these ads so that they could see themselves pursuing and completing their own free education. Please see **Appendix 7** for examples of these advertisements.

Because the majority of current and potential students rely on public transportation, there was a targeted San Francisco Metro Transit Authority campaign, on-bus ads, and bus shelter ads. Due to the fact that students are unlikely to be reached via broadcast or print media, the College implemented a digital campaign that emphasized social media and website advertising, search engine optimization (SEO), and search engine marketing (SEM), all of which drove potential students to a new landing page that provided more streamlined registration. However, to ensure that older adults were reached as well, there were also resources reserved for print advertisements in local neighborhood publications, handing out postcards, and placing posters in shop windows throughout the City.

Free City funds were not used for the outreach campaign.

GRASSROOTS OUTREACH

Another extremely important component of the campaign included grassroots outreach. This included forming and strengthening partnerships with organizations such as the San Francisco Unified School District (SFUSD), the Community Housing Partnership, the Salvation Army, Boys and Girls Clubs, the San Francisco Labor Council and affiliated unions, religious communities, neighborhood business and residential organizations, and community groups to spread information about Free City. The College

also maintained a presence at major San Francisco events throughout the year, such as Sunday Streets, PRIDE, and rallies.

PUBLIC RELATIONS

The College launched a comprehensive earned media campaign to secure coverage in local, national and international news publications. Because San Francisco's Free City program was one of the first of its kind across the nation, it received a significant amount of media attention (articles can be found in **Appendix 11**).

V. FIRST YEAR OUTCOMES

A. SELECTED STUDENT RESPONSES

The City College Oversight Committee sent a survey to students soliciting feedback about how the Free City program impacted their lives. 773 students provided responses, a selection of which are included below. Please note that to protect student confidentiality, names have been removed. Each student quoted, however, indicated consent to use their words anonymously. For more details about this survey, please see **Appendix 10**.

Q: HOW HAS FREE CITY CHANGED YOUR OUTLOOK ON EDUCATION?

“I am proud to be living in a city that actually believe in education and puts money in that value.”

“That even I at 50 can get a degree and finally have a career instead of a series of jobs.”

“[Free City has] given me hope that I can succeed and there are others who believe in me.”

“Education had never been a fundamental value in my household growing up. My parents never graduated high school and none of my siblings made it to college. I am the youngest of twelve. I had enrolled in community college a few years after high school after having difficulty affording basic necessities as a young adult. I struggled with the financial burden and lived in my pick-up truck for several months before dropping out so I could work more hours in the week. Last spring, as a 28 year old adult, I discovered Free City and enrolled again. My first class, a basic math class, I excelled, completing the entire course in two months with top grades. This fall is no different. I receive positive feedback weekly from my instructor for my work. My positive outlook on education has been completely renewed, and I credit the transformation to the Free City program. I am so grateful for the opportunity to succeed. I’m on the road to be the first of my family to graduate, and I would not be where I am without City College of San Francisco.”

“I always wanted to finish school, but as a mother of two teenagers my goals became my daughters. I am a low income mother working two jobs to survive in San Francisco. However, free city had helped to go back to my goal since I only have to pay a minimum amount for my classes. I am so happy that now I am pursuing my career along with my daughters. Thanks to Free City! Everything is possible in this life with effort, passion, hard work and tenacity.”



It shows me that seconds chances really do exist and that higher education truly does open doors for my future potential.

Q: DID THE FREE CITY PROGRAM INFLUENCE YOUR DECISION TO ATTEND CCSF IN ANY WAY?

“

I would not have attended were it not for Free City. This program has literally changed my life!”

“I had no intention to return to college. College was not discussed in my childhood whatsoever. It was so mysterious in my home that I had thought my peers were strange for discussing their college plans in high school. Throughout my young adult life, I gave it very little thought but considered college to be a financial burden I couldn’t afford to bare. City College of San Francisco renewed my take and inspired a curiosity for learning that I had never experienced before. I feel completely unstoppable!”

Q: TELL US A LITTLE ABOUT WHO YOU ARE AND WHY YOU’VE CHOSEN CITY COLLEGE:

“High rent is the reason many people are leaving San Francisco and it is heartbreaking. Nobody lives in luxury in the city and education is supposed to be affordable. As someone who does not have a job, I have been without a job for a couple of months now, Free City has made me realize how important my education is. **Free City, is the education that people have been looking for. Everything you need help on is right here. I just want to thank City College of San Francisco for making me love education all over again after 8 years of graduating High School. Free City, is just a step towards my future career** and I sure as heck, will continue to recommend this college for years to come and be able to express the gratitude that all the staff has on the students. Sure we burst many teacher’s bubble, but thanks to those teacher that didn’t give up on the students. I am so proud to be part of CCSF and hope in the future will come back in search for a new dream. Thank You.”

“I am 26 years old, an educator in the city for 3 years and an educator from the Valley (Bakersfield, California) for 5 years before that. **I work with students who are labeled as “emotionally disturbed” primarily young people of color within the public school system. I got into that work out of high school and was very passionate. The things I have learned as a young educator are frightening. And now as I am getting older I realize how pertinent it is for me as a Latina to finish. I am tired, but I am focused.** I know there is much to be done and to be learned and to teach in community aspects so that everyone is growing and learning together. Forward. Coming from Bakersfield I know how lucky I am to be here and I hope to give back to my community here and my community back home as well.”

“

I dropped out of college (twice) due to financial restraints. Before Free a City I didn’t see any path for me to repursue my education.”

Q: IF YOU HAVE A STORY TO TELL, A QUESTION TO ASK, OR INFORMATION TO SHARE, PLEASE TAKE AS MUCH SPACE AS YOU NEED BELOW.

“

I work full-time, and Free City allows me to continue my education. While I have 20-hour days that include a full shift at work before evening classes, I push through to achieve my goals.”

“Free City not only helps people that who a degree for transfer. In my case as an immigrant, it has helped me better understand the country, the language, and the people. CCSF has been the place where I have made friends, got over the culture shock, and gained abilities to join a workforce that I didn’t understand previously.”

“Just want to say that I have met so many students at City College over the last year who have stories like mine. It is amazing how much of a difference it can make for someone to just take away one more barrier (tuition) to them pursuing their dreams. I am so proud to be a resident of a city, and student at a school that is setting a precedent for schools around the country and making such a huge difference in people’s life’s. Up with Free City!! Thank you!!!”

B. ENROLLMENT OUTCOMES

The Free City program is comprised of two main components. The first component is the tuition fee waiver, which covers all California residents who live in San Francisco. The second component is the stipend amount, which is only applicable to students who already have their tuition covered through the California College Promise Grant (formerly called the BOG waiver). The stipend amount is determined by a student’s full-time or part-time status.

The Free City program accounted for 17,879 students enrolled in Fall 2017, and 17,316 students enrolled in Spring 2018. Around 74% of these of these students received the fee waiver, while the remainder received stipends. Historically, City College enrollment dips a small amount in Spring compared to Fall.

NOTE: All charts in Section B are for San Francisco residents only.

TABLE 6:
FREE CITY ENROLLMENT SUMMARY

	Number of Free City Students Fall 2017	Percentage of Free City Students Fall 2017	Number of Free City Students Spring 2018	Percentage of Free City Students Spring 2018
Free City Fee Waiver	13,370	74.8%	12,631	72.9%
Full-Time Stipend	2,539	14.2%	2,402	13.9%
Part-Time Stipend	1,970	11.0%	2,283	13.2%
Total Free City Students	17,879	100%	17,316	100%

Source: City College of San Francisco-Financial Aid

FULL-TIME AND PART-TIME ENROLLMENT // UNIT LOAD

Since the implementation of Free City, enrollment for both full-time and part-time students grew. However, the growth in part-time students outpaced the growth in full-time students. Students taking five or fewer credits saw year over year growth of 45.2% and 35.5% in Fall 2017 and Spring 2018 respectively, while students taking a full-time course-load grew by 4.3% and 12.4% during the same period.

Anecdotally, some students, particularly those past traditional college age, may be “testing the waters” to see if they are ready to succeed in college.⁷ Further study on the enrollment behaviors and persistence of newly enrolled part-time students is warranted, especially in light of efforts to support students moving toward full-time enrollment, and because part-time students are not eligible for a majority of promise programs.

⁷ One such student is Matt Trudell, who recently explained to program administrators that Free City was “the catalyst” for his return to college in his 30s. “School didn’t work out the first time, maybe it could work out the second time,” Trudell said. He had lacked confidence in his academic and coping skills, but one successful course turned into a commitment, and he is now making plans to attend full-time.

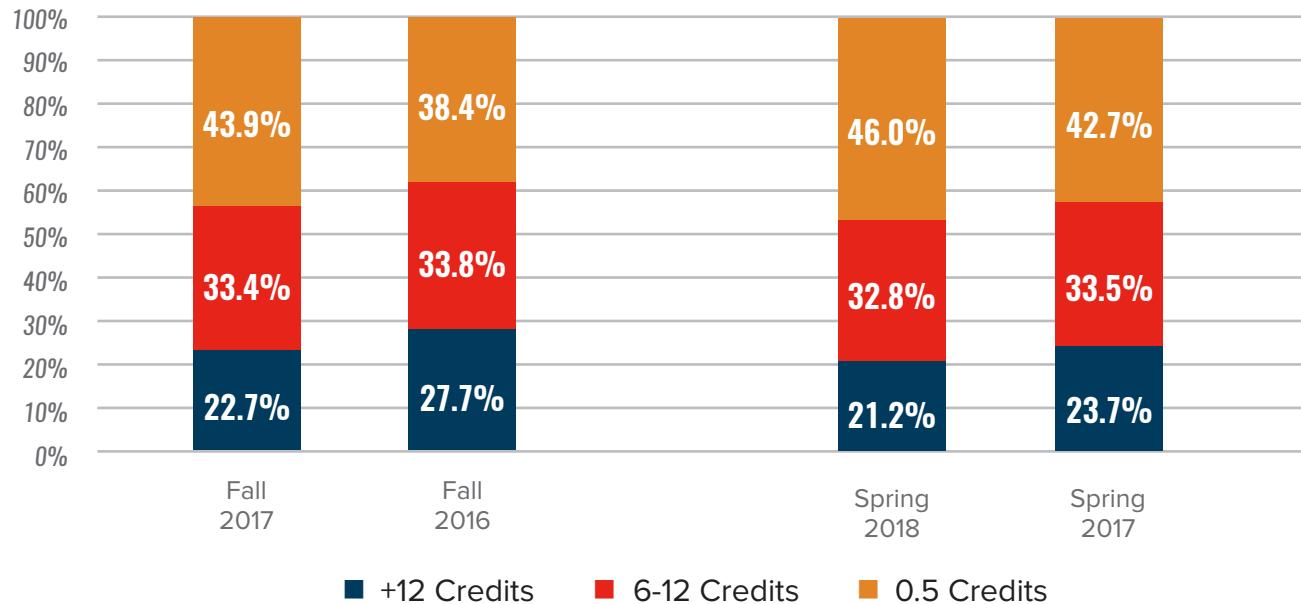
TABLE 7:
YEAR-OVER-YEAR ENROLLMENT GROWTH BY NUMBER OF CREDITS

	12+ Credits	6-11.5 Credits	Fewer than 6 Credits
Fall 2017 over Fall 2016	4.3%	25.7%	45.2%
Spring 2018 over Spring 2017	12.4%	23.1%	35.5%

Source: City College of San Francisco—Financial Aid

The higher growth in part-time students has shifted the proportion of full-time students being served by the college. The proportion of full-time students fell from 27.7% to 22.7% during the Fall semester, while the Spring semester saw a smaller shift from 23.7% to 21.2%.

CHART 8:
**COMPARISON OF PART-TIME VS. FULL-TIME STUDENT POPULATIONS,
POST- AND PRE- FREE CITY**



C. PERSISTENCE / DROP RATE

Data from the first year of Free City implementation counters the concern raised in some quarters that students will not take their courses seriously if they do not have to pay for them.⁸ When compared to prior year completion and withdrawal rates, there were no significant changes to the college withdrawal rate in 2017-18. When looking at Free City students specifically, we see that they are only slightly less likely to complete a course than non-Free City students, with a larger distinction in the first semester of the program. Students enrolled in more full-time coursework were most likely to complete coursework. These numbers are worthy of further study, as are the success and persistence numbers overall, in determining the impact that an extensive free tuition program may have not just on eligible students, but student success overall.

COMPLETION RATE FOR ENTIRE CCSF STUDENT POPULATION, FALL 2016 – SPRING 2018

The completion rate for Fall 2017 and Spring 2018 were 87.6% and 88.8% respectively. In both semesters, these completion rates are marginally higher than the prior year.

TABLE 9:
COMPLETION RATE FOR ENTIRE CCSF STUDENT POPULATION, FALL 2016 – SPRING 2018

Academic Term	Completion	Withdrawal
Fall 2016 (pre-FCC)	87.3%	12.7%
Spring 2017 (pre-FCC)	88.1%	11.9%
Fall 2017	87.6%	12.4%
Spring 2018	88.8%	11.2%

Source: City College of San Francisco-Institutional Research

⁸ The Board of Governors of the California Community Colleges addressed this argument as early as 1982, before tuition was first implemented in the system, noting that “Analytical studies have shown fees would reduce enrollments, but primarily of lower-wealth students, not necessarily ‘non-serious’ students.” (“Should Community College Students Pay Tuition?” 1982, quoted in Academic Senate Educational Policies Committee, 2004, p. 27).

WITHDRAWAL RATES BY ENROLLED UNITS DURING 2016-17 AND 2017-18

Broken out by units enrolled, the data shows marginal declines in withdrawal rates during the Free City College program when compared to the prior year. Full-time students (12 or more units) remained the least likely group to withdraw from their courses.

TABLE 10:
WITHDRAWAL RATES BY ENROLLED UNITS DURING THE 2016-17 AND 2017-18 ACADEMIC YEARS

Course Load Fall and Spring	Withdrawal rate by units enrolled			
	less than 6	6 to 9	9 to 12	12 or more
2016-17 (pre-FCC)	14.4%	16.1%	15.1%	9.3%
2017-18	13.4%	14.9%	14.3%	9.1%

Source: City College of San Francisco-Institutional Research

COMPLETION RATE FOR FREE CITY AND NON-FREE CITY STUDENTS, 2017-2018

Though overall drop rates were down (see **TABLE 11**, above), students receiving Free City were slightly more likely to drop a course. While increased enrollment from Free City has not led to an identifiable trend in “non-serious” students, current policy in the MOU seeks to recoup funds from Free City students who drop after the state deadline, which may have impacts on some low-income students. Research on the fiscal and success impacts of the drop policy on Free City students and on program budget is warranted. (Please see the *Invoices in Appendices 8 and 9* for the amount of funds that were recouped for dropped classes.)

TABLE 11:
COMPLETION RATE FOR FREE CITY AND NON-FREE CITY STUDENTS, 2017-2018

Academic Term	Free City		No FCC	
	Completion	Withdrawal	Completion	Withdrawal
Fall 2017	86.0%	14.0%	88.7%	11.3%
Spring 2018	87.7%	12.3%	89.5%	10.5%

Source: City College of San Francisco-Institutional Research

D. FINANCIAL OUTCOMES/SHORTFALL ANALYSIS

The budget as projected in the MOU for the Free City College pilot program for the Fall and Spring semesters of 2017-18 was approximately \$5.4 million when excluding staffing costs. The actual cost of the program was \$7.9 million, leaving the College with a \$2.5 million shortfall in year one of the program. (See **Appendices 8 and 9**)

The shortfall in the first year was primarily due to incorrect data that served as the base numbers to calculate the cost estimate (specifically, the numbers provided by the college were the credits taken by tuition waiver eligible students and the number of students that would be eligible for a stipend). These base numbers led to higher than expected costs for tuition waivers (-\$4.2 million), offset by lower than expected costs for stipends (\$1.6 million), resulting in the \$2.5 million shortfall.

SHORTFALL SUMMARY

The budget was developed by the College and the City based on credit and enrollment estimates for the Free City program set by the College. These estimates were based on two major assumptions:

- 1) credits taken would grow by 20% in the first year of Free City implementation, and simultaneously
- 2) students enrolled with a CCPG would grow by 20%. The CCPG was part of the budgeting assumptions because for eligible California students, it is the only stand-alone enrollment fee waiver (in contrast, other forms of financial aid such as the Pell Grant may be used towards enrollment fees and education-related costs). As a result, the City assumed that a larger proportion of students at the College would qualify for the CCPG and thus have their tuition covered by the State rather than through the Free City program. This is because recipients of the CCPG instead receive a stipend from the Free City program, a smaller amount than the cost of tuition fees.

TABLE 12:
SHORTFALL SUMMARY

	Free City Waiver	Full-Time stipend	Part-Time stipend	Total Cost (excl Staffing)
Projected in MOU	\$2,092,632	\$1,578,000	\$1,696,320	\$5,366,952
Actual	\$6,281,622	\$1,211,875	\$415,500	\$7,908,997
Difference	-\$4,188,990	\$366,125	\$1,280,820	-\$2,542,045

Source: City College of San Francisco-Financial Aid

INCORRECT BASE NUMBERS FOR COST ANALYSES

In calculating the tuition waiver costs, the budget was set with the understanding that the number of credits taken in Fall and Spring of 2016-17 by non-CCPG San Francisco residents was 37,910. However, the actual number of credits taken was 106,993.5, which is over 2.8 times larger than the number used to set the budget. Because a smaller base number was used, the cost of the tuition was underestimated, leading to a shortfall.

In calculating stipend costs, the budget was set with the understanding that there were 2,630 full-time (12 or more credits) CCPG students in San Francisco and 7,068 part-time (6 or more credits and less than 12 credits) CCPG students in San Francisco during the Fall and Spring semesters of 2016-17. However, this data was incorrect for two reasons: 1) it included students outside of San Francisco, and 2) it included students receiving fewer than 6 credits. These errors contributed to an overestimation of the stipend costs, leading to a surplus.

PROJECTED VS. ACTUAL FREE CITY WAIVER COSTS

The Free City Waiver covers the \$46 per credit fee. Students receiving CCPG would already have their tuition fees covered, so the budget for the tuition waiver was calculated to exclude CCPG credits. The MOU stated that the number of credits taken by non-CCPG San Francisco residents was 37,910 in Fall and Spring of 2016-17. This became the basis for the Free City waiver cost with an additional 20% growth for a total of 45,492 credits. At \$46 per credit, the estimated cost of the tuition waiver would be \$2.1 million.

The actual cost of the tuition waiver was \$6.3 million (\$4.2 million more than the estimated cost). This variance can be traced back to a data error in the base number used to calculate the tuition waiver costs—the number of credits taken by non-CCPG San Francisco residents in Fall and Spring of 2016-17. The actual number of Free City Waiver credits in Fall and Spring of 2016-17 was 106,993.5, which is 69,084 credits greater than stated in the MOU. In addition, growth in waiver credits was 27.6% rather than 20%, which further contributed to the underestimate. Correcting for the data error and growth estimate, the actual number of Free City Waiver students in Fall and Spring 2017-18 was 136,557.

TABLE 13:
PROJECTED VS. ACTUAL FREE CITY WAIVER COSTS

	MOU	Actual
Fall and Spring 2016-17 Credits (SF Residents, non-CCPG)	37,910	106,993.5
Fall and Spring 2017-18 Credits (SF Residents, non-CCPG)	45,492	136,557
Growth	20.0%	27.6%
Free City Tuition Waiver Cost	\$2,092,632	\$6,281,622

Source: City College of San Francisco-Financial Aid

The source of the initial 37,910 credit number is unclear, and City College was unable to replicate this number. Had the correct base number been used, under the 20% growth assumption, the tuition waiver would have experienced a \$375,581 shortfall. The underestimate on the growth assumption accounts for 9% of the shortfall, while the remaining 91% of the shortfall is due to data error.

**TABLE 14:
TOTAL SHORTFALL ANALYSIS**

Shortfall due to Data Error	\$3,813,409	91.0%
Shortfall due to Growth Assumption	\$375,581	9.0%
Total Shortfall	\$4,188,990	100%

ACTUAL VS. PROJECTED FREE CITY STIPEND COSTS

Stipends for educational expenses are available to Free City participants who already have their tuition covered by the CCPG. Full-time students, defined as students who take 12 or more units, are eligible for a \$250 stipend each semester. Part-time students, defined as those who are enrolled in at least 6 but fewer than 12 units, are eligible for a \$100 stipend each semester.

The MOU estimated that the total duplicated headcount for Fall and Spring of 2016-17 would be 5,260 full-time and 14,136 part-time students.⁹ This became the basis for the Free City stipend costs. These headcounts were expected to grow by 20% for Fall and Spring of 2017-18, bringing the counts to 6,312 full-time and 16,963 part-time. Full-time student stipends were expected to equal \$1.6 million and part-time student stipends \$1.7 million.

The actual cost of stipends was \$1.2 million for full-time students (\$0.4 million less than estimated) and \$415,500 for part-times students (\$1.3 million less than estimated). This variance can be traced to an error in the headcount of San Francisco residents receiving CCPG during Fall and Spring of 2016-17. The actual headcount was 4,421 full-time (839 below MOU) and 5,200 part-time (8,936 below MOU). City College was able to replicate this number and determined that the reason for the higher MOU numbers is because it included non-San Francisco residents receiving CCPG as well as students taking fewer than 6 units.

In addition, the growth rates were lower than assumed, which further contributed to the underestimate. For those receiving CCPG, full-time students saw 11.8% growth while part-time students

⁹ The MOU stated that there was a headcount of 2,630 full-time and 7,068 part-time students living in San Francisco and receiving CCPG in each semester of Fall 2016 and Spring 2017.

saw a decline of -18.2% rather than the 20% projected growth. Correcting for the base error and growth rate assumption, the actual total headcount for Fall and Spring of 2017-18 was 4,941 full-time and 4,253 part-time.

TABLE 15:
ACTUAL VS. PROJECTED FREE CITY STIPEND COSTS

	MOU		Actuals	
	Full-Time	Part-Time	Full-Time	Part-Time
Headcount Fall and Spring 2016-17 (SF Resident, CCPG)	5,260	14,136	4,421	5,200
Headcount Fall and Spring 2017-18 (SF Resident, CCPG)	6,312	16,963	4,941	4,253
Growth	20.0%	20.0%	11.8%	-18.2%
Stipend Cost	\$1,578,000	\$1,696,320	\$1,235,250	\$425,300
Enrollment Change Adjustments*	\$0.00	\$0.00	-\$23,375	-\$9,800
Total Stipend Cost	\$1,578,000	\$1,696,320	\$1,211,875	\$415,500

Source: City College of San Francisco—Financial Aid

** Enrollment Change Adjustments refers to changes in stipend levels due to students changing course load during the semester. To ensure that students are receiving the appropriate stipend related to their course loads, disbursements are made two times per semester. The first payment, which is half of the total disbursement amount, is made four weeks into the semester. Before the second disbursement, the College assesses each student's enrollment, and pays or withholds the second payment according to enrollment. A payment is withheld if a student drops from a full-time to a part-time course load, or from a part-time course load to a less than part-time course load. Disbursements are made at alternate times to students who enrolled in late start classes. At the end of each semester, the College assesses payments made to students to determine whether or not grants need to be repaid.*

The mistaken inclusion of non-SF residents in the stipend cost estimate accounts for 58.2% of the surplus in stipend costs, while the inclusion of students taking fewer than 6 credits accounts for over 22.2%. These two data errors combined account for over 80% of the variance from budget for the stipend. The growth assumption accounts for 17.6% of the surplus while enrollment changes account for only 2%.

TABLE 16:
SURPLUS STIPEND COSTS

Inclusion of Non-SF Residents	\$959,100	58.2%
Inclusion of Students Taking <6 Credits	\$364,920	22.2%
Growth Assumption	\$289,750	17.6%
Enrollment Change Adjustments	\$33,175	2.0%
Total Surplus	\$1,646,945	100%

GROWTH RATES

Adjusting for the incorrect base data, the main variance from budget would have been the growth rate assumption. The tuition waiver growth rate was underestimated, but the stipend enrollment growth was overestimated. Combined, the Free City program would have seen an \$85,831 shortfall.

TABLE 17:
GROWTH RATES

	20% Growth Estimate	Actual	Difference
Free City Waiver Cost	\$5,906,041	\$6,281,622	-\$375,581
Full-Time	\$1,326,300	\$1,235,250	\$91,050
Part-Time	\$624,000	\$425,300	\$198,700
Total	\$7,856,341	\$7,942,172	-\$85,831

One notable variance in growth rate is with part-time stipend students. These part-time stipend students are San Francisco residents receiving CCPG taking 6 or more credits, but less than 12. This cohort saw an 18% decline between Fall/Spring 2016-17 and Fall/Spring 2017-18, which stands out in light of the fact that every other cohort directly impacted by the Free City program saw double digit growth (including full-time CCPG students) and that San Francisco residents as a whole saw a 27% increase in enrollment. A likely explanation, corroborated by student survey results, is that some part-time students are taking the Free City tuition waiver in lieu of applying for CCPG.

VI. LESSONS LEARNED

The 2017-2018 academic year was the first implementation year of the Free City College program. Building and administering a new, comprehensive program coordinated between two large institutions and between multiple organizations, departments, and sources of information will almost necessarily bring unexpected challenges. Considerable resources have gone to helping the various parties gain understanding and clarity about data, administration, and common understanding of terminology and information. Lessons learned from implementation of the pilot program, as well as the development of standard procedures for sharing data, will streamline administration of future program years.

From a high level, one challenge related to data was that College and the City used different language when describing data. Moving forward, terms are clarified and further opportunities will be taken to build procedures on top of already existing ones, rather than creating new or differentiated procedures. The City and College are working together to better define the data requirements. Enhanced clarification of terms and also expectations will be helpful as they relate to the MOU terms, success measurements, and the outcomes and impacts of financial aid.

ADMINISTRATION

Some dedicated staffing (approximately one FTE) was connected to the launch and marketing of Free City. The timeline to launch the pilot was compressed and came at a time of significant administrator turnover at the College. Within the institution, implementation of a major new program involved interaction between multiple departments and units, necessitated additional programming and technology, and impacted a majority of students and those serving them—including admissions and registration staff, counselors, faculty, and financial aid administrators.

Support for and excitement about the program was high. For instance, the implementation of the program required active involvement from the financial aid, academic affairs, and institutional research offices, as well as the City. However, since this was a new program between the City and City College, it was unclear what role each entity should play in the success of program implantation. There was confusion and concern about the student drop policy and its potential impact on new students who did not understand the repercussions of withdrawing from a class after the drop deadline not only for grades but for billing. Additionally, the issue of whether FAFSA would be required for students in order to participate in Free City created additional confusion, including amongst students. This issue was often a sticking point, including at the Oversight Committee, primarily due to different interpretations of language in the MOU.

Clearer messaging for students and staff about how Free City and financial aid work together to support students will be useful. Because the program will include greater funding for educational expenses for low-income students who qualify for financial aid, there is reason to expect that FAFSA applications will increase. Further work, primarily internal to the college, is already underway to support additional student access to financial aid.

In addition to staffing needs related to data and programming, as well as hiring additional financial aid staff, the College should consider a dedicated staff person to coordinate the program.

And finally, the role of the Oversight Committee was not always clear, turnover was frequent, and the formal committee structure was not conducive to drafting an annual report or making decisions surrounding amendments to the MOU.

REPORTING

With the creation of the Free City program, City College was given the task of developing and following a new set of reporting requirements for the City, which necessitated the creation of a new reporting structure in addition to, and distinct from, the long-established state and federal reporting structures. The addition of a new, resource-intensive reporting requirement without a corresponding addition of staff raised several challenges in the data reporting and collection process. The need exists to build a permanent infrastructure that will allow for data to be collected and reported in tandem with state and federal requirements. However, given that Free City was initially funded as a two-year pilot program, the resources necessary to develop adequate reporting infrastructure were not allocated.

To ensure data consistency, the College and the City should decide on a specific point in time on which all data will be pulled. This will address many of the issues outlined below.

INVOICING

There were several challenges the City and College faced related to the invoicing process. The initial MOU provided no clear direction on the timing of invoices, or the information needed to verify expenses. Additionally, the invoices were either not internally consistent or did not provide the City with the information needed to verify costs.

Fluctuations in headcount between draft invoices led to an invoicing format that was acceptable to all parties. There were initial discrepancies between DCYF's total cost calculations and the College's cost calculations (although the College did provide sufficient evidence for costs exceeding the total budgeted amount, following the Fall 2017 inaugural semester.)

Financial reports submitted to the DCYF, and the initial lack of sufficient backup data, left the Department without a clear understanding of how the College calculated its invoice costs. Even though the data was not self-explanatory, CCSF was able to answer case by case questions regarding idiosyncrasies within the data, and to explain the system constraints that resulted in some data variations.

FISCAL SHORTFALL/ADMINISTRATION OF FREE CITY

The costs for administering the Free City program exceeded the agreed upon funding amount. This amount was based on the incorrect base numbers provided during program development. Additionally, the program assumed that more State and Federal aid would be accessed by students. These data errors highlight the need for better data validation processes.

COMMUNICATION/INFORMATION/DATA

Because of how internal data is tracked by the College, data provided by CCSF to the City was at times inconsistent based on when the data was pulled and could vary depending on which division was providing the information. An additional challenge was posed by a lack of clear direction to the College regarding exactly what, or how, data should be provided. The parameters of the City's data requests were sometimes unclear and frequently changed.

Moving forward, the expectations, outcome measures and points of evaluation need to be better defined. The College and the City will propose a plan that includes what data should be provided, who will provide the data, and the timeline. This committee recommends that the College have at least 1 FTE devoted to this program that can help communicate across divisions within the College, and to act as a point person between the College and the City. Additionally, the committee recommends developing a formalized process for collecting and sharing data.

EVALUATION

Parameters for data collection and evaluation were not established prior to program implementation. Given the program's distinct design and large number of students accessing the program, the College and City should work with educational researchers to study both short- and long-term impacts.

LESSONS FROM THE PROMISE PROGRAM MOVEMENT

Promise programs have gained significant and well-documented national interest, with varied elements of design, policy, and funding sources.¹⁰ Most researchers agree on two defining features of College Promise programs: 1) financial support that encourages students to attend postsecondary institutions and 2) eligibility criteria based on where students live or attend school (Perna & Leigh, 2018 and Miller-Adams, 2015, as cited in Rauner, Perna, & Kanter, 2018, p. 3). Under these two criteria, Free City is a promise program, though it does not include "promise" in its name.¹¹

¹⁰ The Upjohn Institute's work on place-based scholarships locates the first official "promise" scholarship in Kalamazoo, MI in 2006, and now details nearly 150 different city and regional programs (W.E. Upjohn Institute, 2019). As of fall 2018, Rauner, Perna, and Kanter (2018, p. 3) identify 42 promise programs in California alone.

¹¹ Rauner, Perna, & Kanter acknowledge that great "variation in the programmatic and institutional features of promise programs" create difficulties in analyzing, classifying, and comparing programs. In fact, three national promise databases identify Free City's program structure as interacting with financial aid in three differing ways: as a first dollar program (Miller-Adams, Hershbein, & Timmeney, 2017), a last dollar plus program (College Promise Campaign), and a middle dollar program (Perna & Leigh). Some confusion may have originated internally, with different assumptions about whether FAFSA should (or must) be required or simply desired, as well as a general lack of understanding of the purpose of stipends. (As implemented in the pilot, stipends for low-income students were quite small.)

Some promise programs provide universal benefits while others target specific populations. Debates about the relative value of universal versus means-tested social programs, both inside and outside education, are longstanding.¹² Free City provides universal tuition coverage with additional financial resources to low-income students. The resources targeted to financial aid recipients were a key piece of this design, intended to support low-income students—which tuition-only last-dollar programs do not.¹³ Participants are not excluded from Free City based on course load or GPA, age, income, or course of study. The program does not restrict participation by age or prior college experience, in recognition of City College’s large population of returning (and frequently working) students.¹⁴

Rauner, Perna, & Kanter (2018, p. 3) identify a secondary parameter that researchers apply: “a stated goal to deepen the community’s college-going culture and economic strength.” Free City was also designed with these community-focused ideals in mind, as Supervisor Kim’s introductory statement to this report demonstrates. “At a time of intense national debate over the costs and benefits of college,” Miller-Adams (2015, p. 2) notes, “the agenda for Promise stakeholders goes beyond college access and school improvement, as Promise programs also seek to transform the communities in which they are rooted.” This transformational potential is suggested in preliminary data: more than 50% of the 773 Free City recipients surveyed by this committee indicated that they would not currently be in college without Free City (another 22% indicated they were unsure), and 76% said that Free City had changed their outlook on education (surprisingly, 45% of non-Free City participants indicated yes here, as well). Evaluative elements to analyze community impact and college-going should be among future program efforts.¹⁵

Recent reports such as EdTrust’s *A Promise Fulfilled* (Jones & Berger, 2018), Poutre & Voight (2018), and adjacent press have critiqued promise programs, questioning in particular insufficient support for students with financial need. Free City, however, includes some additional support for low-income students who are already receiving financial aid, and future iterations of the program are expected to include more substantial support.¹⁶

12 Miller-Adams (2015, p. 47) sums up the policy literature: “universal programs are generally seen as more feasible, more likely to reach all segments of the highest-need population, and nonstigmatizing,” while targeted programs are “considered more efficient in that they distribute scarce resources” in a more precise manner to where they are most needed.

13 While many free college programs are assumed to be universal, not all support low-income students. See Cochrane 2015.

14 Mishory (2018, March) suggests that costs often drive eligibility: “Many of those cost containment decisions mean that some programs, particularly those that choose the more inequitable design elements [...], are more regressive than they may first appear” (6).

15 The oversight committee conducted this student survey by e-mail. Please see **Appendix 10** for additional information about this survey, or Section V, A: Selected Student Responses.

16 EdTrust’s “framework for equity-driven free college policy” (Jones & Berger, 2018) includes eight criteria for statewide programs; though regional, Free City meets the majority. (It falls short in two areas: it does not cover local fees, both a health fee and a student activities fee; and because it is bound to a single community college, it does not cover a four-year degree.) Likewise, Jen Mishory’s *Higher Education: The Future of Statewide College Promise Programs: A State Guide to Free College* (2018, March) considers major design implications, particularly structural inequities, and again Free City, on balance, meets most criteria.

Free City does not succeed in making college truly debt-free for low-income students, who frequently have additional unmet financial need and are living in a city with a soaring cost of living and growing income inequality. Additionally, for more than 3,000 students each semester, Free City may increase indebtedness, because students who withdraw after the initial drop deadline are expected to repay the Free City fund before they can re-enroll in the program or the College.

One population excluded from Free City and raised both by students and community groups as well as by Mishory (2018, March) are undocumented students. Free City covers students qualifying for in-state tuition, which includes AB540 and CA Dream Act students, but other undocumented students would be well-served by increased access to CCSF's credit program; these SF residents, embraced by this Sanctuary College within a Sanctuary City in numerous other ways, are not currently eligible for Free City.

Free City did not include an explicit equity message. Because City College of San Francisco provides access to low-income students, students of color, first generation college students, formerly incarcerated students, homeless, food-insecure, and other less traditional students, program designers assumed that much of the program would support vulnerable populations. Similarly, analysis of college promise programs throughout California lack explicit connection to student equity. This served as an impetus for members to analyze other promise programs and to assess student success among students participating in Free City to ensure all students are persisting and succeeding in their coursework at City College.

Establishing and monitoring impacts around educational outcomes for underserved and underrepresented student populations will allow policymakers to examine whether policies and practices are beneficial or are deepening inequality. In addition, deliberately analyzing race and ethnicity can help target specific populations and eliminate widening postsecondary gaps for Native American, African American, Pacific Islander, and Latinx students. Free City has the potential to address these widening postsecondary gaps; however, without the presence of clear indicators to measure equity, there is not enough data to affirm this notion.

VII. CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSION

In 2017, San Francisco became the first and only major city in the nation to offer free tuition to all of its residents, and those with non-resident exemptions, at the City College of San Francisco. This effort was spearheaded by former Supervisor Kim, AFT 2121, and the San Francisco Labor Council. Revenue was generated for the program through Proposition W, a real estate transfer tax on properties sold with a value of \$5 million or higher. Overall, the program has increased the educational attainment and access of and for the San Francisco community.

As with the implementation of any new program, Free City experienced several issues in the implementation process, specifically due to greater than expected costs coupled with a lack of clear expectations established early on for data and program goals by the City and the College.

The City and the College are dedicated to the long-term availability of the Free City Program. Based on findings from the two-year pilot program, Mayor London Breed has provided funding to the institution to address the shortfall and extend Free City for the next decade.

B. RECOMMENDATIONS

The program experienced two primary challenges: the administration of the program and financial resources. Most of the administrative challenges stemmed from a lack of a common language and clarity around expectations, particularly with regard to data requirements. The financial resource challenges stemmed from cost estimates that were developed using incorrect data and a lack of historical precedence. The recommendations below provide a broad perspective from data from the report and points at issue for the Oversight Committee. Additionally, it is important to acknowledge that no such prior program and partnership existed between the College and the City, and San Francisco was the first program in the country to offer a program of this magnitude.

1

ESTABLISH SHARED GOALS AND EXPECTATIONS BEFORE PROGRAM IMPLEMENTATION.

The program did not have explicit goals and outcomes to be measured that were further compounded by insufficient time for program planning before implementation.

RECOMMENDATION 1A

Agree on measures to determine program effectiveness. Moving forward the City and the College should have agreed upon data to be collected to monitor the program. This report provides data for the program, but because these data requirements were not discussed during program design, the institution often struggled to extrapolate data and the specific measures that were being requested since reporting requirements to the State differ. One noteworthy drawback of not including these measures early was displayed with how the MOU required the institution to make a “good faith effort” in financial aid applications, but did not define how those efforts would be measured.

RECOMMENDATION 1B

Develop a shared definition of equity and equity-focused evaluative measures.

Differences in how equity is defined emerged during the program implementation due to a lack of explicit attention and inclusion of equity-focused evaluative measures. By including these evaluative measures, policymakers will have the necessary data to make programmatic improvements. Policymakers should draw from the institution's existing student-equity work to determine equity-focused evaluative measures and how the program can better align with other state and local initiatives to improve equity.

2 IMPROVE ACCESS TO ESSENTIAL DATA.

The invoicing process and the annual report required the institution to submit several iterations for data verification by the City. A permanent infrastructure would allow for data to be collected and reported in tandem with state and federal requirements. However, given that this was a two-year pilot program, the level of resources necessary to develop such an infrastructure were not provided.

RECOMMENDATION 2A

City College should establish one point in time each semester to pull data for invoicing. Students change their enrollment status throughout the semester which contributed to confusion in how stipends and waivers were disbursed to students, re-collected, and billed. Any discrepancies after the agreed upon point in time for data collection should be reconciled in the following invoice. Although, most likely in the future, the College's financial records will be monitored by an independent auditor, it will still be necessary for the College to establish a set point in time to verify usage of funds.

RECOMMENDATION 2B

The College should work closely with the financial auditor early on to identify what is needed to confirm cost, and to provide any additional data support that may be needed.

RECOMMENDATION 2C

The College should determine a dedicated source for data related to Free City.

3 PROVIDE ACCURATE PROGRAM COST ESTIMATES.

The Free City program experienced a \$2.5 million shortfall in its first year of implementation. This shortfall may have been avoided if the correct base numbers had been provided to conduct cost projections. Additionally, Free City is a financial aid program and expectations of how state and federal financial aid funds should be leveraged.

RECOMMENDATION 3A

Cost estimates should be verified and data used for cost estimates should be validated.

RECOMMENDATION 3B

The City should build in a reserve for the program to account for any unexpected cost increases over budget or reduction in available funds from the City, particularly in recognition of the profound negative impact that sudden reductions in the program might have on students and their educational plans. Additionally, the role of state and federal funds in relation to the Free City program should be established. For example, if state or nationwide legislation to make community college free is adopted, the institution can determine and share how these changes can complement the local program.

4 INCREASED FUNDS FOR STAFFING SUPPORT FOR CCSF.

RECOMMENDATION 4A

Designated College staff should be actively engaged in the program. Specifically, to verify data for the annual report and financial aid to verify cost calculations. Although the oversight committee was charged with overseeing the Fund, policy expertise provided by both institutional research and the financial aid office was integral to answering Oversight Committee Members' questions.

RECOMMENDATION 4B

Fund an FTE to support data requirements and program implementation. The lack of a designated staff member for the Free City program contributed to delays in data submission and verification. Additionally, in implementing such a program, there are often costs that the institution incurs due to increased enrollment, and thus exploring how City funds can address this can be helpful in supporting the College.

RECOMMENDATION 4C

The College should designate an internal Free City program coordinator. The Free City program has served more than 24,000 students and has required active engagement from the CCSF marketing, financial aid, institutional research, student affairs, and academic affairs offices.

5 EXPANSION OR ADJUSTMENTS TO PROGRAM DESIGN SHOULD INCLUDE CLEAR METRICS, GOALS, AND ACCURATE COST PROJECTIONS.

The Board of Trustees, as well as the public, students, and additional stakeholders, have identified possible opportunities for program growth in the future. These include access to the program for people who work in San Francisco; graduates of SFUSD who, due to displacement, no longer live in the city where they attended high school; and undocumented students who live in San Francisco but do not currently qualify for in-state tuition. College administration also presented proposals for program design modification. Prior to implementation, decision-makers should establish clear goals and metrics, conduct accurate and robust cost projections, and draw from the lessons learned from the first two years of the program.

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IX. APPENDICES

Appendix 1: RECLAIMING THE PROMISE OF THE CALIFORNIA MASTER PLAN FOR HIGHER ED IN SAN FRANCISCO. Proposal from AFT 2121 to the CCSF Board of Trustees Promise Programs, dated May 26, 2016

Appendix 2: Free City Resolution Approving MOU, Passed by Board of Supervisors on November 14, 2017

Appendix 3: Free City MOU

Appendix 4: Methodology for Counting Free City College Students

Appendix 5: Geographic Distribution of Students by District, Academic Year 2017-2018

Appendix 6: Free City Affidavit

Appendix 7: Advertising Examples

Appendix 8: Fall 2017 Invoice

Appendix 9: Spring 2018 Invoice

Appendix 10: Student Survey PowerPoint

Appendix 11: Selected Media Coverage

APPENDIX 1

RECLAIMING THE PROMISE OF THE CALIFORNIA MASTER PLAN FOR HIGHER ED IN SAN FRANCISCO

DATE: May 26, 2016
TO: CCSF Board of Trustees
FROM: AFT 2121
RE: Proposal for Free City: Tuition and Student Support

The promise and premise of the landmark California Master Plan for Higher Education (1960) includes free tuition at all levels of public higher education, specifying that community colleges should have open enrollment and must afford students—"all who can benefit"—an opportunity for a college education. But this promise of quality, free education in the CSU, UC, and community college systems has been undermined, with exponential increases in tuition (and "enrollment fees"). Community colleges, which were free until 1983, are now \$46 a unit.

Nationally, attempts to address higher education access and skyrocketing student debt have some states and municipalities implementing "free community college," eliminating or covering tuition as well as providing additional supports to help students succeed. President Obama unveiled a 2015 proposal for free community college, and at least two presidential candidates have proposed making college "free for all" (Sanders) or "debt-free" (Clinton). Numerous other plans are in the works. But not all of these plans expand access, and some fail to provide educational opportunity to those students—of all ages—who would most benefit. Expanding the school-to-college pipeline is essential, but many students who would benefit are not traditional students and are arriving at (or returning to) college later in life.

The city of San Francisco has a huge opportunity in considering a "Free City" program for San Francisco's students. Most importantly, it would expand access to higher education in our city, providing enormous hope and opportunity and making the city more affordable, even while enhancing its public health and growing its future economy.ⁱ The Free City program would also help restore enrollment at City College of San Francisco (CCSF) as part of a larger strategy to stabilize and re-grow the college over the next several years.ⁱⁱ San Francisco has the ability to make the city more livable for all its residents and workers, to reclaim the California Master Plan for Higher Education locally, and to restore its community college to its broad, accessible mission.

This memo provides an overview of some of the key provisions of plans and policy proposals already underway both nationally and in California, as well as a short list of some of the common critiques of current proposals and suggestions for improvement. We lay out an initial proposal for free tuition and student support at CCSF that we believe would work for our city and its students. We also provide some initial cost estimates, with areas for further research needs noted.

I. Key Provisions of Major Policy Proposals for Free Community Colleges/Higher Ed

See the attached "appendix" chart with overview of key federal, state, and municipal programs and proposals (pp. 5–7).

II. Policy Considerations

Based on current plans being proposed and models already in place, there are issues about plan design to consider, as well as suggestions to improve policy design moving forward. The table below summarizes some of the key critiques of the current programs and suggestions for improvement.

Critiques of Current Plans ⁱⁱⁱ	Suggestions for Improvement ^{iv}
<ul style="list-style-type: none"> ○ Programs often don't cover living expenses, transportation, childcare, books. ○ Funding will go to students who may not need it. ○ Eligibility requirements are often merit based. ○ Enrollment requirements penalize non-traditional students. ○ "Last-dollar" scholarship complaint, which refers to the fact that the plans pay only for tuition and fees that federal and state grant aid fails to cover. These programs help middle-income families but neglect additional support for low-income students (see below). ○ Not all programs address the complexity of FAFSA and student need for help to navigate federal funding process. 	<ul style="list-style-type: none"> ○ Programs could provide some additional financial aid to students whose Pell Grants cover tuition and fees in order to cover living costs. ○ Grants for non-tuition costs could be paid for by slightly reducing awards for students who are not Pell-eligible. ○ Programs could be extended to returning adult students, who sometimes do not qualify. ○ Programs could ensure access for undocumented students, who do not qualify for many kinds of financial aid. ○ Publicity is key as is providing additional supports for students and making sure students are applying for maximum grant funding from other sources.

Critiques of the "last-dollar" model are especially relevant, as McKibben sums up well: "New programs touting 'free' community college, including Tennessee Promise as well as those proposed in Oregon, Mississippi, and Chicago, have been offered as 'last-dollar' scholarships—covering only tuition and fees that are not covered by all other existing grant aid, such as the federal Pell Grant. Last-dollar programs do not cover other necessities like room, board, books, supplies, and transportation that most students need in order to attend school and to survive...The practical effect of these last-dollar programs is also to spend the most state money on students who *need the least aid.*"^v

Additional policy considerations include:

- (1) opportunities for supporting Noncredit students, whose courses are tuition-free but who face other educational expenses^{vi};
- (2) funding sources (public vs. private funds) for public education: private fundraising sources replacing collective public responsibility?
- (3) though undocumented students do not qualify for FAFSA, CA law allows state financial aid for AB540 status students^{vii}; any program should ensure that undocumented students are not excluded;
- (4) analysis of particular needs to help specific groups of students succeed in college, particularly childcare.

III. Proposal for CCSF and the City of San Francisco: Free City

Based on our review and consideration of existing policy models, as well as what we believe to be the starting point for the right kind of inclusive policy for San Francisco, we propose the following "Free City" program for CCSF and the City of San Francisco:

For all <u>students who live or work</u> at least half-time in the City and County of San Francisco:
<ol style="list-style-type: none"> 1. Eliminate enrollment fees for all San Francisco residents and workers. 2. Students whose fees are already covered by financial aid will be eligible for up to \$1,000 in grants for educational expenses such as textbooks, transportation, and childcare.^{viii}

IV. Cost Estimates

We are working on the data needed to advance a complete set of numbers and costs. Detailed CCSF data is necessary to analyze zip codes and other information; that work is in process. While we are missing several key data points, we have put together some initial cost estimates for discussion.

Background:

- Current CA Community College enrollment fees (“tuition”) for Credit courses are \$46/unit; students attending full-time for a year (two semesters at 12 units per semester) pay \$1104 annually.
- CCSF enrollment currently also includes a \$17 Health Fee (\$34 per year) and an optional Student Activities Fee (\$5/semester, \$10/year). These fees are not covered in this proposal.
- International students (such as those on F-1 Visas) and out-of-state students living at SF zips pay Non-California Resident Fees (\$211/unit) and would not qualify for the Free City program.
- An estimated 80% of CCSF students (including noncredit students) have San Francisco zip codes. Determining the number of students who work at least half-time in SF is more difficult.
- Current *rough estimate* to cover enrollment fees and aid for SF students in the current year: **\$13 million.**

Cost of Student Enrollment Fees:

District-tracked accounting from student enrollment fees represents only part of all enrollment fees at CCSF; the rest is represented in Board of Governors Grants and Fee Waivers (BOGW) and other state aid programs for undocumented students, which cover fees for the majority of the lowest-income community college students.^{ix}

	Student Enrollment Fees (no BOGW)	2% add-back on fees	BOG Waivers, DREAMers, AB540
2011-12	\$10,074,939	\$201,499	\$17,458,930
2012-13	\$11,195,020	\$223,900	\$14,385,051
2013-14	\$9,767,766	\$195,355	\$13,255,130
2014-15	\$8,664,514	\$173,290	\$11,206,094
4 year average:	\$9,925,560	\$198,511	\$14,076,301

Source: CCSF 311 reports (all students) and (Column BOG) CCSF Office of the Vice Chancellor of Finance and Administration

- Numbers above do not reflect need-based support for students receiving BOG Waivers (see below).
- Numbers include fees paid by ALL students, not just San Francisco residents and workers.

Need-Based Student Support:

Nationally, the National Postsecondary Student Aid Study (NPAS) found that in 2011-12, “[o]nly 2 percent of community college students receiving Pell Grants in the NPSAS have their full cost of attendance met by grant aid. Four in 10 Pell recipients have to cover less than \$5,000 in costs, while an additional 37 percent have to cover between \$5,000 and \$10,000. The median student with a zero expected family contribution has to come up with just over \$5,000 to cover estimated living costs.”^x These figures do not account for the cost of living in the San Francisco Bay Area.

Even when students qualify for fee waivers, federal and state financial aid does not cover the actual costs of attaining an education in SF. The cost of required textbooks alone can exceed the cost of enrollment fees. Based on data provided by the CCSF Financial Aid Office on the 2015-16 Student Expense Budget (Cost of Attendance), we estimate the following costs per student for textbooks and transportation:

Item	Annual Cost for Residents (Away from Home)
Books & Supplies	\$1,764
Transportation	\$1,269
Childcare	TBD ^{xi}
Total per eligible student:	\$3,033
[Room & Board, etc. not evaluated here]	

Source: <https://www.ccsf.edu/dam/ccsf/documents/Financial/CostOfAttendance.pdf>

In recognition of the drawbacks of “last dollar” programs, several of the regional plans cited in the attached chart [see appendix], including Oregon and San Diego, cover tuition for students who do not qualify for state or federal aid^{xii} and alternately provide an award of up to \$1,000 per year for additional educational expenses for students receiving aid and enrollment fee waivers.

Based on our estimates and data from the CCSF Financial Aid Office, we estimate that in 2014-15 nearly 24,000 students at CCSF received some form of public financial aid. All of these students would benefit under Free City either by having their full fees covered or by receiving additional educational support (up to \$1,000 pro-rated based on course load).

TOTAL NUMBER OF STUDENTS RECEIVING PUBLIC AID

	2010-11	2014-15
Students with Federal Aid Assistance	9,988	6,730
BOGW	17,820	16,235
CalGrant	1,357	938
Total Number of Students:*	29,165	23,903

*Includes duplications: Many students receive aid from multiple programs.

Source: CCSF Financial Aid Office; accessed from CCCCO Datamart at www.cccco.edu

Based on data provided by the CCSF Financial Aid Office, in 2014-15 (the most recent full year of available data) there were approximately 7,753 FTES (Full-Time Equivalent Students) who received BOGQ or Pell Grants. Assuming the fees for these students are 100% covered by state and federal aid, this gives us a ballpark number of the number of students who would be eligible for the 1,000 grant for educational support. This number is also high because it counts all CCSF students, not just San Francisco residents and workers.

Assuming that approximately 80% of all students are San Francisco residents or workers this gives us a ballpark number of 6,202 FTES who would be eligible for the grant for a total dollar amount of \$6.2 million.

TOTAL NUMBER OF FTES RECEIVING BOGW OR PELL GRANTS

	2014-15
FTE Credit Students	16,394
PELL FTE	3,855
BOGW FTE	3,898
Total BOGW/PELL FTE:	7,753

Source: CCSF Financial Aid Office

Concerted work with Financial Aid will be necessary to determine the most effective way to implement and award tuition waivers and grants to different student populations, as well as to ensure that students are capturing as much aid (federal, state, and city) as possible.

Appendix: Key Provisions of Major Policy Proposals for Free Community College/Higher Ed

The chart below summarizes national proposals as well as key state and city programs for free community college. Additionally, at least 10 states have legislation under consideration during the 2016 session to create free community college programs.^{xiii}

America's College Promise Proposal: President Obama^{xiv}		
What's covered?	Which students?	Funding, other notes
➤ Free community college tuition	<ul style="list-style-type: none"> ➤ For “responsible” half-time and full-time students who maintain a 2.5 grade point average and who make steady progress toward completing a program. ➤ Unlike similar plans that are only open to recent high school graduates, this plan would cover tuition for other types of students.^{xv} ➤ Not all programs eligible for free tuition: limited to (1) academic programs that fully transfer to local public four-year colleges and universities or (2) occupational training programs with high graduation rates and that lead to degrees and certificates that are in demand among employers.^{xvi} 	<ul style="list-style-type: none"> ➤ Funded by the federal government (3/4) and participating states (1/4). ➤ Vice-President Joe Biden has expressed support for four years of free higher education (2 more than President Obama's plan has called for).^{xvii}
The New College Compact: Hillary Clinton^{xviii}		
What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ For the community college segment of the plan, follows President Obama's proposal. ➤ Pell Grants are not included in the calculation of no-debt-tuition, so Pell recipients will be able to use their grants fully for living expenses. 	<ul style="list-style-type: none"> ➤ See Obama plan 	<ul style="list-style-type: none"> ➤ Provides federal grants to states that make certain commitments to affordability. ➤ “Debt-free” not “tuition-free”: Families will be expected to make contribution; students will contribute based on wages from ten hours per week of work. ➤ Addresses a number of other higher ed issues, including simplifying FAFSA, lowering student loan interest rates, and closing loopholes on predatory, for-profit colleges.
The College For All Act: Bernie Sanders^{xix}		
What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ Free tuition at all public colleges and universities. ➤ Institutions must meet 100% financial needs of lowest-income students. ➤ Students could use federal, state and college financial aid to cover room and board, books and living expenses. 	<ul style="list-style-type: none"> ➤ All 	<ul style="list-style-type: none"> ➤ Funded through a state-federal partnership. ➤ To qualify for federal funding, states must meet a number of requirements designed to protect students, ensure quality, and reduce costs.^{xx}

Key state and regional plans/models

The Tennessee Promise Program^{xxi}

What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ Free community college at the state's 13 colleges. ➤ A "last dollar" scholarship, paying only for tuition costs not covered by other programs. After a student has applied for and received scholarship and grants to cover the cost of tuition, supplemental funds would cover remaining costs. E.g., a low-income student who is eligible for a maximum Pell Grant of \$5,730 would not receive assistance, because that amount would already cover tuition. ➤ Includes supports for its award recipients, including mentorship, on-campus orientations, and eight hours of community service.^{xxii} 	<ul style="list-style-type: none"> ➤ For graduating high school students who maintain at least 12 hours per semester and attend a post-secondary institution for consecutive semesters.^{xxiii} ➤ As many as 16,000 students expected to participate.^{xxiv} ➤ Must maintain satisfactory academic progress (usually 2.0 GPA). 	<ul style="list-style-type: none"> ➤ Financed through state lottery funds. ➤ Estimated at \$14 million in first year. ➤ Undocumented students do not qualify because participants must be able to fill out the FAFSA and qualify for in-state tuition.

Chicago Star Scholarship Program

What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ Waivers to cover two years of tuition, books and fees at the city's seven community colleges.^{xxv} ➤ Students must apply for federal and state financial aid; fills the gap between aid and the estimated \$11,000 cost of a two-year degree.^{xxvi} 	<ul style="list-style-type: none"> ➤ Chicago Public School students who graduate with at least a 3.0 GPA. 	<ul style="list-style-type: none"> ➤ \$2 million budget funded by internal cuts in system.

The Oregon Promise^{xxvii}

What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ State will cover the remainder of tuition for students who apply for federal grants for community college. ➤ Students whose tuition is fully covered by federal aid will get a \$1,000 Oregon Promise award from the state to help pay for books, fees, transportation or other college costs. 	<ul style="list-style-type: none"> ➤ For students who enroll in community college within six months of completing their high school degree or its equivalent. ➤ Must be enrolled at least half-time and maintain a minimum 2.5 GPA. ➤ Undocumented immigrants who do not qualify for federal grants or loans will be eligible to have all of their community college tuition covered by state Oregon Promise money. 	<ul style="list-style-type: none"> ➤ Students pay \$50 each term. ➤ Expected to boost community college enrollment statewide by 25%.

Minnesota^{xxviii}

What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ Covers tuition and fee expenses not covered by state or federal grant aid (a "last-dollar scholarship") 	<ul style="list-style-type: none"> ➤ For students seeking a credential in designated high demand program areas who enroll within two years 	

<ul style="list-style-type: none"> ➤ Includes a mentoring component to help develop student success plans, connect recipients to on-campus resources, and assist with financial planning. 	<ul style="list-style-type: none"> ➤ of completing high school or passing an equivalency test. ➤ Scholarship recipients attend full-time and maintain a GPA of 2.5 or higher; must have an adjusted gross income of less than \$90,000. 	
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The Long Beach College Promise^{xxix}

What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ One semester tuition-free ➤ Structured as a "last dollar scholarship" for students who would not otherwise get aid: 300 per year at "no additional cost to the state"^{xxx} 	<ul style="list-style-type: none"> ➤ For local high school graduates who enroll immediately after graduation ➤ GPA requirements ➤ Currently 300 students per year 	<ul style="list-style-type: none"> ➤ Foundation funded ➤ With the Unified School District, Long Beach City College, and Cal State Long Beach, this broad program has a variety of support and success elements to help potential first generation college students see college as a possibility, raise high school graduation rates, college retention and success, etc.^{xxxi}

San Diego Community College District^{xxxii} ^{xxxiii},

What's covered?	Which students?	Funding, other notes
<ul style="list-style-type: none"> ➤ Enrollment fees covered; students getting financial aid can qualify for up to \$1,000 for textbooks and other supplies 	<ul style="list-style-type: none"> ➤ Must carry at least 12 units each semester, maintain 2.0 GPA, do 8 hours community service ➤ For pilot: 175 graduating San Diego high school seniors and 25 SDUSD continuing education students. 	<ul style="list-style-type: none"> ➤ Year one self-funding; afterwards private fundraising, planned \$10-12m. endowment ➤ Announced in Feb. 2016 for the 2016-17 academic year

ⁱ A 2013 report from SF's Budget and Legislative Analyst concluded that City College generates well over \$300 million in economic activity to the local economy every year. <http://archives.sfxaminer.com/sanfrancisco/ccsf-critical-role-in-local-economy-highlighted-in-report/Content?oid=2583766>

ⁱⁱ CCSF enrollment has dropped approximately one-third since the accreditation crisis began, restricting opportunities for SF students; absent a broader strategy, college administration plans to cut courses and programs over the next several years in anticipation of large decreases in state funding due to declining enrollment. (While other community colleges in the Bay Area have also seen enrollment decreases in recent years as enrollment fees were raised statewide, other area colleges average about a 7% enrollment decline, while CCSF has dropped more than 30%. The difference is the Accrediting Commission of Community and Junior College [ACCJC]'s threat of closure, which has created long-term destabilization at the college and confusion in SF and is now widely understood to have been misguided, at best.)

ⁱⁱⁱ "Tennessee's Promise is None at All: Last Dollar Scholarships Provide the Least Aid to Students with the Most Need" <https://medium.com/@bmckib/tennessees-promise-is-none-at-all-c3575cc79dd9#.tmf212tly>

^{iv} <https://www.insidehighered.com/views/2014/10/13/essay-questions-free-community-college-policies>

^v "Tennessee's Promise is None at All: Last Dollar Scholarships Provide the Least Aid to Students with the Most Need" <https://medium.com/@bmckib/tennessees-promise-is-none-at-all-c3575cc79dd9#.j7sncqst1>

Note: As the chart in Section 1 shows, Oregon's final implementation avoided this "last dollar" contradiction by supporting low-income students with an additional award. We propose to do the same.

^{vi} Though noncredit students do not pay enrollment fees, they still have attendant educational costs, including books and supplies, transit, and childcare. While some noncredit courses require students to buy text books, others do not. Analysis is required to determine whether a program to provide further support for NC students would increase student success and retention, and if so, how such a program could be implemented. There is also the possibility of directly providing books and other supplies to NC students or even directly to classrooms.

^{vii} Per CCSF: "As of January 2013, AB 540 students are eligible to apply for California State financial aid* (not FAFSA) but do not earn legal residency status through this bill. The primary benefit of this law is the eligibility to pay tuition at California resident rates. Non-resident students taking 12 college units per semester pay approximately \$3,008. AB540-eligible students will pay approximately \$572 per semester. (<http://www.ccsf.edu/en/student-services/admissions-and-registration/registration/tuition-and-fees.html>) See also www.csac.ca.gov/dream_act.asp

^{viii} Awards will be pro-rated based on course load. Possible models to determine eligibility for this piece of the program may include eligibility requirements for BOG waivers and/or FAFSA guidelines. Further evaluation and discussion on this is warranted.

^{ix} In 2013-14, more than 20,000 CCSF students applied for these waivers. Eligibility information available at <http://www.ccsf.edu/dam/ccsf/documents/Financial/BOGFWApp1516.pdf>.

^x “The Cost of Free” <https://www.insidehighered.com/views/2014/10/13/essay-questions-free-community-college-policies>

^{xi} More research is needed to estimate average childcare costs for eligible CCSF students as well as the potential number of students who would be eligible for need-based assistance.

^{xii} The vast majority of CCSF students (78%) qualify for some type of state or federal assistance. While some students may not qualify because they exceed the income cap, there are other reasons for exclusion, including course of study and transferability, drug convictions, lack of high school diploma, and faltering GPA.

[appendix footnotes]

^{xiii} For a list of national 2016 legislative efforts: <http://www.ncsl.org/research/education/free-community-college.aspx>. New programs are being announced constantly (see for instance the active #freecommunitycollege hashtag on twitter).

^{xiv} <http://www.nytimes.com/2015/01/09/us/politics/obama-proposes-free-community-college-education-for-some-students.html>

^{xv} <http://www.usnews.com/education/community-colleges/articles/2015/01/16/obamas-free-community-college-plan-what-students-need-to-know>

^{xvi} <https://www.whitehouse.gov/the-press-office/2015/01/09/fact-sheet-white-house-unveils-america-s-college-promise-proposal-tuitio>

^{xvii} <http://www.usnews.com/news/articles/2015/10/22/biden-calls-for-4-years-of-free-college>

^{xviii} <https://www.hillaryclinton.com/briefing/factsheets/2015/08/10/college-compact-costs/>

^{xix} <http://www.sanders.senate.gov/download/collegeforallsummary/?inline=file>; <https://bernisanders.com/issues/its-time-to-make-college-tuition-free-and-debt-free/>

^{xx} “States would need to maintain spending on their higher education systems, on academic instruction, and on need based financial aid. In addition, colleges and universities must reduce their reliance on low-paid adjunct faculty. No funding under this program may be used to fund administrator salaries, merit-based financial aid, or the construction of non-academic buildings like stadiums and student centers.”

^{xxi} <http://www.communitycollegereview.com/blog/will-community-colleges-become-tuition-free>;

<http://www.nytimes.com/2015/01/09/us/politics/obama-proposes-free-community-college-education-for-some-students.html>

^{xxii} <https://www.insidehighered.com/news/2014/10/16/chicago-joins-tennessee-tuition-free-community-college-plan>

^{xxiii} https://www.insidehighered.com/sites/default/server_files/files/TN%20Promise%20FAQ.pdf

^{xxiv} <https://www.washingtonpost.com/news/post-politics/wp/2015/01/09/obama-announces-free-community-college-plan/>

^{xxv} <http://www.nytimes.com/2015/01/09/us/politics/obama-proposes-free-community-college-education-for-some-students.html>

^{xxvi} <http://www.chicagotribune.com/news/opinion/editorials/ct-obama-community-colleges-tuition-higher-education-edit-0116-jm-20150115-story.html>

^{xxvii} http://www.oregonlive.com/education/index.ssf/2015/12/oregon_expects_teens_to_flock.html

^{xxviii} <http://www.ncsl.org/research/education/free-community-college.aspx#Minnesota>

^{xxix} <http://www.longbeachcollegepromise.org/students/>

^{xxx} http://www.longbeachcollegepromise.org/wp-content/uploads/2011/02/College_Promise_Version_9-15-15.pdf

^{xxxi} http://www.theatlantic.com/education/archive/2016/02/the-long-beach-miracle/459315/?single_page=true&print=

^{xxxi} <http://cft.org/news-publications/newsletters/california-teacher-feb-march-2016/1213-san-diego-piloting-move-to-make-community-college-free.html>

^{xxxi} http://www.sdccd.edu/newscenter/articles/free_community_college_pilot_program_approved.asp

APPENDIX 2

1 [Intent to Prioritize Funding Free City College of San Francisco]

2

3 **Resolution reclaiming the promise of free higher education in the City and County of**
4 **San Francisco by securing funding to eliminate enrollment fees for students who are**
5 **San Francisco residents or working at least half-time in San Francisco, and by**
6 **supporting educational costs for enrolled students who are in receipt of federal or state**
7 **financial aid.**

8

9 WHEREAS, The Promise of the landmark California Master Plan for Higher Education
10 (1960) includes free tuition at all levels of public higher education, specifying that community
11 colleges should have open enrollment and must afford students an opportunity for a college
12 education; and

13 WHEREAS, This promise of quality, free education has all but disappeared with
14 exponential increases in tuition and enrollment fees, and California community colleges, which
15 were free until 1984, are now \$46 per unit for credit courses; and

16 WHEREAS, Student debt has skyrocketed, saddling recipients of four-year degrees
17 with an average of \$35,000 in student loan debt upon graduation, which is more than one
18 trillion dollars nationally, exempt from bankruptcy proceedings, and is now greater than the
19 nation's credit-card debt; and

20 WHEREAS, Nationally the movement to make public higher education free has gained
21 immense momentum, with President Obama unveiling a proposal for free community college
22 in 2015, at least two Democratic Presidential candidates speaking publicly about making
23 college "free for all" (Bernie Sanders) or "debt-free" (Hillary Clinton), and at least three states
24 having established free community college programs statewide, with other states in progress,
25 and several cities following suit; and

1 WHEREAS, The denial of educational opportunity diminishes economic democracy,
2 social mobility, public health, and racial justice, and instead strengthens the school-to-prison
3 pipeline and the use of military enlistment as one of the only means to attain the higher
4 educational opportunities sought after by many of our low-income students with few, if any,
5 other options due to financial constraints; and

6 WHEREAS, Working families, union members, caregivers, seniors, individuals re-
7 entering the workforce, and our San Francisco Unified School District graduates throughout
8 the City rely on CCSF to train and retrain our workforce, teach English to our immigrant
9 populations, foster lifelong learning, and provide affordable, accessible pathways into all of
10 higher education's opportunities; and

11 WHEREAS, San Francisco has the ability to reclaim the California Master Plan for
12 Higher Education locally and ensure that its community college fulfills its mission, which is to
13 provide educational programs and services that promote student achievement and life-long
14 learning to meet the needs of our diverse community; and

15 WHEREAS, A free CCSF that allows San Francisco residents and San Francisco
16 workers who are employed at least half-time in San Francisco to enroll without paying tuition
17 or "enrollment" fees will serve more than 20,000 students, including parents, seniors,
18 individuals re-entering the workforce, recent high school graduates, caregivers, and many of
19 San Francisco's low-income students pursuing their dreams of attaining higher education and
20 life-long learning; and

21 WHEREAS, The average median wage for jobs for CCSF graduates who completed
22 associate degree, certificate or other programs in which they attained job skills required by
23 San Francisco and other local employers was \$59,800 in the 2011-2012 academic year,
24 which was \$11,100 more than the average median wage of \$48,700 for jobs that require only
25 a high school education; and

1 WHEREAS, A free CCSF will expand the school-to-college pipeline, which is essential
2 to develop an educated workforce with the skills and knowledge needed to compete in the
3 21st century workforce; and

4 WHEREAS, A free CCSF will support students of all ages, including those who are
5 arriving at, or returning to, college later in life, and will also benefit the diverse communities
6 that are enrolled at CCSF, which in academic year 2014-2015 included 30.2% Asian
7 students, 25% White, 23.2% Latino students, 8.1% African American students, 5.5% Filipino,
8 0.7% Pacific Islander, 2% American Indian/Alaskan Native, and 4.7% multiracial students,
9 with an increasing number of veterans and a majority of students identifying as female; and

10 WHEREAS, CCSF serves a diverse range of students, including but not limited to
11 workers in need of training and re-training, low-income and immigrant communities, veterans
12 and the disabled, lifelong learners, first-generational college attendees, full-and part-time
13 students in need of second and third chances, as well as students transferring to four-year
14 institutions; and

15 WHEREAS, The City as a whole will benefit with a more educated and skilled
16 populace; and

17 WHEREAS, In addition to tuition and enrollment fees, students face education-related
18 costs (not including room and board or childcare costs) such as transportation, textbooks, and
19 supplies, estimated by the CCSF Financial Aid Office on the 2015-2016 Student Expense
20 Budget (“Cost of Attendance”) as upwards of \$3,033 annually; and

21 WHEREAS, Those students at CCSF who receive some form of financial aid from
22 federal or state sources still face rising educational costs that result in significant economic
23 hardship, partly due to the living costs in San Francisco, which has been named one of the
24 most expensive cities in the U.S. by multiple sources, including The Council for Community
25

1 and Economic Research in a 2016 report, and are forced to choose between purchasing
2 textbooks or groceries, between paying enrollment fees and paying rent; and

3 WHEREAS, San Francisco has the responsibility and the ability to make the city more
4 livable for its residents and workers, and can alleviate the need for low income students to
5 make these choices; and

6 WHEREAS, Free City College's objective is to reclaim free public higher education by
7 eliminating enrollment fees for all CCSF students who live in San Francisco or work at least
8 half-time in San Francisco, and ensuring CCSF is accessible by supporting students whose
9 tuition is already covered by financial aid with support to offset educational costs such as
10 textbooks and transportation up to \$1,000 per year; now, therefore, be it

11 RESOLVED, That the Board of Supervisors shall support the Free City College
12 proposal detailed herein to make City College of San Francisco free and accessible for, at
13 minimum, all San Francisco residents by securing the funding needed to effect the proposal in
14 time for Fall 2017 enrollment, estimated to be up to \$13,000,000 for a full year of Free City
15 College; and, be it

16 FURTHER RESOLVED, That the funding allocated for this purpose shall be contingent
17 upon new revenue in the City's General Fund that is above projected estimates for
18 FY2016-2017 to be found in sources such as the City's real estate transfer tax.



**City and County of San Francisco
Tails
Resolution**

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

File Number: 160597

Date Passed: July 12, 2016

Resolution reclaiming the promise of free higher education in the City and County of San Francisco by securing funding to eliminate enrollment fees for students who are San Francisco residents or working at least half-time in San Francisco, and by supporting educational costs for enrolled students who are in receipt of federal or state financial aid.

June 29, 2016 Budget and Finance Committee - DUPLICATED

June 29, 2016 Budget and Finance Committee - RECOMMENDED

July 12, 2016 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Breed, Campos, Cohen, Kim, Mar, Peskin, Tang, Wiener and Yee

Noes: 1 - Farrell

File No. 160597

I hereby certify that the foregoing Resolution was ADOPTED on 7/12/2016 by the Board of Supervisors of the City and County of San Francisco.

Peggy Newsome

for **Angela Calvillo**
Clerk of the Board

Unsigned

Mayor

7/22/16

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo

Angela Calvillo
Clerk of the Board

7/22/16

Date

APPENDIX 3

File No. 171069

Committee Item No. _____
Board Item No. /8

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____
Board of Supervisors Meeting

Date: _____
Date: November 14, 2017

Cmte Board

<input type="checkbox"/>	<input checked="" type="checkbox"/>	Motion
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Introduction Form
<input type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input checked="" 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

<input type="checkbox"/>	<input type="checkbox"/>	_____
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<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Prepared by: Lisa Lew
Prepared by: _____

Date: November 8, 2017
Date: _____

1 [Memorandum of Understanding - San Francisco Community College District - Use of San
2 Francisco City College Enrollment Fee Assistance Fund - Not to Exceed \$11,233,904]

3 **Resolution approving a Memorandum of Understanding between the City and County**
4 **of San Francisco and the San Francisco Community College District for the City to**
5 **provide financial support to the Free City College Program not to exceed \$11,233,904**
6 **for a term beginning upon certification of available funds by the Controller and ending**
7 **on June 30, 2019.**

8
9 WHEREAS, On October 7, 2016, the City enacted Ordinance No. 186-16, establishing
10 a fund now named the San Francisco City College Financial Assistance Fund (the "Fund");
11 and

12 WHEREAS, Through annual appropriations during the City's budget approval process,
13 the City intends to appropriate monies to the Fund to provide financial assistance for San
14 Francisco residents attending City College; and

15 WHEREAS, On June 22, 2017, the City enacted Ordinance No. 125-17, modifying
16 restrictions on uses of the monies in the Fund and making additional changes based on
17 negotiations between the City and the San Francisco Community College District (the
18 "District"); and

19 WHEREAS, The Department of Children, Youth, and Their Families (the "Department")
20 has entered a Memorandum of Understanding (the "Agreement") with the District, subject to
21 approval by the Board of Supervisors in this Resolution; and

22 WHEREAS, A copy of the fully executed Agreement is on file with the Board of
23 Supervisors in File No. 171069; and

24 WHEREAS, The City, through the Department, wishes to support the District's Free
25 City College Program by providing funds to the District to offset enrollment fees and provide

1 other education-related financial support for students who are enrolled in credit courses at
2 City College and California residents living in San Francisco; and

3 WHEREAS, Under the Agreement, the District will not use funds from the Fund to
4 provide benefits based on individual need; and

5 WHEREAS, Under the Agreement, the District agrees to use the funds to offset all
6 enrollment fees for California residents living in San Francisco who are not eligible for other
7 grants or financial aid that would cover such fees; and

8 WHEREAS, For students who already receive grants or financial aid that cover
9 enrollment fees, the District will provide grants to pay for education-related expenses,
10 provided that no full-time student will receive benefits worth more than \$500 from the program
11 for any academic year and no part-time student will receive benefits worth more than \$200 for
12 any academic year; and

13 WHEREAS, The maximum amount of funds disbursed from the Fund under the
14 Agreement will be \$11,233,904; the maximum amount of funds that the District will provide in
15 grants to students in Fall 2017 and Spring 2018 will be \$5,366,952; and the maximum amount
16 of funds that the District will provide in grants to students in Fall 2018 and Spring 2019 will be
17 \$5,366,952; and

18 WHEREAS, The District may use up to \$500,000 during the term of the Agreement to
19 pay the costs of implementation and administration of the program, including but not limited to
20 altering the District's online enrollment program and hiring financial aid counselors to provide
21 information and support; and

22 WHEREAS, As a condition of the Agreement, and as required by Administrative Code
23 Section 10.100-288, the City and the District have agreed to create an Oversight Committee
24 to review the District's implementation of the Agreement and prepare an annual public report
25

1 to the Mayor, the Board of Supervisors, the District, and the Department concerning the
2 implementation of the Agreement and disbursements from the Fund; and

3 WHEREAS, The Agreement sets forth disbursement procedures, recordkeeping
4 requirements, and reporting and auditing requirements, and specifies eligibility criteria for
5 students' participation in the program; and

6 WHEREAS, The Agreement is effective upon certification of availability of funds by the
7 Controller, and will terminate on June 30, 2019; now, therefore, be it

8 RESOLVED, That the Board of Supervisors hereby approves the Agreement contained
9 in File No. 171069; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors authorizes the Department to
11 enter into any amendments or modifications to the Agreement that the Department
12 determines, in consultation with the City Attorney, are in the best interest of the City, do not
13 otherwise materially increase the obligations or liabilities of the City, are necessary or
14 advisable to effectuate the purposes of the Agreement, and are in compliance with all
15 applicable laws, Administrative Code, Section 10.100-288.

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS
BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

October 27, 2017

TO: Government Audit and Oversight Committee
FROM: Budget and Legislative Analyst 
SUBJECT: November 1, 2017 Government Audit and Oversight Committee Meeting

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Item	File	Page
1	17-1069 Memorandum of Understanding – San Francisco Community College District- Use of San Francisco City College Enrollment Fee Assistance Fund – Not to Exceed \$11,233,904	1

Item 1 File: 17-1069	Department: Department of Children, Youth and Family
EXECUTIVE SUMMARY	
Legislative Objectives	
<ul style="list-style-type: none"> • The proposed resolution would approve a Memorandum of Understanding (MOU) between the City and County of San Francisco (City) and the San Francisco Community College District (City College) for the City to provide financial support to the Free City College Program not to exceed \$11,233,904 for a term beginning upon certification of available funds by the Controller and ending on June 30, 2019. 	
Key Points	
<ul style="list-style-type: none"> • In 2016 and 2017, the Board of Supervisors amended the Administrative Code to establish a new City College Financial Assistance Fund to make grants to City College to offset enrollment fees and other education-related financial costs for eligible students. The City College Financial Assistance Fund will be administered by the Department of Children, Youth, and their Families (DCYF). 	
Fiscal Impact	
<ul style="list-style-type: none"> • The two-year estimated cost of reimbursement for students under the subject MOU is \$10,733,904, including a maximum of \$5,366,952 each fiscal year. • City College is also eligible for one-time staffing and infrastructure cost reimbursement of up to \$500,000, for a total of \$11,233,904. The MOU specifies that total costs will not exceed \$11,233,904. • The Board of Supervisors previously appropriated \$9,000,000 and \$2,233,904 for a total of \$11,233,904 to fund the subject MOU. • In addition, the Board of Supervisors appropriated \$1,000,000 to seed a reserve for the Free City College Program in the FY2017-18 budget, which is intended for future years in the event that City revenues are not sufficient to fund the Free City College Program. 	
Policy Consideration	
<ul style="list-style-type: none"> • On October 13, 2017, Governor Brown signed Assembly Bill No. 19, which will establish the California College Promise, to be administered by the Chancellor of the California Community Colleges, which will distribute funding, upon appropriation by the State Legislature to each community college that meets prescribed requirements to be used to achieve specified policy goals and waive fees for one academic year for first-time students who are enrolled in 12 or more semester units or the equivalent at the community college. The potential impacts of this new State program on City College are not yet known. 	
Recommendations	
<ul style="list-style-type: none"> • Request DCYF to correct the proposed MOU on page A-3 in Appendix A-II Cost Schedule to change the 37,190 credits to 37,910 credits. • Approve the proposed resolution. 	

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND**California Community College Board of Governors Fee Waiver**

California Community Colleges currently charge residents \$46 per credit or approximately \$1,100 per year for full-time (12+ credits per semester) enrolled students. Since 1986, the State has offered the Board of Governors Fee Waiver (Board of Governors), which waives the per credit fee for low-income students.

San Francisco City College Financial Assistance Fund

On September 27, 2016, the Board of Supervisors approved an ordinance to amend the City's Administrative Code to establish the San Francisco City College Enrollment Fee Assistance Fund (File 16-0892; Ordinance No. 186-16). This Fund was established as a category four fund¹ for use by the Department of Children, Youth and Their Families (DCYF) to make grants to City College to offset student enrollment fees and provide other education-related financial support for eligible students enrolled in credit courses at City College. This ordinance also created an Oversight Committee to review City College's implementation and disbursements.

On June 22, 2017, the Board of Supervisors amended the Administrative Code to (a) rename the fund to the San Francisco City College Financial Assistance Fund (Fund), (b) clarify the permissible uses of monies appropriated to the Fund and (c) further identify the composition and roles of the Oversight Committee (File 17-0555; Ordinance 125-17). The Administrative Code now states that the Fund will be used to reimburse City College for student enrollment fees and other education-related financial support for eligible students. Eligible students are defined as residents of San Francisco and California for tuition purposes or who qualify for a non-resident exception.

Eligible Board of Governor students cannot receive education-related financial support each academic year of more than \$500 for full-time students and \$200 for part-time students. Any state or federal financial aid the student is receiving for his or her education will be allocated before City funding is determined. In addition, City College can expend up to \$500,000 for implementation and administration of this program.

¹ In accordance with Section 10.100 of the City's Administrative Code, a category four fund (a) is not automatically appropriated, but rather is subject to Board of Supervisor's appropriation approval, (b) accumulates interest and (c) the fund balance carries forward.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a Memorandum of Understanding (MOU) between the City and County of San Francisco (City) and the San Francisco Community College District (City College) for the City to provide financial support to the Free City College Program not to exceed \$11,233,904 for a term beginning upon certification of available funds by the Controller and ending on June 30, 2019.

Memorandum of Understanding

The key components of the Memorandum of Understanding are shown in Table 1 below.

Table 1: Key Components of the Memorandum of Understanding

Term Length	July 1, 2017-June 30, 2019, two years
Not To Exceed Amount	\$11,233,904
Eligibility Determination	Students will complete financial aid documents and questionnaire when registering to determine eligibility for Free City College Program.
Eligible Students who receive California Community College Board of Governors (BOG) Fee Waivers	Full time (12+ credits per semester) students may receive up to \$250 per semester and part-time (6-11 credits per semester) students may receive up to \$100 per semester for books, college fees, supplies and transportation costs related to City College enrollment.
Eligible students who do not receive California Community College BOG Fee Waivers	Will receive free enrollment, with enrollment fees paid through the Free City College Program.
Disbursement Procedures	City College will submit quarterly invoices to DCYF, which will make disbursements to City College within 30 days.
Oversight Committee	11 appointed Committee members. ² Oversight Committee will meet at least once every three months, terminate on December 31, 2019 and prepare annual reports on the implementation of the program.
Liability	City College shall indemnify and hold City harmless from and against any and all liability

² The Oversight Committee will consist of 11 members, with the following appointments: three by the City College Board of Trustees, two faculty by the City College Academic Senate, one student by the Associated Students Executive Council, two by the Board of Supervisors, one by the San Francisco Unified School District Board of Education, one by the Mayor and one from the Controller's Office.

Although the proposed MOU would not be approved until early November by the Board of Supervisors, the effective date is July 1, 2017, such that the student fees and costs incurred from the fall 2017 semester will be eligible for reimbursement.

FISCAL IMPACT

City Costs under MOU

Based on Spring 2016 enrollment data provided by City College to DCYF, and using City College's projected increases of 120 percent in both credits and students,³ the estimated two-year cost of reimbursement for students is \$10,733,904. The calculations and assumptions are shown in Table 2 below.

Table 2: Estimated Cost of Education Reimbursement

Student type	Cost	Total number	Assumption	Cost estimate
SF residents, CA residents	\$46/credit	37,910 ⁴ credits	120% enrollment, two years	\$4,185,264
Full-time Board of Governor students	\$500/student	2,630 students	120% enrollment, two years	3,156,000
Part-time Board of Governor students	\$200/student	7,068 students	120% enrollment, two years	3,392,640
Total Over Two Years				\$10,733,904

Each year of this two-year grant program, total grants to students cannot exceed \$5,366,952 (\$5,366,952 x 2 years = \$10,733,904), although the amounts within each student type category may be reallocated.

In addition to the \$10,733,904 shown above, City College is eligible for one-time staffing and infrastructure cost reimbursement of up to \$500,000. If all \$500,000 is needed, this results in a total of \$11,233,904. The MOU specifies that total costs will not exceed this maximum amount of \$11,233,904.

According to Ms. Melissa Whitehouse, the Mayor's Budget Director, the \$500,000 is based on an estimate provided by City College to fund \$100,000 for Information Technology changes to City College's registration process and \$400,000 for two full-time aid counselors to assist with the college's financial aid processes over a two-year period. Ms. Whitehouse advises that ongoing costs for City College to fund these positions will be revisited during the FY2018-19 and FY2019-20 budget process.

³ City College has estimated an increase in 120 percent of both credits and students enrolled from Spring 2016 to Fall 2017 due to the Free City College program and the recent re-accreditation of City College and that this higher level of enrollment would remain constant through FY 2018-19.

⁴ In the spring of 2016, San Francisco residents who were not eligible for California Community College Board of Governors fee waivers accounted for 37,910 of the total number of credits, and not 37,190 credits as stated in the subject Memorandum of Understanding (MOU). According to Ms. Hydra Mendoza, Deputy Chief of Staff in the Mayor's Office, the MOU is incorrect as reflected on page A-3 in Appendix A-II Cost Schedule. This number should be corrected.

Indirect Costs

According to the MOU, DCYF and City College will provide administrative support for the Oversight Committee. In FY2017-18, DCYF received an additional 1823 full-time position in their budget to staff this program and provide support for a cost of \$156,214 in FY2017-18 and \$161,992 in FY2018-19. This new position is funded through the Children's Fund.

Available Funding

On January 10, 2017, the Board of Supervisors approved a \$9,000,000 supplemental appropriation of real property transfer tax revenue to provide funding for the Community College Financial Assistance Fund to support students attending City College and placed the funds on Controller's Reserve pending the outcome of the General Fund tax revenue measures on the November 8, 2016 election (File 16-1015; Ordinance No. 003-17). According to Ms. Theresa Kao, Budget Manager in the Controller's Office, the \$9,000,000 for FY2016-17 is no longer on Controller's Reserve.

The recent two-year budget also appropriated \$2,233,904 in General Fund revenues for FY2018-19. As shown in Table 3 below, these two appropriations total \$11,233,904. These funds will be used to pay City College submitted invoices, based on the subject not to exceed \$11,233,904 MOU provisions.

Table 3: Fiscal Year Appropriation of Funds

Appropriation Year	Amount
FY2016-17	\$9,000,000
FY2018-19	2,233,904
Total Appropriated Funds	\$11,233,904

The Board of Supervisors also appropriated \$1,000,000 to seed a reserve for the Free City College Program in the FY2017-18 budget. These monies are in the City College Financial Assistance Fund, which is an interest bearing account that carries forward each fiscal year. This additional \$1,000,000 and accrued interest is intended for future years in the event that City revenues are not sufficient to fund the Free City College Program.

POLICY CONSIDERATION

On October 13, 2017, Governor Brown signed Assembly Bill No. 19, which will establish the California College Promise, to be administered by the Chancellor of the California Community Colleges, which will distribute funding, upon appropriation by the State Legislature to each community college that meets prescribed requirements to be used to achieve specified policy goals and waive fees for one academic year for first-time students who are enrolled in 12 or more semester units or the equivalent at the community college. Under this new State law, community college students will still be responsible for additional fees such as student activity fees, health care and books. Because this State College Promise program has not yet been

funded or implemented, the potential impacts of this new State program on City College are not yet known.

RECOMMENDATIONS

1. Request DCYF to correct the proposed MOU on page A-3 in Appendix A-II Cost Schedule to change the 37,190 credits to 37,910 credits.
2. Approve the proposed resolution.

**CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF CHILDREN, YOUTH, AND THEIR FAMILIES**

MEMORANDUM OF UNDERSTANDING

between

CITY AND COUNTY OF SAN FRANCISCO

and

CITY COLLEGE OF SAN FRANCISCO

THIS MEMORANDUM OF UNDERSTANDING (this "Agreement") is made this 13th day of July, 2017, in the City and County of San Francisco, State of California, by and between the **SAN FRANCISCO COMMUNITY COLLEGE DISTRICT** ("City College") and the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation ("City") acting by and through the Agency (as hereinafter defined),

WITNESSETH:

WHEREAS, the City's Board of Supervisors, on September 27, 2016, approved Ordinance No. 186-16, which established the San Francisco City College Enrollment Fee Assistance Fund; and

WHEREAS, the City intends that the fund established by Ordinance No. 186-16 will receive future funding to provide financial assistance for San Francisco residents attending City College – the Free City College Program – subject to annual appropriations by the Mayor and San Francisco Board of Supervisors through the City's budget process; and

WHEREAS, the City's Board of Supervisors, on January 10, 2017, approved Ordinance No. 03-17, a supplemental appropriation of \$9,000,000 of real property transfer tax revenue in Fiscal Year 2016-17 to provide funds to implement the Free City College program; and

WHEREAS, the City's Board of Supervisors, on June 13, 2017, approved Ordinance No. 125-17, that renamed the San Francisco City College Enrollment Fee Assistance Fund as the San Francisco City College Financial Assistance Fund ("Fund"), and made other modifications to conform the Fund's operation to the terms of this Memorandum of Understanding; and

WHEREAS, if the City establishes a reserve for the Free City College Program, the City shall develop written guidelines that govern access to those reserve funds; and

WHEREAS, enrollment for City College's Fall 2017 semester begins May 3, 2017; and

WHEREAS, the City, through its Department of Children, Youth, and Their Families, wishes to support the Free City College Program by providing funds to City College to offset enrollment fees and provide other education-related financial support for students who are enrolled in credit courses at City College and California residents living in San Francisco; and

WHEREAS, the Free City College Program will not provide benefits based on individual need; and

WHEREAS, City College shall agree to use the funds to offset all enrollment fees for California residents living in San Francisco who are not eligible for other grants or financial aid that would cover such fees; and

WHEREAS, for students who already receive grants or financial aid that cover enrollment fees, the Free City College Program will provide grants to pay for education-related expenses, provided that no full-time student shall receive benefits worth more than \$500 from the program for any academic year and no part-time student shall receive benefits worth more than \$200 for any academic year; and

WHEREAS, City College may use up to \$500,000 over the course of the agreement to pay the costs of implementation and administration of the program, including but not limited to altering City College's online enrollment program and hiring financial aid counselors to provide information and support; and

WHEREAS, as a condition of this Agreement, the City and City College shall create an Oversight Committee to review City College's implementation of this Agreement and prepare an annual public report to the Mayor, the Board of Supervisors, and the Department of Children, Youth, and Their Families, as well as to City College, concerning the implementation of this agreement and disbursements from the City; and

WHEREAS, City desires to provide such funds on the terms and conditions set forth herein:

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 Specific Terms. Unless the context otherwise requires, the following capitalized terms (whether singular or plural) shall have the meanings set forth below:

- (a) **"ADA"** shall mean the Americans with Disabilities Act (including all rules and regulations thereunder) and all other applicable federal, state and local disability rights legislation, as the same may be amended, modified or supplemented from time to time.
- (b) **"Agency"** shall mean the Department of Children, Youth, and Their Families.
- (c) **"BOG Eligible Student"** shall mean an Eligible Student who has qualified for a California Community Colleges Board of Governors Fee Waiver.
- (d) **"Charter"** shall mean the Charter of City.
- (e) **"City College"** shall mean the San Francisco Community College District.
- (f) **"Controller"** shall mean the Controller of City.
- (g) **"Eligible Expenses"** shall mean expenses that City College will incur and Agency will reimburse to City College pursuant to this Agreement.

(h) **“Eligible Student”** shall mean Enrolled Students in either fall or spring terms (beginning Fall 2017) who are:

- 1) San Francisco residents;
- 2) California residents for tuition purposes or qualify for a non-residents exemption (AB540, AB13, AB2000); and
- 3) Have no outstanding holds.

(i) **“Enrolled Student”** shall mean students properly enrolled in classes at City College in compliance with City College established policies.

(j) **“Enrollment Fee”** shall mean the fee established by the California Community Colleges Board of Governors pursuant to California Education Code Section 76300(b)(1). The enrollment fee is currently \$46 per credit unit. If the Board of Governors increases or reduces the Enrollment Fee, the revised Enrollment Fee shall apply to this Agreement.

(k) **“Event of Default”** shall have the meaning set forth in Section 9.1.

(l) **“Funding Request”** shall have the meaning set forth in Section 5.4(a).

(m) **“Funds”** shall mean any and all funds allocated or disbursed to City College under this Agreement.

(n) **“Indemnified Parties”** shall mean: (i) City, including the Agency and all commissions, departments, agencies and other subdivisions of City; (ii) City's elected officials, directors, officers, employees, agents, successors and assigns; and (iii) all persons or entities acting on behalf of any of the foregoing.

(o) **“Losses”** shall mean any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, judgments, fees, expenses and costs of whatsoever kind and nature (including legal fees and expenses and costs of investigation, of prosecuting or defending any Loss described above) whether or not such Loss be founded or unfounded, of whatsoever kind and nature.

1.2 Additional Terms. The terms “as directed,” “as required” or “as permitted” and similar terms shall refer to the direction, requirement, or permission of the Agency. The terms “sufficient,” “necessary” or “proper” and similar terms shall mean sufficient, necessary or proper in the sole judgment of the Agency. The terms “approval,” “acceptable” or “satisfactory” or similar terms shall mean approved by, or acceptable to, or satisfactory to the Agency. The terms “include,” “included” or “including” and similar terms shall be deemed to be followed by the words “without limitation”.

1.3 References to this Agreement. References to this Agreement include: (a) any and all appendices, exhibits, schedules, attachments hereto; (b) any and all statutes, ordinances, regulations or other documents expressly incorporated by reference herein; and (c) any and all amendments, modifications or supplements hereto made in accordance with Section 14.2. References to articles, sections, subsections or appendices refer to articles, sections or subsections of or appendices to this Agreement, unless otherwise expressly stated. Terms such as “hereunder,” herein or “hereto” refer to this Agreement as a whole.

ARTICLE 2
APPROPRIATION AND CERTIFICATION OF FUNDS;
LIMITATIONS ON CITY'S OBLIGATIONS

2.1 Risk of Non-Appropriation of Funds. This Agreement is subject to the budget and fiscal provisions of the Charter. City shall have no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City College acknowledges that the City's budget decisions are subject to the discretion of its Mayor and Board of Supervisors. The City recognizes that this is intended to be a two year agreement and in order to provide City College some assurance that the program will not be interrupted during the two year period, City agrees to act in good faith and work to establish a reserve fund to support the program at least through the Fall 2018 academic semester.

2.2 Certification of Controller; Guaranteed Maximum Costs. No funds shall be available under this Agreement until prior written authorization certified by the Controller. In addition, as set forth in Section 21.10-1 of the San Francisco Administrative Code: City's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by City ordinances governing emergency conditions, City and its employees and officers are not authorized to request City College to perform services or to provide materials, equipment and supplies that would result in City College performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies specified in this Agreement unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies. City is not required to pay City College for services, materials, equipment or supplies that are provided by City College which are beyond the scope of the services, materials, equipment and supplies agreed upon herein and which were not approved by a written amendment to this Agreement having been lawfully executed by City. City and its employees and officers are not authorized to offer or promise to City College additional funding for this Agreement which would exceed the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein shall require lawful approval, including appropriation by the City's Mayor and Board of Supervisors, and certification by the Controller. City is not required to honor any offered or promised additional funding which exceeds the maximum provided in this Agreement which requires lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained. The Controller is not authorized to make payments on any agreement for which funds have not been certified as available in the budget or by supplemental appropriation.

2.3 Automatic Termination for Nonappropriation of Funds. This Agreement shall automatically terminate, without penalty, liability or expense of any kind to City, at the end of any Fiscal Year if funds are not appropriated for the next succeeding Fiscal Year. If funds are appropriated for a portion of any Fiscal Year, this Agreement shall terminate, without penalty, liability or expense of any kind to City, at the end of such portion of the Fiscal Year. City shall provide ninety (90) days' notice to City College prior to an early termination of this Agreement due to Non-appropriation of Funds.

2.4 SUPERSEDURE OF CONFLICTING PROVISIONS. IN THE EVENT OF ANY CONFLICT BETWEEN ANY OF THE PROVISIONS OF THIS ARTICLE 2 AND ANY OTHER PROVISION OF THIS AGREEMENT OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, THE TERMS OF THIS ARTICLE 2 SHALL GOVERN.

ARTICLE 3 TERM

3.1 Effective Date. This Agreement shall become effective when the Controller has certified to the availability of funds as set forth in Section 2.2 and the Agency has notified City College thereof in writing.

3.2 Duration of Term. The term of this Agreement shall commence on the later of (a) July 1, 2017 and (b) the effective date specified in Section 3.1. Such term shall end at 11:59 p.m. San Francisco time on June 30, 2019.

ARTICLE 4 COOPERATION WITH MONITORING; PERSONNEL AND COMMUNICATIONS

4.1 Cooperation with Monitoring. City College shall promptly comply with all standards, specifications and formats of City, as they may from time to time exist, related to evaluation, planning and monitoring of City College's obligations under this Agreement and shall cooperate in good faith with City in any evaluation, planning or monitoring activities conducted or authorized by City. Specifications and formats shall be mutually agreed to by both parties in advance within sixty (60) days of the date of this Agreement.

4.2 City College's Personnel; Communications. This Agreement shall be implemented only by staff under the direction and supervision of City College's Chancellor. All communications regarding this Memorandum of Understanding and the Free City College Program shall be addressed to the Chancellor of City College of San Francisco.

ARTICLE 5 USE AND DISBURSEMENT OF FUNDS

5.1 Maximum Amount of Funds. In no event shall the amount of Funds disbursed hereunder exceed eleven million, two hundred and thirty-three thousand, nine hundred and four Dollars (\$11,233,904).

5.2 Use of Funds. City College shall use the Funds only for Eligible Expenses as set forth in Appendix A and for no other purpose.

5.3 Eligibility and Distribution. City College shall require students to complete a questionnaire at the time of registration to determine eligibility to the Free City College Program. City College shall through established matriculation process make a good faith effort to ensure that BOG Eligible Students exhaust all available funding sources for enrollment fee payment and education-related expenses, including federal and state financial aid. City College shall make a good faith effort to ensure that Eligible Students are able to access the Funds provided under this Agreement through its established financial aid process.

5.4 Disbursement Procedures. Funds shall be disbursed to City College as follows:

(a) City College shall submit to the Agency, quarterly invoices (on or before March 31, June 30, September 30, and December 31) and in the manner specified for notices pursuant to Article 15, a Funding Request substantially in the form attached as Appendix B. Agency shall pay City College for Eligible Expenses within thirty (30) days of receipt. Any Funding Request that is submitted and is not approved by the Agency shall be returned to City College with a brief statement of the reason for the Agency's rejection of such Funding Request. If any such rejection relates only to a portion of Eligible

Expenses itemized in such Funding Requests, the information or clarification as necessary to address the issue(s) raised by Agency.

(b) The Agency shall make all disbursements of Funds pursuant to this Section within 30 days by electronic funds transfer, unless the Agency and City College otherwise agree in writing.

ARTICLE 6

REPORTING REQUIREMENTS; AUDITS; PENALTIES FOR FALSE CLAIMS; OVERSIGHT COMMITTEE

6.1 Regular Reports. City College shall provide an annual report and quarterly reports (accompanying invoices) in agreed to formats as provided in Section 6.5.

6.2 Notification of Defaults or Changes in Circumstances. City College shall notify City immediately of (a) any Event of Default or event that, with the passage of time, would constitute an Event of Default; and (b) any change of circumstances that would cause any of the representations and warranties contained in Article 8 to be false or misleading at any time during the term of this Agreement.

6.3 Books and Records. City College shall establish and maintain accurate files and records of all obligations established by this Agreement and the matters funded in whole or in part with Funds during the term of this Agreement. Without limiting the scope of the foregoing, City College shall establish and maintain accurate financial books and accounting records relating to Eligible Expenses incurred and Funds received and expended under this Agreement, together with all invoices, documents, payrolls, time records and other data related to the matters covered by this Agreement, whether funded in whole or in part with Funds. City College shall maintain all of the files, records, books, invoices, documents, payrolls and other data required to be maintained under this Section in a readily accessible location and condition for a period of not less than five (5) years after final payment under this Agreement or until any final audit has been fully completed, whichever is later.

6.4 Inspection and Audit. To the extent authorized by law, including but not limited to the Federal Education Right to Privacy Act (FERPA), City College shall make available to City, its employees and authorized representatives, during regular business hours all of the files, records, books, invoices, documents, payrolls and other data required to be established and maintained by this Agreement. City College shall permit City, its employees and authorized representatives to inspect, audit, examine and make excerpts and transcripts from any of the foregoing. The rights of City pursuant to this Section shall remain in effect so long as City College has the obligation to maintain such files, records, books, invoices, documents, payrolls and other data under this Article 6. Any requests to inspect, audit or examine must be made at least 30 days prior to time such records are to be available.

6.5 Oversight Committee. The City and City College shall establish an oversight committee to review City College's implementation of this Agreement and to prepare an annual public report for the Mayor, the Board of Supervisors, and the Agency. The Agency and City College shall provide administrative support for the Oversight Committee.

(a) **Membership.** The Oversight Committee shall consist of eleven members.

(i) The City College Board of Trustees shall appoint three members: one member of the Board of Trustees, one City College financial aid counselor or specialist, and one member from the staff of the Office of the Chancellor of City College.

(ii) The City College Academic Senate shall appoint two faculty members.

(iii) The City College Associated Students Executive Council shall appoint one student body representative.

(iv) The San Francisco Board of Supervisors shall appoint two members: one member of the Board of Supervisors and one person not otherwise eligible to serve in one of the dedicated seats on the Oversight Committee.

(v) The San Francisco Unified School District's Board of Education shall appoint one of its members.

(vi) The Mayor shall appoint one member from the staff of the Mayor's Office.

(vii) The Controller shall appoint one member from the staff of the Controller's Office.

(b) **Term; Vacancies.** Each member of the Oversight Committee shall serve at the pleasure of the member's appointing authority, and shall serve for the life of the Oversight Committee. Any member who misses three regular meetings of the Oversight Committee, without the express approval of the Oversight Committee at or before each missed meeting, shall be deemed to have resigned from the Oversight Committee ten days after the third unapproved absence. The Oversight Committee shall inform the appointing authority and the Clerk of the Board of Supervisors of the resignation. If City College's Board of Trustees, Academic Senate, Associated Students Executive Council, or the San Francisco Unified School District's Board of Education, declines to appoint a member to one of the seats for which it has appointing authority and leaves that seat vacant for more than 90 days, the San Francisco Board of Supervisors may appoint a member of the public to fill the seat until the appointing authority appoints a person to the seat.

(c) **Meetings.** The Oversight Committee shall meet at least once every three months and shall comply with the public meeting provisions of the Brown Act and the Sunshine Ordinance.

(d) **Termination.** Unless the San Francisco Board of Supervisors by ordinance extends the term of the Oversight Committee, the Oversight Committee shall terminate on December 31, 2019.

ARTICLE 7 **REPRESENTATIONS AND WARRANTIES**

City College represents and warrants each of the following as of the date of this Agreement and at all times throughout the term of this Agreement:

7.1 Location. City College's operations, offices and headquarters are located at the address for notices set forth in Article 12.

7.2 No Misstatements. No document furnished or to be furnished by City College to City or City in connection with this Agreement, any Funding Request or any other document relating to any of the foregoing, contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

7.3 Conflict of Interest. Through its execution of this Agreement, City College acknowledges that it is familiar with Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

ARTICLE 8 **INDEMNIFICATION AND GENERAL LIABILITY**

8.1 Indemnification.

(a) City College shall indemnify and hold City, its officers, employees and agents, harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages, arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of City College, its officers, agents or employees.

(b) In the event of concurrent negligence of City, its officers, employees and agents, and City College and its officers, employees and agents, the liability for any and all claims for injuries or damages to persons and/or property shall be apportioned under the California theory of comparative negligence as presently established or as may hereafter be modified..

8.2 Reserved.

8.3 Reserved.

8.4 LIMITATION ON LIABILITY OF CITY. CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF FUNDS ACTUALLY DISBURSED HEREUNDER. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE FUNDS OR ANY ACTIVITIES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

ARTICLE 9 **EVENTS OF DEFAULT AND REMEDIES**

9.1 Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Agreement:

(a) **False Statement.** Any statement, representation or warranty contained in this Agreement, in any Funding Request or in any other document submitted to City under this Agreement is found by City to be intentionally false or misleading.

(b) **Failure to Comply with Applicable Laws.** City College fails to perform or breaches any of the terms or provisions of Article 13.

(c) **Failure to Perform Other Covenants.** City College fails to perform or breaches any other agreement or covenant of this Agreement to be performed or observed by City College as and when performance or observance is due and such failure or breach continues for a period of ten (10) days after the date on which such performance or observance is due.

(d) **Cross Default.** City College defaults under any other agreement between City College and City (after expiration of any grace period expressly stated in such agreement).

(e) **Voluntary Insolvency.** City College (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of City College or of any substantial part of City College's property or (v) takes action for the purpose of any of the foregoing.

(f) **Involuntary Insolvency.** Without consent by City College, a court or government authority enters an order, and such order is not vacated within ten (10) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to City College or with respect to any substantial part of City College's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of City College.

(g) **Failure to Pay.** City or Agency fails to pay City College pursuant to the terms of this Agreement.

9.2 Remedies Upon Event of Default. Upon and during the continuance of an Event of Default, City may do any of the following, individually or in combination with any other remedy:

(a) **Termination.** Either party may terminate this Agreement by giving a written termination notice to the other party and, on the date specified in such notice, this Agreement shall terminate and all rights of City College hereunder shall be extinguished. In the event of such termination, City College will be paid for Eligible Expenses in any Funding Request that was submitted and approved by City prior to the date of termination specified in such notice.

(b) **Withholding of Funds.** City may withhold all or any portion of Funds not yet disbursed hereunder, regardless of whether City College has previously submitted a Funding Request or whether City has approved the disbursement of the Funds requested in any Funding Request. Any Funds withheld pursuant to this Section and subsequently disbursed to City College after cure of applicable Events of Default shall be disbursed without interest.

(c) **Offset.** City may offset against all or any portion of undisbursed Funds hereunder or against any payments due to City College under any other agreement between City College and City the amount of any outstanding funds are required to satisfy obligations that arise due to a settlement or court judgment arising from a dispute between the parties.

(d) **Return of Funds.** City may demand the immediate return of any previously disbursed Funds that have been claimed or expended by City College in breach of the terms of this Agreement, together with interest thereon from the date of disbursement at the maximum rate permitted under applicable law.

9.3 Remedies Nonexclusive. Each of the remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The remedies contained herein are in addition to all other remedies available to either party at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

ARTICLE 10 **DISCLOSURE OF INFORMATION AND DOCUMENTS**

10.1 Proprietary or Confidential Information of City. Both parties understand and acknowledge that, in the performance of this Agreement or in contemplation thereof, City College may have access to private or confidential information that may be owned or controlled by City and that such information may contain proprietary or confidential information, the disclosure of which to third parties may be damaging to City. City College agrees that all information disclosed by City to City College shall be held in confidence and used only in the performance of this Agreement. City College shall exercise the same standard of care to protect such information as a reasonably prudent nonprofit entity would use to protect its own proprietary or confidential data.

10.2 Sunshine Ordinance. City College acknowledges and agrees that this Agreement is subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. All information provided by City College that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.

ARTICLE 11 **ASSIGNMENTS AND SUBCONTRACTING**

11.1 No Assignment by City College. City College shall not, either directly or indirectly, assign, transfer, hypothecate, subcontract or delegate all or any portion of this Agreement or any rights, duties or obligations of City College hereunder without the prior written consent of City. This Agreement shall not, nor shall any interest herein, be assignable as to the interest of City College involuntarily or by operation of law without the prior written consent of City. A change of ownership or control of City College or a sale or transfer of substantially all of the assets of City College shall be deemed an assignment for purposes of this Agreement.

11.2 Agreement Made in Violation of this Article. Any agreement made in violation of Section 11.1 shall confer no rights on any person or entity and shall automatically be null and void.

ARTICLE 12 **NOTICES AND OTHER COMMUNICATIONS**

12.1 Requirements. Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications hereunder shall be in writing, shall be addressed to the person and address set forth below and shall be (a) deposited in the U.S. mail, first class, certified with return receipt requested and with appropriate postage, (b) hand delivered or (c) sent via facsimile (if a facsimile number is provided below):

If to the Agency or City:	Department of Children, Youth, and Their Families 1390 Market Street, Suite 900 San Francisco, CA 94102 Attn: Maria Su, Executive Director
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If to City College:

CITY COLLEGE OF SAN FRANCISCO
50 Phelan Avenue, E200
San Francisco, CA 94112
Attn: Chancellor
Facsimile No. 415-239-3918

12.2 Effective Date. All communications sent in accordance with Section 12.1 shall become effective on the date of receipt. Such date of receipt shall be determined by: (a) if mailed, the return receipt, completed by the U.S. postal service; (b) if sent via hand delivery, a receipt executed by a duly authorized agent of the party to whom the notice was sent; or (c) if sent via facsimile, the date of telephonic confirmation of receipt by a duly authorized agent of the party to whom the notice was sent or, if such confirmation is not reasonably practicable, the date indicated in the facsimile machine transmission report of the party giving such notice.

12.3 Change of Address. From time to time any party hereto may designate a new address for purposes of this Article 12 by notice to the other party.

ARTICLE 13 COMPLIANCE

13.1 RESERVED.

13.2 Nondiscrimination; Penalties.

(a) **City College Shall Not Discriminate.** In the performance of this Agreement, City College agrees not to discriminate against any employee, City and County employee working with City College, applicant for employment with City College, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) **Non-Discrimination in Benefits.** City College does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(c) **Condition to Contract.** As a condition to this Agreement, City College shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division.

(d) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by

reference and made a part of this Agreement as though fully set forth herein. City College shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, City College understands that pursuant to Sections 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of fifty dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against City College and/or deducted from any payments due City College.

13.3 Compliance with ADA. City College acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity to the public, whether directly or through a grantee or contractor, must be accessible to the disabled public. City College shall not discriminate against any person protected under the ADA in connection with this Agreement and shall comply at all times with the provisions of the ADA.

13.4 Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12G, no funds appropriated by the City and County of San Francisco for this Agreement may be expended for organizing, creating, funding, participating in, supporting, or attempting to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity"). The terms of San Francisco Administrative Code Chapter 12G are incorporated herein by this reference. Accordingly, an employee working in any position funded under this Agreement shall not engage in any Political Activity during the work hours funded hereunder, nor shall any equipment or resource funded by this Agreement be used for any Political Activity. In the event City College, or any staff member in association with City College, engages in any Political Activity, then (i) City College shall keep and maintain appropriate records to evidence compliance with this section, and (ii) City College shall have the burden to prove that no funding from this Agreement has been used for such Political Activity. City College agrees to cooperate with any audit by the City or its designee in order to ensure compliance with this section. In the event City College violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement and any other agreements between City College and City, (ii) prohibit City College from bidding on or receiving any new City contract for a period of two (2) years, and (iii) obtain reimbursement of all funds previously disbursed to City College under this Agreement.

13.5 Protection of Private Information. City College has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. City College agrees that any failure of City College to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Agreement, bring a false claim action against the City College pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the City College.

13.6 Compliance with Other Laws. Without limiting the scope of any of the preceding sections of this Article 13, both parties shall keep themselves fully informed of City's Charter, codes, ordinances and regulations and all state, and federal laws, rules and regulations affecting the performance of this Agreement and shall at all times comply with such Charter codes, ordinances, and regulations rules and laws.

ARTICLE 14 MISCELLANEOUS

14.1 No Waiver. No waiver by the Agency or City or/and City College of any default or breach of this Agreement shall be implied from any failure by the Agency or City or/and City College to take action on account of such default if such default persists or is repeated. No express waiver by the Agency or City or/and City College shall affect any default other than the default specified in the waiver and shall be operative only for the time and to the extent therein stated. Waivers by City or the Agency or/and City College of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the Agency or City of any action requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

14.2 Modification. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.

14.3 Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning or intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to mediation or other process agreed to by the parties.

14.4 Governing Law; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

14.5 Headings. All article and section headings and captions contained in this Agreement are for reference only and shall not be considered in construing this Agreement.

14.6 Entire Agreement. This Agreement sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. The following appendices are attached to and part of this Agreement:

Appendix A-I, Eligible Expenses and Student Obligation for Withdrawal from Courses
Appendix A-II, Cost Schedule
Appendix B, Form of Funding Request

14.7 Certified Resolution of Signatory Authority. Upon request of City, City College shall deliver to City a copy of the resolution(s) authorizing the execution, delivery and performance of this Agreement, certified as true, accurate and complete by the secretary or assistant secretary of City College.

14.8 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

14.9 Successors; No Third-Party Beneficiaries. Subject to the terms of Article 11, the terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their respective successors and assigns and, in the case of

Article 8, the Indemnified Parties) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

14.10 Survival of Terms. The obligations of City College and the terms of the following provisions of this Agreement shall survive and continue following expiration or termination of this Agreement:

Section 6.3 Books and Records.

Article 10 Disclosure of Information and Documents

Article 8 Indemnification and General Liability

Article 14 Miscellaneous

14.11 Further Assurances. From and after the date of this Agreement, City College agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

14.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

CITY

**DEPARTMENT OF CHILDREN, YOUTH,
AND THEIR FAMILIES**

By: _____

Maria Su
Executive Director

CITY COLLEGE:

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

CITY COLLEGE OF SAN FRANCISCO

By: _____

Print Name: Thea Selby

Title: President, City College Board of Trustees

Federal Tax ID #: _____

City Vendor Number: _____

Approved as to Form:

Dennis J. Herrera
City Attorney

By: _____

Andrew Shen
Deputy City Attorney

Approved as to Form:

City College of San Francisco, Office of the General Counsel

By: _____

Steve Bruckman
General Counsel

Appendix A-I. Eligible Expenses and Student Obligation for Withdrawal from Courses

“BOG Eligible Student” shall mean an Eligible Student who has qualified for a California Community Colleges Board of Governors Fee Waiver.

“Eligible Expenses” shall mean expenses that City College will incur and Agency will reimburse to City College pursuant to this Agreement.

“Eligible Student” shall mean Enrolled Students in either fall or spring terms (beginning Fall 2017) who are:

- 1) San Francisco residents;
- 2) California residents for tuition purposes or qualify for a non-residents exemption (AB540, AB13, AB2000); and
- 3) Have no outstanding holds.

A. Expenses that Agency will reimburse City College:

1. Full Time BOG Eligible Students:

BOG Eligible Students who attend City College on a full-time basis (12 or more credit units per semester) may receive grants up to \$250 per fall and spring semester that may be used for books, college fees other than enrollment fees, supplies, and transportation costs related to their enrollment at City College.

2. Part Time BOG Eligible Students:

BOG Eligible Students who attend City College on a part-time basis (6-11 credit units per semester) may receive grants up to \$100 per fall and spring semester that may be used for books, City College fees other than enrollment fees, supplies, and transportation costs related to their enrollment at City College.

3. All Non-BOG Eligible Students:

Other Eligible Students (who are not BOG Eligible Students) will receive free enrollment, with enrollment fees paid for through the Free City College program.

4. Staffing Costs

City College may request funding for staffing increases at City College (including hiring of new staff and existing staff time) and infrastructure costs directly related to the implementation of this Agreement, up to \$500,000.

5. Ineligible Expenses

Eligible Expenses shall not include:

- for City College staff and personnel, any personal or business-related costs or expenses related to meals, catering, transportation, lodging or fundraising;
- capital expenses;
- any costs or expenses which are prohibited under the terms and conditions of any federal or state grant supplying all or any portion of the Funds;
- penalties, late charges or interest on any late payments; or

- taxes or other amounts withheld from wages or salaries which have not actually been paid by City College during the term of this Agreement or which relate to periods before or after the term of this Agreement.

B. Students Who Withdraw from Courses

1. Pre-Deadline Withdrawal:

If a student withdraws from a course before the date to receive a full refund, the student owes nothing to City College. (Refund deadlines appear next to each course listing on the college website at www.ccsf.edu/Schedule.)

2. Post-Deadline Withdrawal:

If a student withdraws from a course after the deadline to receive a full refund, then the student must pay City College for all applicable fees (enrollment fees or grants), and the money will be returned to City College for the Free City College Program.

Appendix A-II Cost Schedule

Eligible Expenses shall not exceed the following estimated costs over the course of this Agreement:

Annual Costs		
	Arithmetic	Cost Estimate
Non-BOG, SF Residents, CA Residents (Incl. 20% growth)	(37,910 credits X \$46 per credit X 120% enrollment assumption)	\$ 2,092,632
\$500 Grants for Full-time BOG Students (Incl. 20% growth)	(2,630 Full-time BOG students X \$500 annual grant X 120% enrollment assumption)	\$ 1,578,000
\$200 Grants for Part-time BOG Students (Incl. 20% Growth)	(7,068 Part-time BOG students X \$200 annual grant X 120% enrollment assumption)	\$ 1,696,320
	COST PER ACADEMIC YEAR	\$ 5,366,952

Program Totals		
One-time Staffing and Infrastructure Costs	\$	500,000
Two Years of Tuition Credits and Grants	\$	10,733,904
	TOTAL	\$ 11,233,904

Yearly Budgets

The costs for Year 1 (Fall 2017 and Spring 2018) may not exceed \$5,366,952 in total grants for students. Allotments within the three categories of annual costs in the table above may change by reallocating within the available funds for the year.

The costs for Year 2 (Fall 2018 and Spring 2019) may not exceed \$5,366,952 in total grants for students. Allotments within the three categories of annual costs in the table above may change by reallocating within the available funds for the year.

Reporting Requirements

When demand for one of the three categories of annual costs reaches 80% of the total allocation for the year, City College will notify the Oversight Committee of this development within 3 days. City College must provide separate notice to the Oversight Committee when demand reaches the 80% threshold for any of the categories of annual costs.

Appendix B--Form of Funding Request

City College shall provide the following cost information in connection with each Funding Request:

		Costs
Enrollment Fees	[Number of Eligible Students who do not qualify for Board of Governors Fee Waivers]	[Subtotal]
\$500 Grants for Full-Time BOG Eligible Students	[Number of Full-Time BOG Eligible Students]	[Subtotal]
\$200 Grants for Part-Time BOG Eligible Students	[Number of Part-Time BOG Eligible Students]	[Subtotal]
Funds Returned to City College for the Free City College Program (due to Eligible Students dropping classes after refund deadline)		[Subtotal]
Staffing and Infrastructure Costs directly related to the implementation of this Agreement		[Subtotal]
		[Total reimbursement]

With each Funding Request, City College shall also provide Department with the following information:

- the number of credits taken by each, individual Eligible Student who received funding through this Agreement (but not their names or other identifying information); and
- the number of Eligible Students who drop classes before the refund deadline, after the refund deadline, and after census with each Funding Request.

President, District 5
BOARD of SUPERVISORS



805-11
Rides COB
Aides DCO
Deputies DCO
CITY ATTY CO
Clerk/CLERK'S OFFICE
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BOARD OF SUPERVISORS
SAN FRANCISCO
2017 OCT -5 PM 3:53
AK

City Hall

1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, 94102-4689
Tel. No. 554-7630*
Fax No. 554-7634
TDD/TTY No. 544-5227

London Breed

PRESIDENTIAL ACTION

Date: 10/5/17

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,

Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No.

171069

Kim

(Primary Sponsor)

Title.

Memorandum of Understanding - San Francisco Community College
District - Use of San Francisco City College Enrollment Fee Assistance

Transferring (Board Rule No 3.3)

File No.

(Primary Sponsor)

Title.

From:

Committee

To:

Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor _____

Replacing Supervisor _____

For:

(Date)

(Committee)

Meeting

London Breed, President
Board of Supervisors

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2017 OCT - Tim PH 12 p 39
or meeting date

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

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" [redacted] inquiries"

5. City Attorney Request.

6. Call File No. [redacted] from Committee.

7. Budget Analyst request (attached written motion).

8. Substitute Legislation File No. [redacted]

9. Reactivate File No. [redacted]

10. Question(s) submitted for Mayoral Appearance before the BOS on [redacted]

Please 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

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Supervisor Jane Kim

Subject:

Free City College Memorandum of Understanding

The text is listed:

Please see attached.

Signature of Sponsoring Supervisor:



For Clerk's Use Only

APPENDIX 4

APPENDIX 4: METHODOLOGY FOR COUNTING FREE CITY STUDENTS

Chart 1 on page 14 shows unduplicated credit student headcount for students with a San Francisco address for each year between academic year 2006-07 and academic year 2017-18. Unduplicated headcounts means a student is counted only once no matter how many semesters they attended during the academic year. Includes credit students who were enrolled in at least one class in the academic year. Includes only enrollments that result in a grade, i.e. the student was enrolled at census, although may have dropped later and received a W. “San Francisco” students have an SF address in our student information system (Banner), that may differ from their residency according to the Free City affidavit.

Free City status – students who received either the tuition/fee waiver or a stipend, during the Fall or Spring semester. (Students who registered only for summer term did not qualify for Free City.)

Students with a San Francisco address may not be Free City eligible. Ineligible students could include students who attended only in the summer term (when Free City was not offered), or students who have a San Francisco address but are not California residents, like F1 international students. Eligible students who do not participate could include students receiving other fee waivers, like some veterans receiving GI benefits, or high school students.

This report captures some students identified as “non-SF resident” who did receive Free City benefits. A student’s eligibility for Free City is determined at the beginning of each semester. At the time of enrollment, these students had San Francisco addresses. However, at some point during the semester, approximately 1,151 students moved to a non-SF address. Their benefits were not revoked upon moving mid-semester. Additionally, in the same chart, 369 students are identified as “unknown.” This represents students who did not have a physical address but were residing in San Francisco (i.e. those who were housing insecure or homeless).

APPENDIX 5

APPENDIX 5: GEOGRAPHIC HEAT MAP BACKING DATA

Zip Code	Neighborhood	Students
94102	Hayes Valley/Tenderloin/North of Market	1,042
94103	South of Market	1,068
94104	Financial District South	46
94105	Embarcadero Soth	194
94107	Potrero Hill	647
94108	Chinatown	405
94109	Polk/Russian Hill (Nob Hill)	1,278
94110	Inner Mission/Bernal Heights	2,738
94111	Embarcadero North	88
94112	Ingleside-Excelsior/Crocker-Amazon	5,032
94114	Castro/Noe Valley	813
94115	Western Addition/Japantown/Pacific Heights	730
94116	Parkside/Forest Hill	1,810
94117	Haight-Ashbury/Cole Valley	1,013
94118	Inner Richmond	1,048
94121	Outer Richmond	1,568
94122	Sunset	2,163
94123	Marina/Cow Hollow	247
94124	Bayview Hunters Point	2,075
94127	St. Francis Wood/Miraloma/West Portal	684
94129	Presidio	80
94130	Treasure Island	154
94131	Twin Peaks-Glen Park/Diamond Heights	871
94132	Lake Merced/Stonestown	1,347
94133	North Beach/Chinatown	754
94134	Visitacion Valley/Sunnydale	2,318
94158	Mission Bay	169

APPENDIX 6



Free City is a partnership between the City & County of San Francisco and City College of San Francisco. The program is backed by the voters of San Francisco in order to make education more accessible to residents.

Student Information

Student Information:	Last Name <input type="text"/>	First Name <input type="text"/>	Student ID <input type="text"/>
	Email Address <input type="text"/>	Phone Number <input type="text"/>	Date of Birth (MM/DD/YYYY) <input type="text"/>
Current Address:	Street <input type="text"/>	City <input type="text"/>	State <input type="text"/>
			ZIP <input type="text"/>

If you have lived at your present address for less than two years, please list previous address below.

Above address is the same

Previous Address:	Street <input type="text"/>	City <input type="text"/>	State <input type="text"/>	ZIP <input type="text"/>
--------------------------	--------------------------------	------------------------------	-------------------------------	-----------------------------

Residency

I have established California Residency or qualify for an exemption (AB540, AB2000, AB13) Yes No

I am a San Francisco Resident Yes No

Per Title 5 Section 54020: In order to establish a residence, it is necessary that there be a union of act and intent. To establish residence, a person capable of establishing residence in California must couple his or her physical presence in California with objective evidence that the physical presence is with the intent to make California the home for other than a temporary purpose.

Affidavit

I, the undersigned, declare under penalty of perjury under the laws of the state of California that the information I have provided on this form is true and accurate. I understand that this information will be used to determine my eligibility for the Free City program. I further understand that if any of the above information is untrue, I will be liable for payment of the applicable fees from which I was exempted and may be subject to disciplinary action by the City College of San Francisco.

By checking, I verify that I understand that I am liable for all fees (including the \$46 enrollment fee "tuition" per semester unit) for classes not dropped by the refund deadlines which are located next to each course listing on the college website at <http://www.ccsf.edu/schedule>.

Signature: **Date (MM/DD/YYYY):**

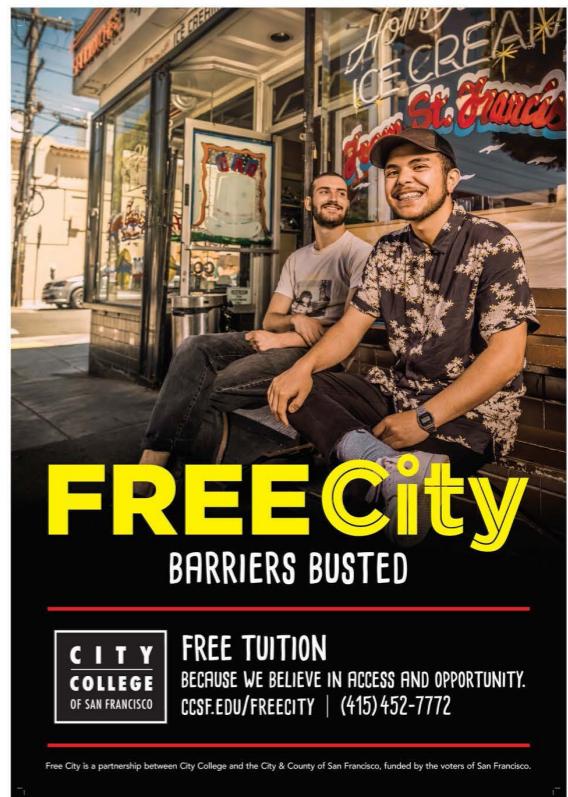
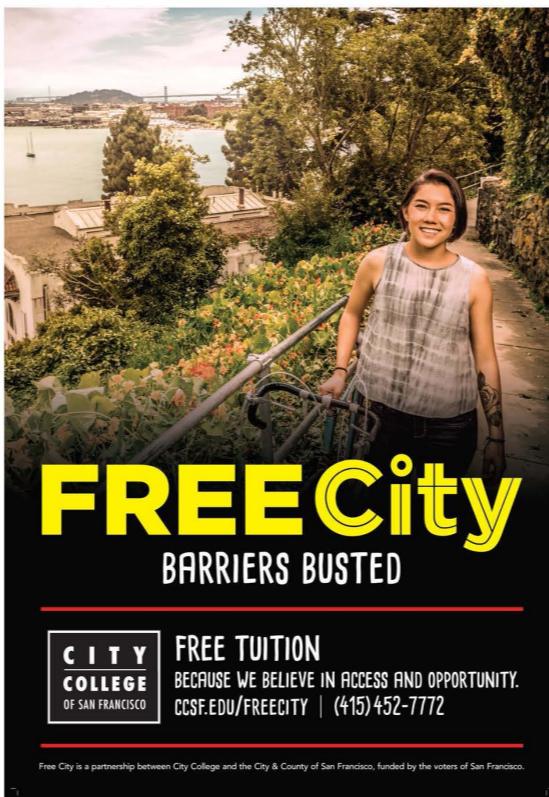
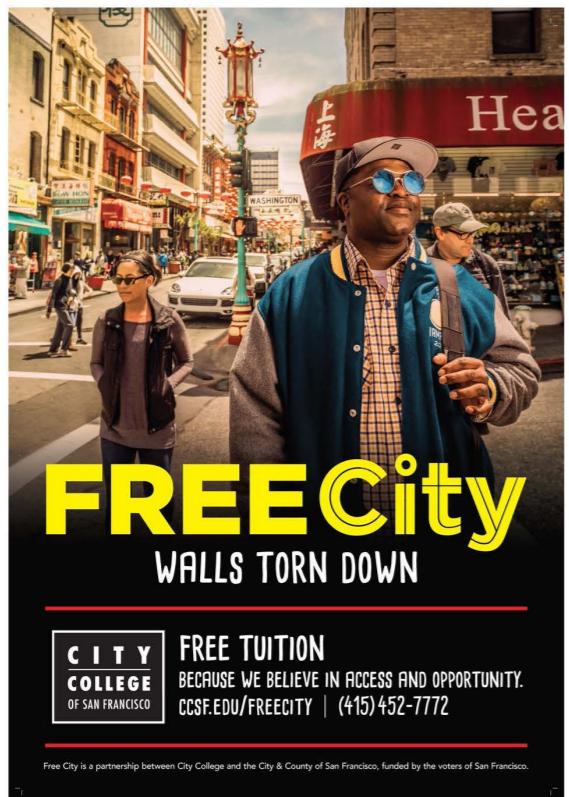
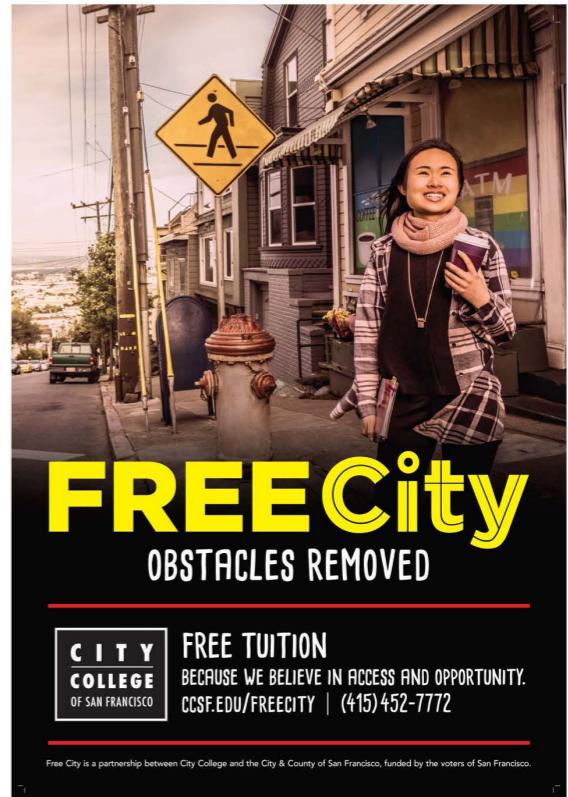
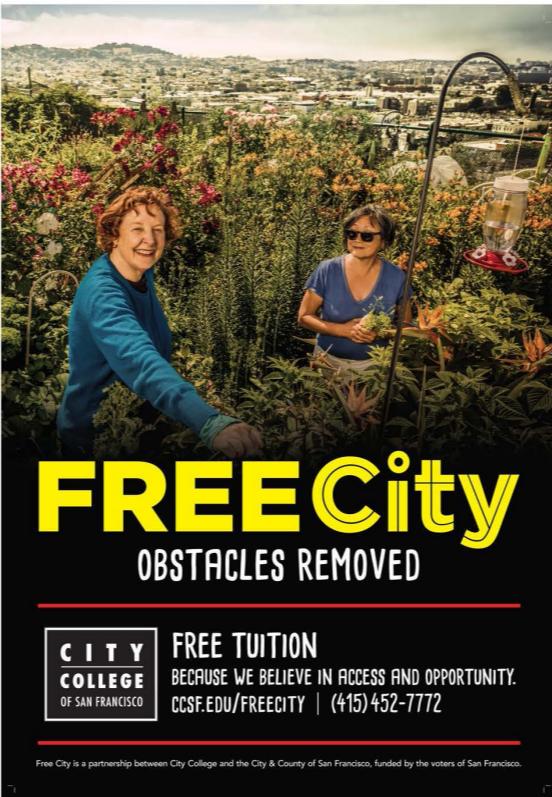
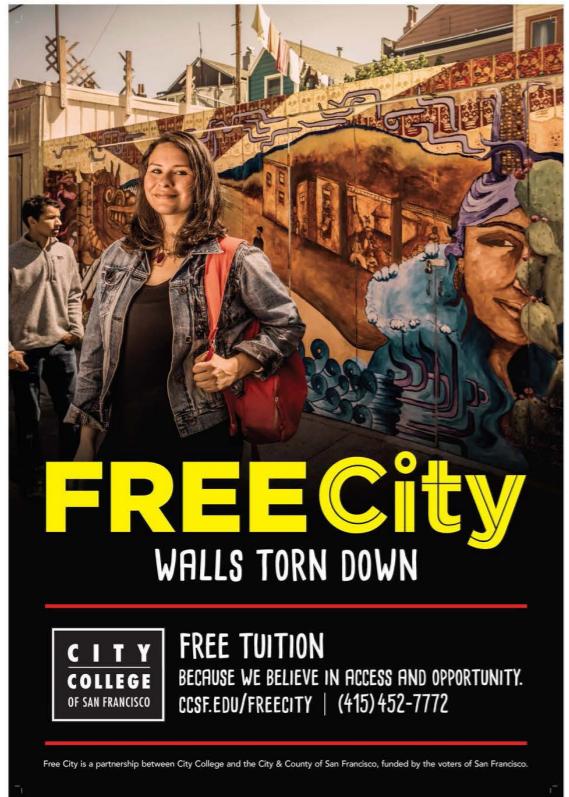
Please verify your information before submitting. Once submitted you will not be able to access the form again.

Submit

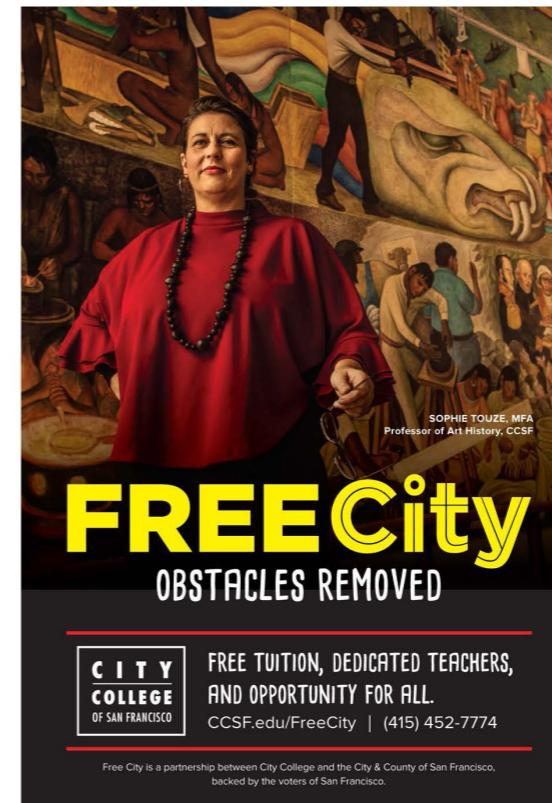
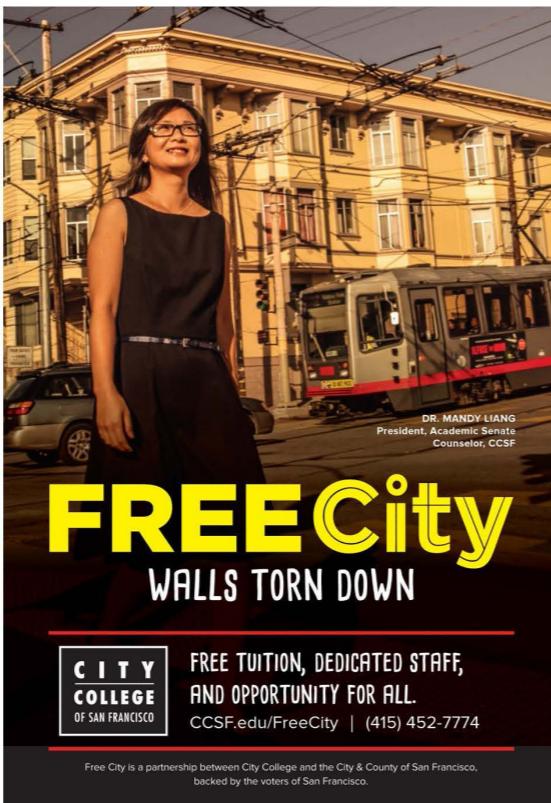
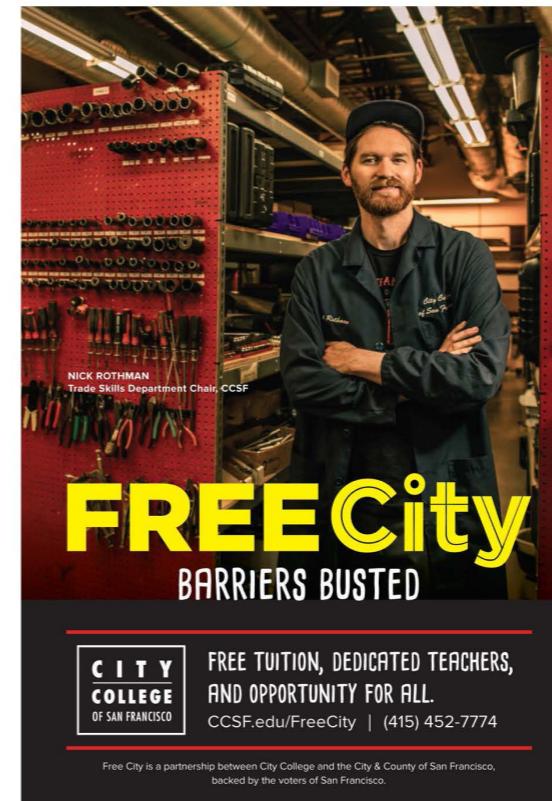
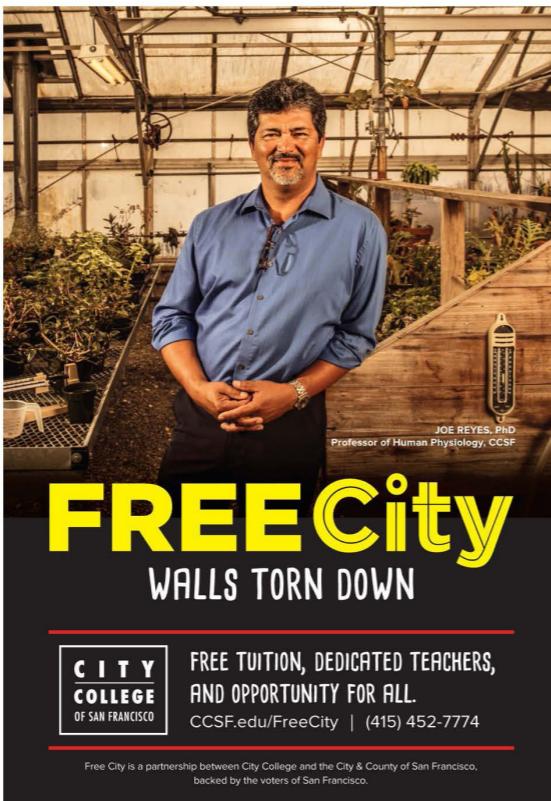
RELEASE: 8.5

APPENDIX 7

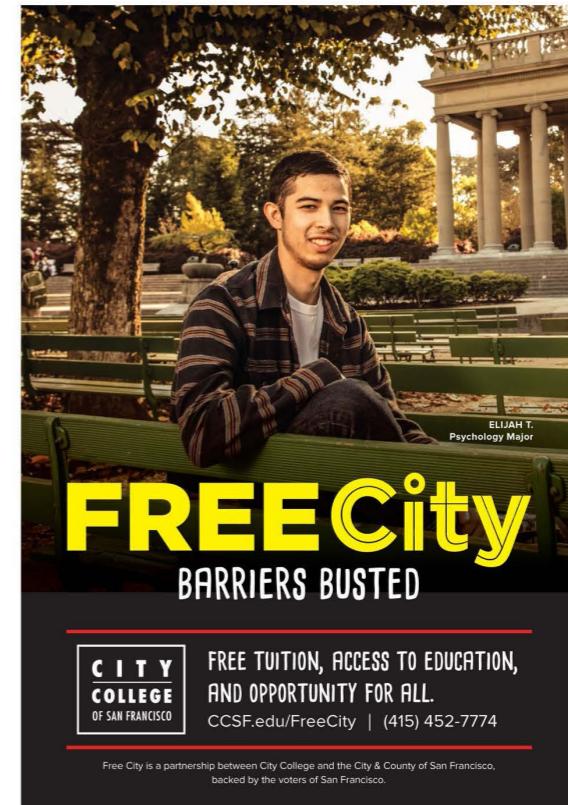
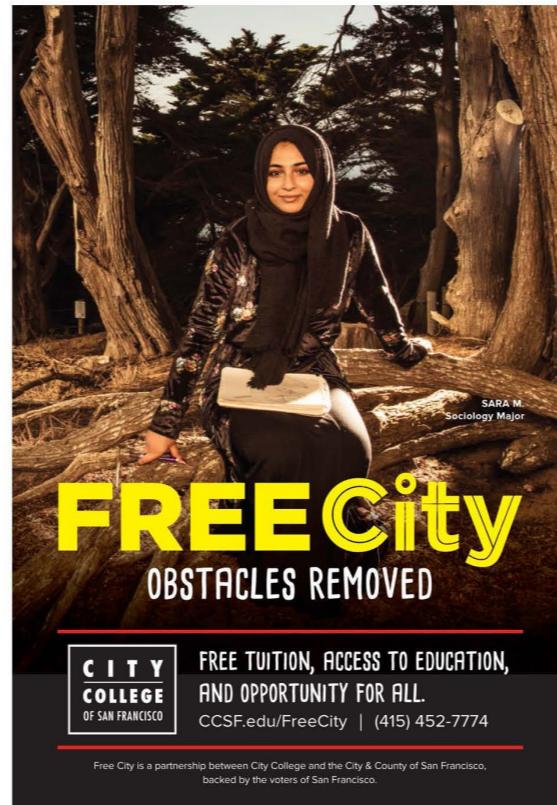
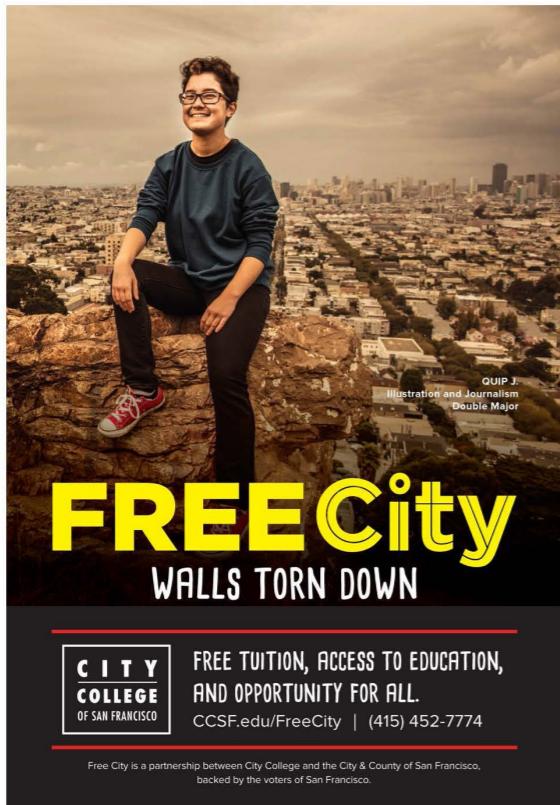
Fall 2017



Spring 2018 - Faculty



Spring 2018 - Students



Summer 2018

SUMMER REGISTRATION NOW OPEN

GET AHEAD STAY AHEAD

with Summer Classes
at City College

REGISTER TODAY FOR
SUMMER SEMESTER

**CITY
COLLEGE
OF SAN FRANCISCO**



Summer session is a perfect time to fill in a missing class or get ahead. Explore our full range of classes today.

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SUMMER SEMESTER

**CITY
COLLEGE
OF SAN FRANCISCO**



Summer session is a perfect time to fill in a missing class or get ahead. Explore our full range of classes today.

Fall 2018 - Alumni



SAM MOGANNAH
CCSF Grad
Founder,
Bi-Rite Family of Businesses

**FREE
SPIRIT**

**CITY
COLLEGE
OF SAN FRANCISCO**

FREECity What will you do with free tuition?
CCSF.edu/FreeCity | (415) 452-7774

Free City is a partnership between City College and the City & County of San Francisco, backed by the voters of San Francisco.



YIN YIN WU
CCSF Grad
LEED Cert. Mechanical Engineer,
Energela Solutions

**FREE
THINKER**

**CITY
COLLEGE
OF SAN FRANCISCO**

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GONZALO GUZMÁN
CCSF Alumnus & ESL Student
Chef, Co-owner,
Nopalito

**FREE
EXPRESSION**

**CITY
COLLEGE
OF SAN FRANCISCO**

FREECity What will you do with free tuition?
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LUIS REYES
CCSF Grad
Army Vet,
Client Service Administrator, Siemens

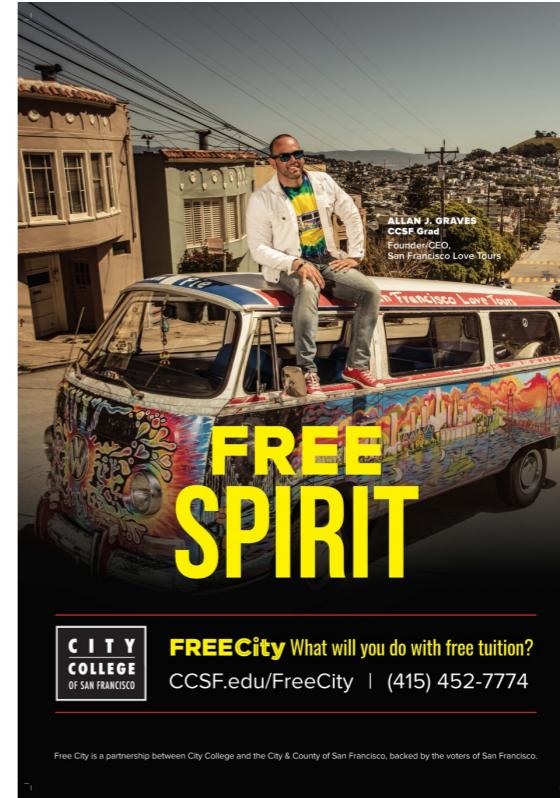
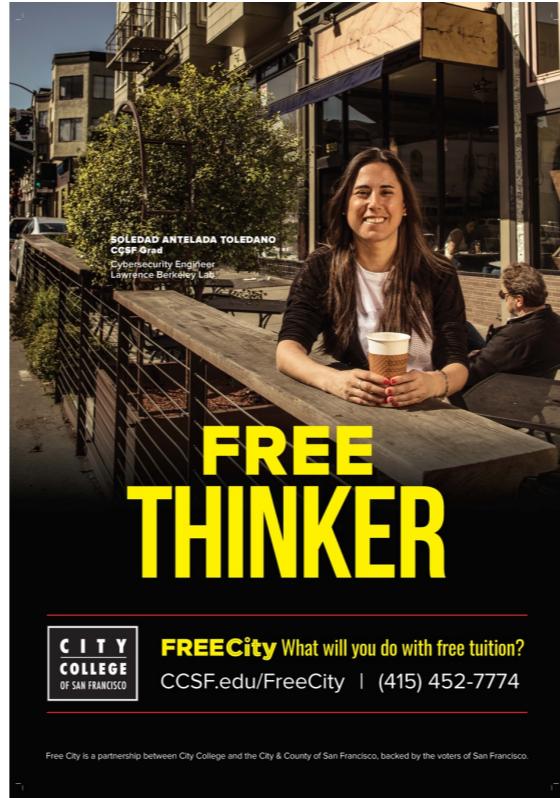
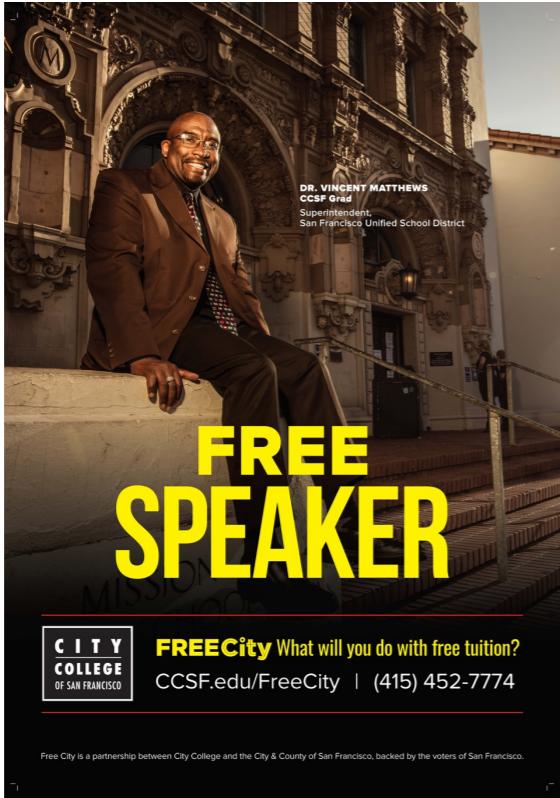
**FREE
EXPRESSION**

**CITY
COLLEGE
OF SAN FRANCISCO**

FREECity What will you do with free tuition?
CCSF.edu/FreeCity | (415) 452-7774

Free City is a partnership between City College and the City & County of San Francisco, backed by the voters of San Francisco.

Fall 2018 - Alumni continued



APPENDIX 8

APPENDIX 8: FALL 2017 INVOICE

INVOICE						
Federal ID: #94-1721925						
In Reply, refer to:				Date:		Rev. 4.4.18
Invoice No:	FCC1			Make Checks Payable to: George Kotzitz San Francisco Community College District		
Name:	Maria Su Department of Children, Youth and Their Families					
Address:	1390 Market Street, Suite 900 San Francisco, CA 94102			City College of San Francisco 33 Gough Street San Francisco, CA 94103		
Contact No.	(415) 554-3547					
You are notified that the following amount is due and payable to the San Francisco Community College District within 30 days of the date of receipt.						
Description						Amount
	Headcount	Credits/Units	Costs	Adjustments		
Enrollment Fees \$500 Grants for Full-Time BOG Eligible Students (\$250/term)	13,370	87,004	\$ 4,002,161	\$ (2,806)		\$ 3,999,355
\$200 Grants for Part-Time BOG Eligible Students (\$100/term)	2,539		\$ 615,750	\$ -		\$ 615,750
Funds Returned to City for the Free City Program (Due to eligible students dropping classes after refund deadline)***	1,970		\$ 192,400	\$ -		\$ 192,400
Staffing and Infrastructure costs directly related to the implementation of the MOU	3,817	17,138	\$ (788,325)	\$ -		\$ (788,325)
	n/a	n/a	\$ 72,878	\$ -		\$ 72,878
			Total Costs			\$ 4,092,058
			Fall 17 Budget			\$ 2,683,476
			Staffing/Infrastructure			\$ 72,878
			Total Invoice Amount			\$ 2,756,354

APPENDIX 9

APPENDIX 9: SPRING 2018 INVOICE

	City College of San Francisco 33 Gough Street, San Francisco, CA 94103 (415) 239-3000 District Business Office				
INVOICE					
Federal ID. #94-1721925					
In Reply, refer to:			Date:	Rev. 5.10.18	
Invoice No:	FCC2		Make Checks Payable to:		
Name:	Maria Su		San Francisco Community College District c/o George Kotzitz		
Address:	Department of Children, Youth and Their Families 1390 Market Street, Suite 900 San Francisco, CA 94102		City College of San Francisco 33 Gough Street San Francisco, CA 94103		
Contact No.	(415) 554-3547				
You are notified that the following amount is due and payable to the San Francisco Community College District within 30 days of the date of receipt.					
Description					Amount
	Headcount	Credits/Units	Costs	Adjustments	
Enrollment Fees	12,631	80,550	\$ 3,705,277	\$ (6,716)	\$ 3,698,561
\$500 Grants for Full-Time BOG Eligible Students (\$250/term)	2,402		\$ 596,125	\$ -	\$ 596,125
\$200 Grants for Part-Time BOG Eligible Students (\$100/term)	2,283		\$ 223,100	\$ -	\$ 223,100
Funds Returned to City for the Free City Program (Due to eligible students dropping classes after refund deadline)***	3,183	13,652	\$ 627,969	\$ -	\$ 627,969
Staffing and Infrastructure costs directly related to the implementation of the MOU	n/a	n/a	\$ 264,987	\$ -	\$ 264,987
			Total Costs		\$ 4,154,804
			Spring 18 Budget		\$ 2,683,476
			Staffing/Infrastructure		\$ 264,987
			Total Invoice Amount		\$ 2,948,463
*** Out of the funds returned to the Free City Program for Spring'18 (\$627,969), CCSF has an outstanding balance of \$482,072. Out of the funds returned to the Free City Program For Fall'17 (\$807,691), CCSF has an outstanding balance of \$335,597.					

APPENDIX 10

Survey: Overview

- One-page, 17 question survey (+ optional contact info)
- Conducted in Dec. via SurveyMonkey
- 769 CCSF student responses
- 668 (nearly 86%) identify as part of Free City
- Plan: use individual free-form responses to provide short student testimonials throughout report

Survey: Questions

- Q1: Are you a City College of San Francisco Student?
- Q2: Are you part of Free City, receiving CCSF tuition fees or a stipend/grant for educational expenses covered by the City of San Francisco?
- Q3: Would you be in college right now without Free City?
- Q4: Has Free City changed your outlook on education? (If so, how?)
- Q6: Did the Free City program influence your decision to attend CCSF in any way? (If so, how?)

Q to Committee: Which are most compelling to highlight?

Survey: Questions

- Q8: Did you apply for Financial Aid? (Why/Why not?)
- Q10: Are you eligible for Financial Aid?
- Q11: What educational expenses do you have that are not covered by Free City or financial aid?
- Q12: How do you pay for them?
- Q13: How do these expenses impact you?

Q to Committee: Which are most compelling to highlight?

Survey: Questions

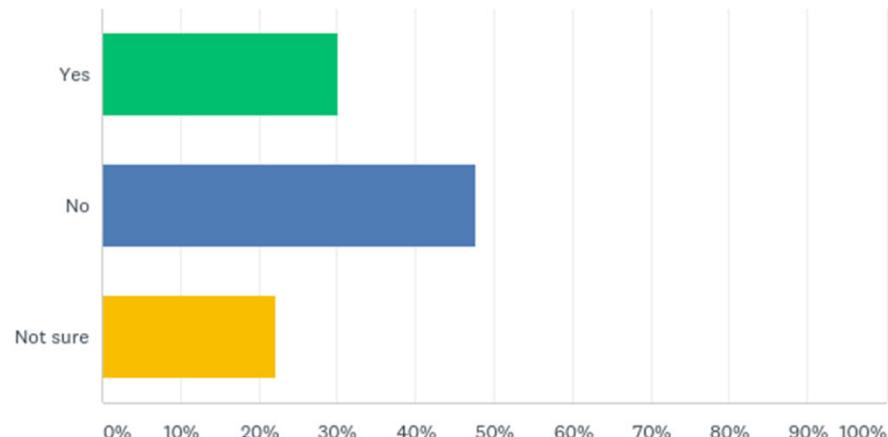
- Q14: What is most challenging, for you, about taking college classes right now?
- Q15: Tell us a little about who you are and why you've chosen City College:
- Q16: If you have a story to tell, a question to ask, or information to share, please take as much space as you need below.
- Plus: permission to quote, optional name and contact info

Q to Committee: Which are most compelling to highlight?

Survey Results (ex. 1)

Q3: Would you be in college right now without Free City?

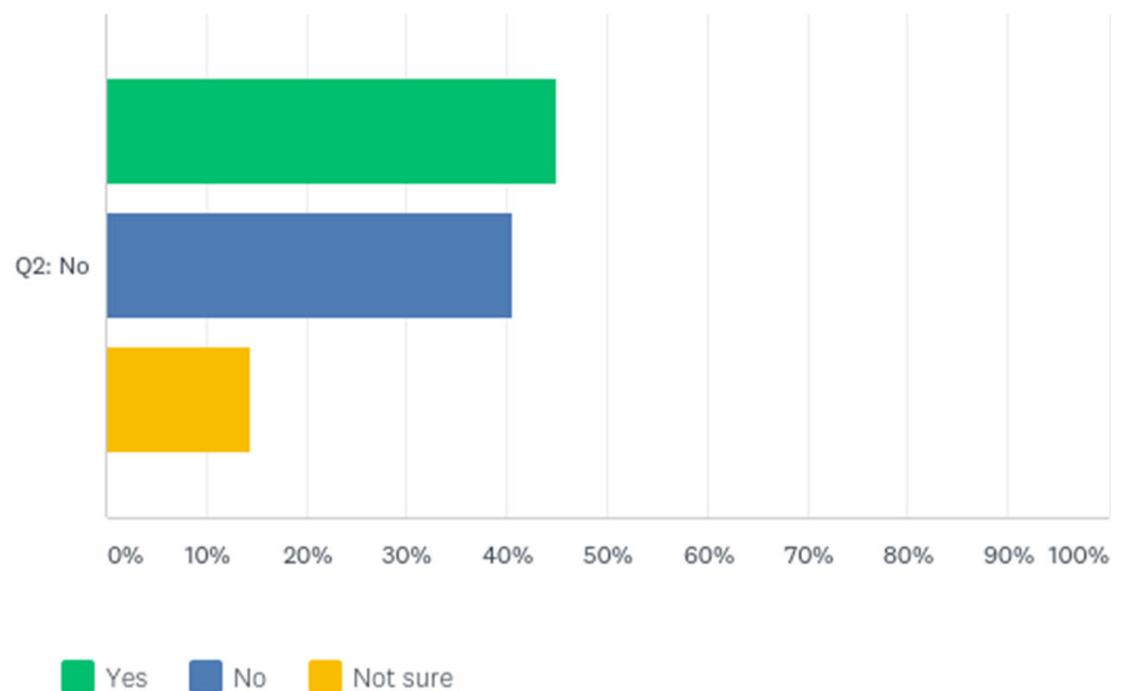
- Answered: 772 Skipped: 0



ANSWER CHOICES	RESPONSES
Yes	30.05%
No	47.67%
Not sure	22.28%
TOTAL	772

Survey Results (ex. 2)

- Q4: Has Free City changed your outlook on education?
- Of respondents not eligible for Free City (69), many still say that it has.



APPENDIX 11

APPENDIX 11: SELECTION OF FREE CITY COLLEGE MEDIA COVERAGE

Mayor Announces Agreement to Extend Free Tuition at City College of San Francisco

May 23, 2019 | CBS SF

San Francisco to be the first city in the US to offer free college

February 9, 2017 | CNBC

San Francisco becomes first city to offer free community college tuition to all residents

February 8, 2017 | PBS

San Francisco announces free community college for all residents

February 7, 2017 | USA Today

Free College: San Francisco Joins New York With Tuition-Free Plan

February 7, 2017 | Forbes

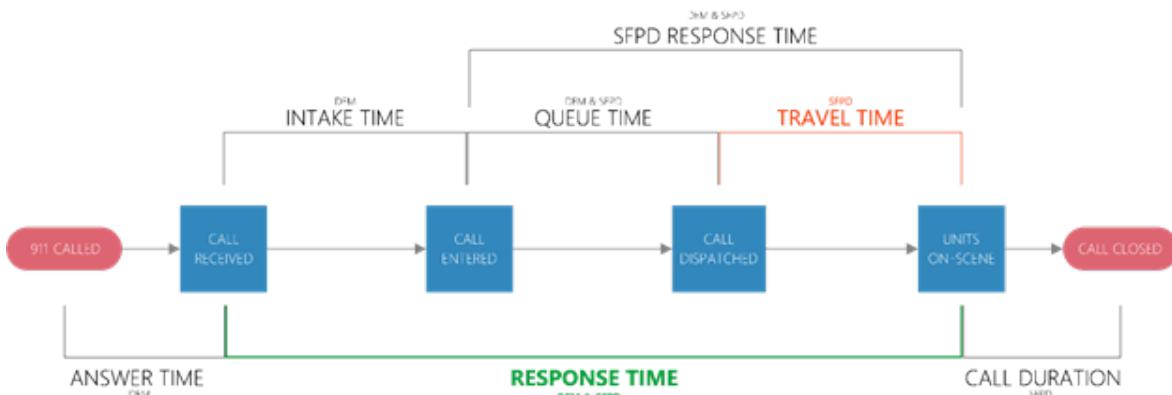
SF reaches deal for free tuition at City College

February 6, 2017 | SF Chronicle

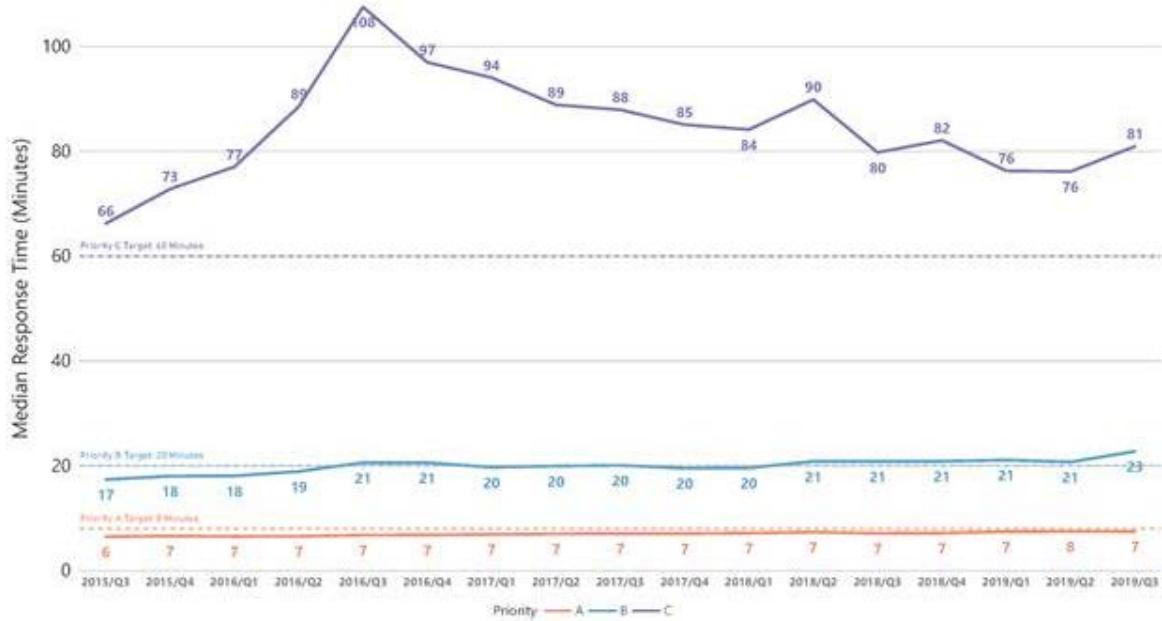
From: Reports, Controller (CON)
To: Calvillo, Angela (BOS); Mchugh, Eileen (BOS); BOS-Supervisors; BOS-Legislative Aides; Elsbernd, Sean (MYR); Elsbernd, Sean (MYR); Fay, Abigail (MYR); Bruss, Andrea (MYR); Philhour, Marjan (MYR); Power, Andres (MYR); Kirkpatrick, Kelly (MYR); Ma, Sally (MYR); Cretan, Jeff (MYR); Lynch, Andy (MYR); Kittler, Sophia (MYR); Anatolia Lubos; pkilkenny@sftc.org; Rose, Harvey (BUD); Campbell, Severin (BUD); Docs, SF (LIB); CON-EVERYONE; MYR-ALL; Department Heads; CON-Finance Officers
Cc: Scott, William (POL); Fountain, Christine (POL); Jones, Nicole (POL); Berg, Celeste (POL); Raskin, Anne (DEM); rob.smuts@sfgov.org; maura.moylen@sfgov.org; Tse, Alan (DEM); Moser, Bob (POL); Rainsford, Nicholas (POL); Yep, Paul (POL); Fong, Daryl (POL); Mannix, Ann (POL); dierdre.hussey@sfgov.org; Stevenson, David (POL); rbrady@matrixcg.net; lbrady@matrixcg.net; cbfraser@juno.com; Lally, Jason (ADM); Cunningham, Jason (POL); Kwait, Lee (POL); McGuire, Catherine (POL); Carroll, Maryellen (DEM); bialik@pm.me; lmatarese@cpsm.us; Mark.Bridge@seattle.gov; TingTing.Qi@seattle.gov; Lauren.Brown@portlandoregon.gov; jenna.savage@pd.boston.gov; tmorris@911nola.org; Veronica.Morales@sanjoseca.gov; Jorge.Zamarron@sanjoseca.gov; 40246@lapd.online; Nina.Patel@nola.gov; MASchigoda@nola.gov; bhorwitz@ahdalytics.com; WILSONR293@cidetroitmis.onmicrosoft.com; Zialcita, Patricia (DPH); Duren, James (DPH); Chris.Wyckoff@denvergov.org; nicollette.staton@cincinnati-oh.gov; Brandon.Kyle@cincinnati-oh.gov; Matthew.hammer@cincinnati-oh.gov; chaley@pd.sandiego.gov; patricia@majorcitieschiefs.com; frank.amado@tucsonaz.gov; heidi.fieselmann@dc.gov; wanda.gattison@dc.gov; McEachern, Greg (POL); richard.harrington@pd.boston.gov; carmen.curry@pd.boston.gov; christopher.markunas@pd.boston.gov; 34543@lapd.online; Philip.michael.larsen@gmail.com; Allah, Asad (POL); Thomas, Samuel (MTA); Mora, Jesus; Nicholson, Jeanine (FIR); Tugbenyoh, Mawuli (HRD)
Subject: Issued: Police Response Times: New Methodology and Targets
Date: Tuesday, December 3, 2019 10:48:08 AM
Attachments: [image001.png](#)

The Controller's Office partnered with the San Francisco Police Department (SFPD) and the Department of Emergency Management (DEM) to update the Police Response Time measure. The SFPD will now report response time actuals and targets for all three priority levels (A, B, and C), offering some of the highest levels of transparency in the nation.

To reflect the experience of a citizen, "Response Time" now measures the median time interval between the 911 call receipt at DEM to the first SFPD unit to arrive on-scene. The SFPD was previously reporting what is now called "SFPD Travel Time." See the below visual of the full life of a 911 call.



While the SFPD is meeting the response time targets for the two highest levels of emergency calls (A and B), the department is not meeting the target for Priority C calls. Operational changes must be implemented to reduce the median response time to these calls, which represent about 40% of all police calls.



To view the full memorandum, please visit our website at:
<http://openbook.sfgov.org/webreports/details3.aspx?id=2774>

This is a send-only email address.

For questions about the memorandum, please contact Alice Kassinger at
alice.c.kassinger@sfgov.org

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OFFICE OF THE CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

MEMORANDUM

TO: Chief William Scott, San Francisco Police Department
Assistant Chief Robert Moser, San Francisco Police Department
Lieutenant Nicole Jones, Staffing & Deployment Unit, San Francisco Police Department
Celeste Berg, Staffing & Deployment Unit, San Francisco Police Department

FROM: Alice Kassinger, Senior Analyst, City Performance Unit, Office of the Controller
Heather Littleton, Project Manager, City Performance Unit, Office of the Controller
Peg Stevenson, Director, City Performance Unit, Office of the Controller

DATE: December 3, 2019

SUBJECT: **San Francisco Police Department: Response Time Performance and Targets**

CONTENTS

EXECUTIVE SUMMARY	1
1. Project Background	3
2. Response Time Benchmarking	6
3. Prior Response Time Reporting	8
4. Updated Response Time Reporting.....	9
5. Updated Response Time Targets.....	10
6. Future Considerations.....	14

EXECUTIVE SUMMARY

Chief of Police William Scott requested that the City Performance Unit of the Controller's Office (CON) collaborate with the Staffing & Deployment Unit of the San Francisco Police Department (SFPD) and the Department of Emergency Management (DEM) to update the methodology, reporting, and targets for police response times for all three major priority levels (A, B, and C).

To update the methodology, the departments created a process map of the life of a 9-1-1 call and re-defined Response Time. Currently, the SFPD reports Travel Time, the time from when a call is dispatched to an available unit to when the first officer arrives on-scene; moving forward, DEM and the SFPD will jointly report Response Time as the time from when the 9-1-1 call is received by a DEM call taker to when the first officer arrives on-scene. This segment more fully reflects the experience of the citizen (see Figure 6 on page 11 for a more detailed illustration).

Additionally, though the SFPD currently reports the mean Travel Time in seconds for high-emergency calls only, DEM and the SFPD will now report the *median* Response Time in minutes for Priority A, B, and C calls. Median is a common measure of “average” and is not impacted by extreme outliers. Priority A denotes the highest levels of emergencies, while Priority B and C represent medium and low priority levels, respectively.

Although there is no established “best practice” for calculating response times, these changes to the methodology bring San Francisco in line with police departments in peer cities across the nation. By reporting and setting targets for all three priority levels, San Francisco will now offer some of the highest levels of response time accountability and transparency in the nation.

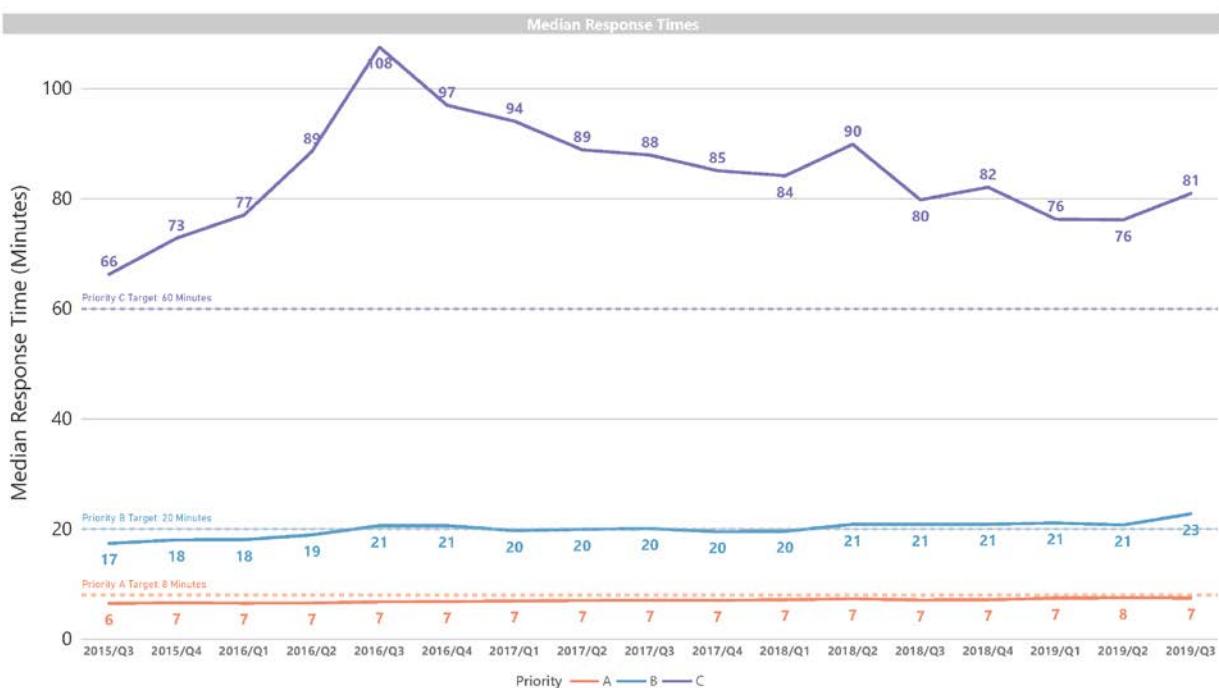
The departments set response time targets for each priority level based on a balance of feasibility and desired service level. Due to predictions of increasing resident and daytime populations and static staffing rates, the new targets to Priority A and Priority B calls are close to the current performance. However, there is a larger gap between the current median Priority C response time and the new target, as DEM and the SFPD have identified possible changes that could be implemented to decrease median Response Times to Priority C calls.

Table 1 below highlights the prior response time reporting and targets as compared to the response time reporting and targets moving forward. Figure 1 below visualizes the future reporting and targets.

Table 1: Comparison Table of Prior Reporting and Targets to Updated Reporting and Targets

	Prior Reporting	Prior Target	Updated Reporting	Updated Target
Call Segment	Mean Travel Time			Median Response Time
Priority A	5.5 minutes	4 minutes	7.3 minutes	8 minutes
Priority B	10.8 minutes	7.8 minutes	20.9 minutes	20 minutes
Priority C	none	none	78.5 minutes	60 minutes

Figure 1: Median Response Times and Targets to Priority A, B, and C Calls (Updated Reporting)



1. PROJECT BACKGROUND

Chief of Police William Scott requested CON work with the Staffing & Deployment Unit (SDU) to update the methodology, reporting, and targets of police response times at all priority levels.

The SDU is a centralized unit that (1) conducts all staffing-related projects and (2) collects, maintains, and analyzes personnel data. SDU's goals are to inform and realize staffing decisions, create repeatable and transparent staffing-related processes, and serve as the repository for all staffing-related information and data.

DEM joined the collaboration to provide insight into intake and dispatch operations and priority level distinctions. Additionally, DEM developed automated data pipelines for the analysis.

In order to update the methodology, the collaborating agencies needed to first develop a common understanding of the process and a shared set of definitions.

Why measure response times?

Research proves that the speed of response times to calls is highly correlated to citizens' satisfaction ratings of the police.¹ Therefore, response times are an important measure of service quality for all call types and priority levels.

For several decades, research failed to find strong correlations between response times and arrest or clearance rates for crime. This was often attributed to the delay between the occurrence of a crime and the reporting of the crime by citizens. However, in recent years, new research has found a stronger correlation between faster response times and increased arrest rates for certain crimes. These studies show highest effects for high priority calls, such as in-progress burglaries; little research exists to prove this effect applies equally to lower priority calls or different call types.^{2 3} No research offers a single response time that should be targeted in order to achieve more case closures.

Response time analyses on a more granular level, such as by district and time of day, may also provide critical information that should be considered in staffing decisions. Given a finite amount of staffing, differences in response times across variables may aid the SDU in how to best allocate limited police resources.

How should "response time" be defined?

The life of a 9-1-1 call, from when a citizen makes the call to when an agency closes the call, involves many individuals and agencies at each stage. DEM and the SFPD work together to coordinate the most appropriate response to emergency police calls. DEM operates the San Francisco 9-1-1 Dispatch Center and coordinates responses from all public safety agencies, including Fire, EMS, and SFPD.

¹ Frank, James, et al. "Exploring the Basis of Citizens' Attitudes Toward the Police." *Police Quarterly*, vol. 8, no. 2, June 2005, pp. 206–228, doi:10.1177/109861103258955.

² Vidal, Jordi Blanes i, and Tom Kirchmaier. "The Effect of Police Response Time on Crime Clearance Rates." *The Review of Economic Studies* 85.2 (2018): 855-891.

³ Cihan, Abdullah, Yan Zhang, and Larry Hoover. "Police Response Time to In-Progress Burglary." *Police Quarterly* 15.3 (2012): 308-327.

The following sequential time intervals provides a high-level summary of the steps from when a citizen makes a 9-1-1 call that requires a police response to when the first SFPD unit arrives on-scene:⁴

(1) Answer Time

- This interval measures the time between when citizens dial 911 and wait for the call to be answered by a DEM call taker.
- In FY19, 90% of all 9-1-1 calls were answered within 10 seconds.

(2) Intake Time

- This interval measures the time between when a DEM call taker receives the 9-1-1 call to when the call taker enters the call into the queue for dispatch.
- DEM call takers obtain and enter the relevant information from the caller into the Computer Automatic Dispatch (CAD) system.
- Upon entry, the system automatically assigns a unique ID, places the call in a “queue”, and sends the call to the dispatchers.

(3) Queue Time

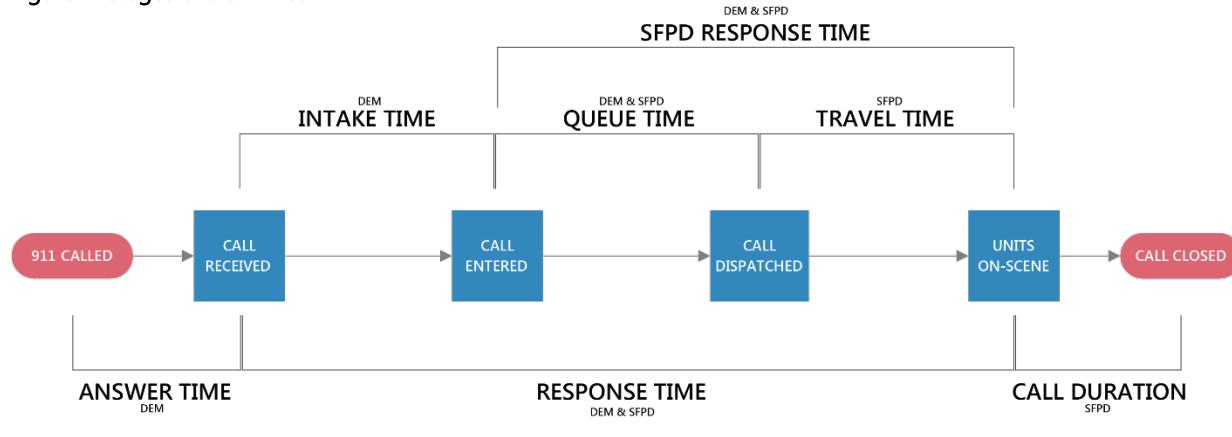
- This interval measures the time between when the call taker enters the call into the queue to when a dispatcher dispatches the call to a unit(s).
- Once in the queue, both DEM dispatchers and SFPD officers may see the call details.
- DEM dispatchers assign SFPD units to the call when they are available.
- Dispatchers assign calls based on the priority level and availability of units.

(4) Travel Time

- This interval measures the time between when the call is dispatched to a unit(s) to when the first unit arrives on-scene.
- SFPD officers must call over the radio to alert their dispatcher that they are en-route.
- SFPD officers must alert their dispatcher that they are on-scene.

Figure 2 below is a visual representation of the stages of a 9-1-1 call requiring a police response, including the primary agency(s) responsible. For ease of discussion, CON proposed the labels for each call segment.

Figure 2: Stages of a 9-1-1 Call



⁴ The process to close a call after arriving on-scene is beyond the scope of this memorandum.

"SFPD Response Time" refers to the combined Queue and Travel Time intervals, representing the phase in which the SFPD becomes aware of the call even if unable to be dispatched. There are many reasons a call may not be immediately dispatched, including no available units or officers prioritizing other work activities on their shift.

"Response Time" refers to the segment from when DEM first becomes aware of the call to when a police unit first arrives on scene. This time segment reflects the wait time experienced by the citizen.

How should calls be prioritized for response?

DEM uses a priority level hierarchy to designate the urgency of calls requiring a police response. Table 2 provides a definition and potential example of the four priority levels used in San Francisco police response.

Table 2: Priority Level Hierarchy for Calls with an SFPD Response

Priority	Definition	Potential Examples*
A	<ul style="list-style-type: none"> Present or imminent danger to life, major property damage, and/or suspect(s) of a crime involving loss of life or serious bodily harm may be in the area and might reasonably be apprehended A major crime scene must be protected A juvenile is missing or involved in sexual abuse or assault An elderly person or any other "at risk" person is missing 	<ul style="list-style-type: none"> Live gun shots Multi-car pile-up Suicide attempt Fight with weapons In-progress burglary
B	<ul style="list-style-type: none"> There is the potential for damage to property The suspect may be in the area The crime has just occurred 	<ul style="list-style-type: none"> Burglary, perpetrator no longer on-scene Verbal fight
C	<ul style="list-style-type: none"> There is no present or potential danger to life or property The suspect is no longer in the area The crime scene is protected 	<ul style="list-style-type: none"> Loitering Parking violation Noise complaint
I	<ul style="list-style-type: none"> "Information-only" No police unit response is required, but relevant information is provided 	<ul style="list-style-type: none"> Bulletin about a permitted event

*Please note these are generalized examples; subtle cues or situational factors may cause the dispatcher to assign a different priority level than the one identified here. The priority level assigned by the call taker may be also changed by the dispatcher once more information becomes available.

While priority levels are automatically assigned by the system based on the initial call code or call type, DEM dispatchers may manually update the priority at any time during the life of a call. Below are three examples of a burglary, each of which would be assigned a different priority but be classified with the same burglary call code.

Table 3: Example of Priority A, B, or C Burglary Calls

Priority	Description
A	Suspect is on-scene and the burglary is in-progress; weapons are involved or someone is injured.
B	Suspect recently fled the scene; no injuries are involved, all victims are safe, and the scene is secure.
C	Crime occurred while owner was on vacation; owner reports it after discovering it upon their return.

While the system would automatically apply a Priority B to all three calls described above, the call taker or dispatcher may "upgrade" or "downgrade" the priority based on the call details. The priority used in the dataset is the final priority level recorded at the close of the call.

2. RESPONSE TIME BENCHMARKING

There is no national standard for the definition, measurement, and public reporting of police response times. This is due to many factors, including variations in population, geographic size, traffic conditions, road systems between and within cities, call volume, call routing, and dispatcher and officer staffing.

To discover common methods of measuring and reporting on police response times, CON performed a limited benchmarking study with several other peer cities through California and the nation.

There are several limitations to the benchmarking results that should be considered before conducting direct comparisons.

- The number of priority levels varies and similar call types may be prioritized differently across cities. For example, San Diego employs two high-emergency priority levels compared to most cities' single level, while Detroit automatically assigns a high priority status to any kind of disturbance at certain businesses as part of a unique city initiative in high-crime areas. Washington, DC reports nine official priority levels, but only actively utilizes five.
- The geographic and demographic characteristics of each city vary widely, including population density, traffic conditions, highway presence, and more.
- The number of sworn officers is only a high-level comparison tool, as cities hire civilian staff at different rates; deploy them for different activities; and employ different methodologies for counting staff. Additionally, not all sworn officers are deployed to respond to calls for service in sector patrol cars, a unique job function that cities staff in varying ways.
- While the data reported is always for a single year, the year of reporting varies due to differences in data availability across cities. Some data is from 2016, 2017, or 2018.

Of the cities included in the benchmarking study:

- Half of the cities do not set a target for high priority response times.
- Only one city sets targets for lower-level priority response times.
- Only two cities report on the actual performance of lower-level priorities.
- Only two cities define "Response Time" as from time of dispatch. Most cities define "Response Time" as from when the call is received or entered into the system.
- All cities report and set targets for either mean or median (50%), but no other forms (i.e., 90%).
- Cities which report mean have no systematic way of approaching outliers; even those who do remove outliers use different criteria for removal. Denver and San Diego, for example, remove all calls more than three standard deviations from the mean, while Portland removes calls that remain in the police dispatch queue for more than four hours after being received or require more than three hours for an officer to arrive on-scene.

In Tables 4A and 4B below, the results and methodologies employed by other cities and counties are documented. Please note that numbers are rounded for ease of comparison and because many are estimations.

Table 4A: Police Response Time Benchmarking – California Peers

	San Francisco⁺	San Diego	Los Angeles	San Jose
Number of Priority Levels	4	5	3	4
Definition of "Response Time" (From __ to On-Scene)	DISPATCH	ENTRY	RECEIVED	RECEIVED
Average Calculation Method	Mean	Mean	Median	Mean
If mean, are outliers removed?	No	Yes	-	No
High Priority Response Average	5.5 m	unknown	6.1 m	8.5 m
High Priority Response Target	4 m	7m / 14m*	7 m	6 m
Total Annual PD Calls for Service (CFS)	440,000	520,000	1,430,000	189,000
Total Annual PD High Priority CFS	90,000	35,000 / 184,000*	146,000	8,500
City Population**	900K	1.5 mill	3.9 mill	1 mill
City Size (Total Square Miles)	47	325	470	180
City Population Density (Population / Size)	18.1K	4.2K	8.4K	5.7K
Est. Number of Sworn Officers	1,850	1,850	10,000	1,100
Est. Number of Sworn Officers / 100K Population	206	123	256	110
Public dashboards for high priority calls?	Yes	No	No	No
Public dashboards for other priorities of calls?	No	No	No	No
Targets for lower priorities?	No	Yes	No	No

Table 4B: Police Response Time Benchmarking – National Peers

	New Orleans	DC	Seattle	Portland	Detroit	Denver	Cincinnati
Number of Priority Levels	2	9	7	9	5	6	4
Definition of "Response Time"	RECEIVED	DISPATCH	ENTRY	ENTRY	RECEIVED	RECEIVED	DISPATCH
Average Calculation Method	Median	Mean	Median	Mean	Mean	Mean	Mean
If mean, are outliers removed?	-	No	-	Yes	No	Yes	Yes
High Priority Response Average	7.8 m	5.3 m	6 m	8 m	13 m	11.5 m	4.5 m
High Priority Response Target	7 m	none	none	none	11 m	none	none
Total PD Calls for Service (CFS)	445,000	632,000	460,000	280,000	800,000	308,000	293,000
Total PD High Priority CFS	61,000	91,400	50,000	86,000	75,500	77,500	1,750
City Population	400K	700K	700K	600K	680K	660K	300K
City Size (Total Square Miles)	169	68	85	130	139	153	78
City Population Density	2.4K	10K	8K	4.7K	4.9K	4.3K	3.8K
Est. Number of Sworn Officers	1,200	3,800	1,300	1,000	2,500	1,600	1,000
Est. Sworn Officers / 100K Pop	300	543	194	166	368	241	301
Public dashboards for high priority?	Yes	No	Yes	Yes	No	No	No
Public dashboards for other priorities?	No	No	Yes	Yes	No	No	No
Targets for lower priorities?	No	No	No	No	No	No	No

+ This represents the prior San Francisco methodology of mean Travel Time.

* San Diego employs Priority Levels E and 1 to denote two sub-types of high priority calls, each with their own target.

** City Population from the 2016 US Census (Table B01003). City Size from 2010 US Census (Table G001).

3. PRIOR RESPONSE TIME REPORTING

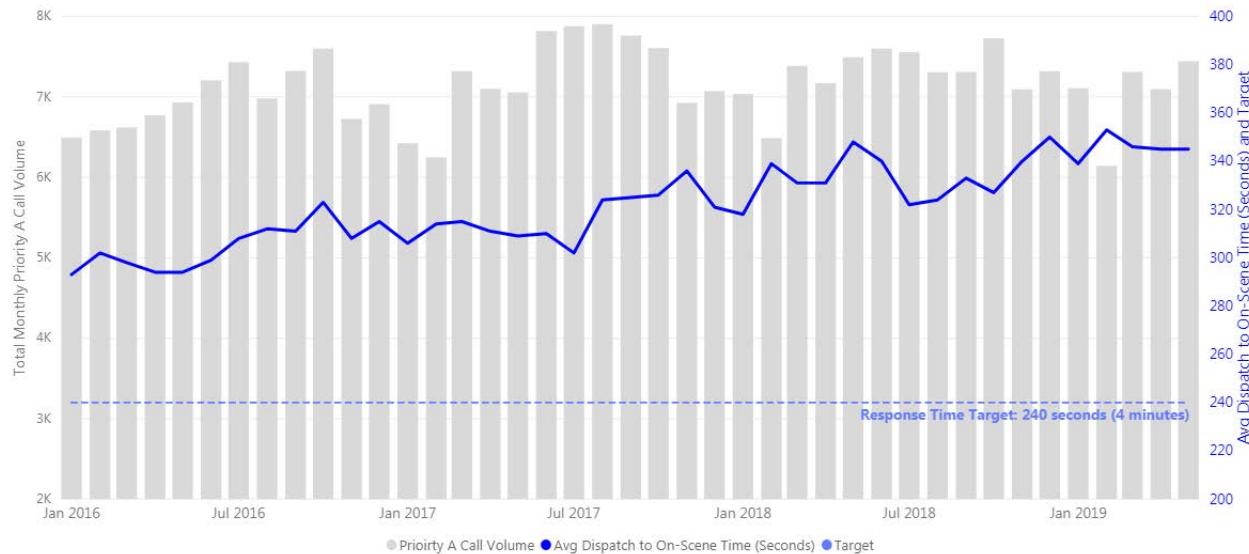
Currently, the SFPD publishes Travel Time in seconds to Priority A and B calls using the “response time” label. The performance and targets for these two metrics are published in the Mayor’s Budget Book each June and the Controller’s Annual Performance Report each fall. Additionally, the SFPD and Controller’s Office update this metric monthly for Priority A calls [on the public Scorecards website](#).

Priority A

The current target for mean travel time to Priority A calls is 240 seconds (4 minutes). In fiscal year 2005-06 (FY06), the first year CON published an official citywide performance report, the SFPD reported the median travel time and set a target of 7.5 minutes. Beginning in FY07, the mean travel time was instead reported, with the 4-minute target set in FY10. Though the target did not change, the actual mean steadily climbed from 3.6 to over 5 minutes.

Figure 3 below shows the historical performance of travel time response to Priority A calls, as currently published on the Scorecards website. The solid blue line represents travel time; the dotted blue line represents the target for travel time. The light gray bars represent Priority A call volume.

Figure 3: Scorecards Reporting – Average Travel Time to Priority A Calls (Seconds)



Priority B

Response times for Priority B calls are not reported on the public Scorecards website, but they are published in the Mayor’s Budget Book and the Controller’s Office annual performance report. The current target for mean travel time to Priority B calls is 470 seconds (about 7.8 minutes). In FY06, when median was used, there was no target set for Priority B or C calls. Beginning in FY07, the mean target was 9.8 minutes and slowly decreased every fiscal year to 7.8 in FY18.

Priority C

Response times and targets for Priority C calls are not currently reported. FY10 was the last year there was reporting or targets set for Priority C calls. In FY10, the mean travel time target to Priority C calls was set at 10 minutes.

4. UPDATED RESPONSE TIME REPORTING

Moving forward, DEM and the SFPD will report the median “Response Time” interval (see Figure 1) in minutes for Priority A, B, and C calls. This interval measures the time between when the call is received and when the first unit arrives on-scene.

These metrics will be published beginning in the FY19 Annual Performance Report by the Office of the Controller, and the scorecards website will be updated soon thereafter.

This method of reporting mirrors many California and national peers. Reporting the full Response Time call segment, rather than only the Travel Time segment, reflects the experience of the citizen.

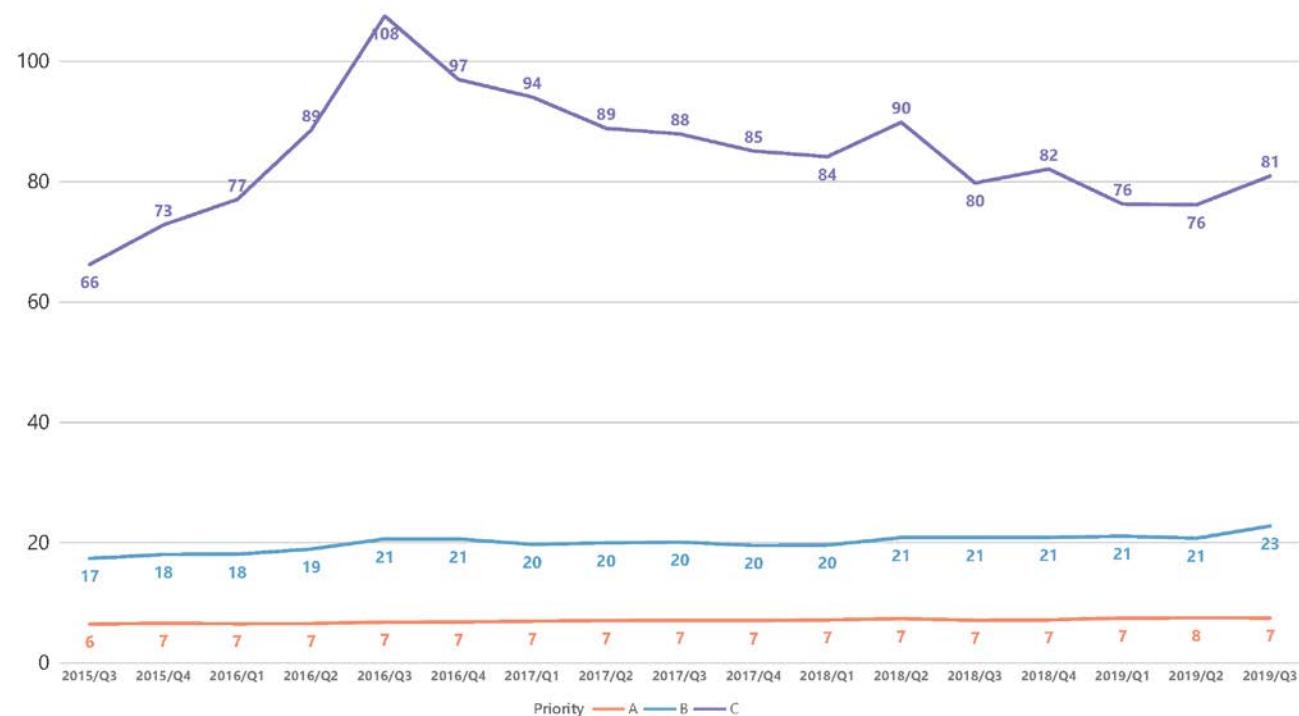
Median

Median is a commonly used “average,” a method to aggregate data of other important metrics, such as the median household income. A median, otherwise known as the 50th percentile, reports the response time at which exactly 50% of the data is above the reported response time and 50% is below.

Median is less impacted by extreme values than mean. As there is no consensus among peer cities on whether to remove outliers, and if so, how to do so, median provides an option that does not require the removal of any outlying data.

Figure 4 below shows historical performance for the median Response Time to Priority A, B, and C calls using the proposed updated methodology.

Figure 4: Median Response Times to Priority A, B, and C Calls (Minutes)



90th Percentile

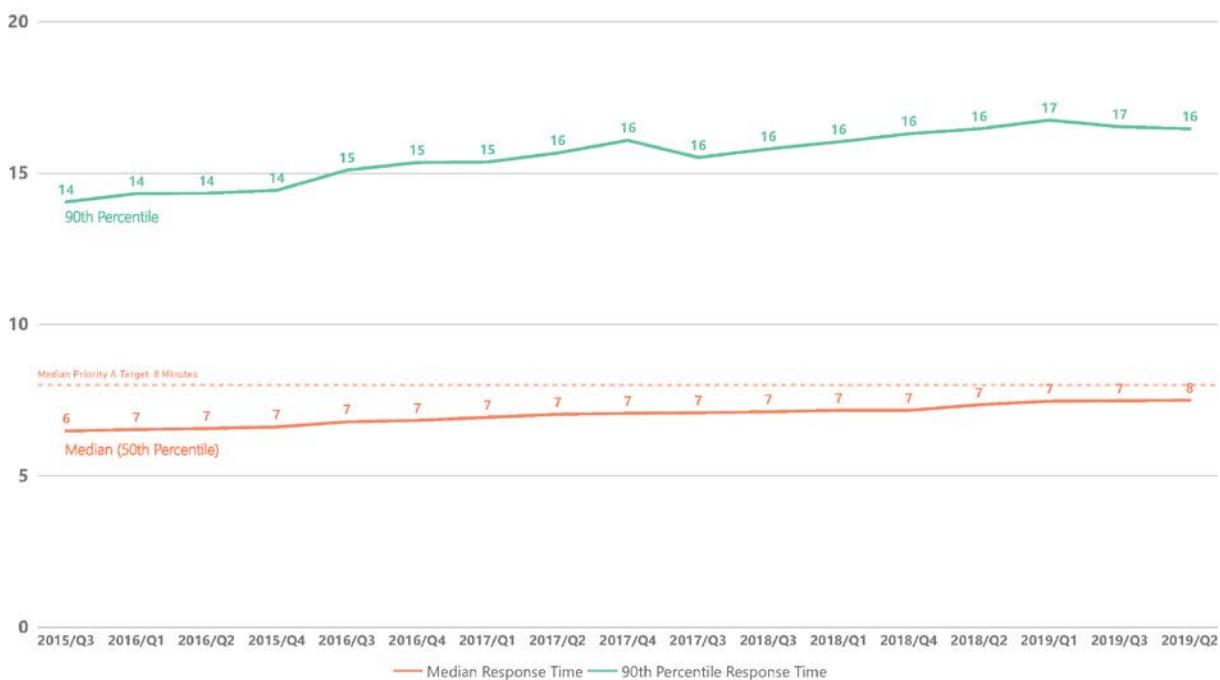
While median (50th percentile) is a common measure of “average” and used as the alternative to mean by other cities, there are other measures that provide invaluable information. The 90th percentile, for example, reports the maximum number of minutes (or faster) that 90% of calls were responded to. In other words, ignoring outliers, what is the longest amount of time a citizen could wait for a response?

A 90th percentile paired with a median enables the SFPD to understand if there is a large range in the response times: given a median of 8 minutes, a 90th percentile of 12 minutes would suggest consistency in response times, whereas a 90th percentile of 30 minutes would suggest citizens experience a wide variety of possible response times.

The SFPD chooses to prioritize mirroring the formats used by all other cities included in the benchmarking analysis, and will, therefore, report a median as the main public Scorecard measure. However, the SFPD wishes to also track response times at the 90th percentile. Thus, the median (50th percentile) and 90th percentile will be available to SFPD internal management dashboards and to the public [on the public Scorecards website](#) when the new metrics are published.

Figure 5 below shows the median and the 90th percentile of responses to Priority A calls. In FY19, 90% of Priority A calls were responded to within 16.3 minutes or faster.

Figure 5: Median and 90th Percentile Response Times to Priority A Calls (Minutes)



5. UPDATED RESPONSE TIME TARGETS

Response time targets must balance the desire for immediate response with the limits of current resources and environment factors. Possible environmental, operational, and staffing factors are discussed below.

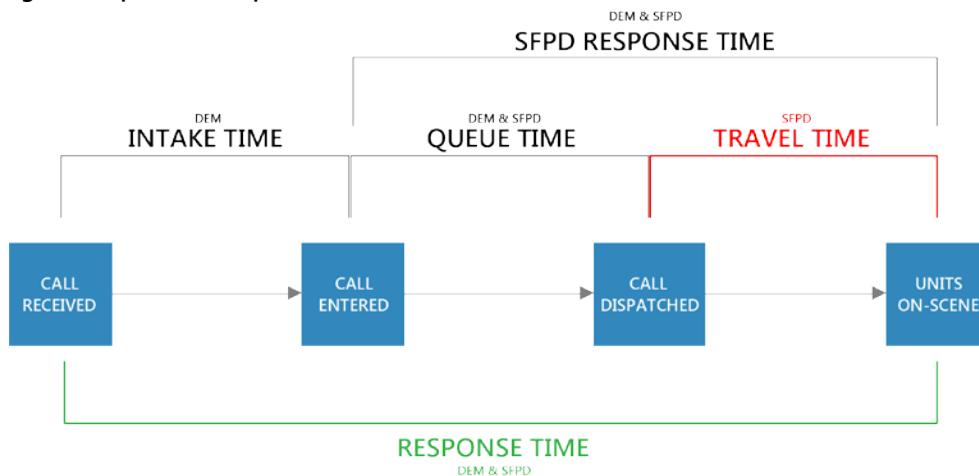
What factors should be considered when setting a Response Time target?

There are several factors outside the control of the SFPD that impact response times, including an increasing resident and daytime population, traffic, and construction. These factors are steadily increasing and may be contributing to an increase in response times.

Additionally, staffing rate changes could impact response times. The SFPD currently employs approximately 1,850 sworn full-duty officers and does not predict staffing levels will increase or decrease significantly in the next several fiscal years. While there may be some increase in sworn officers available for sector patrol duty due to “civilianization” efforts, the department does not predict the increase would be large enough to impact citywide median response time of any priority level.

As highlighted in Figure 6 below, the definition of Response Time in the new methodology expanded from one interval (Travel Time) to three intervals (Intake Time + Queue Time + Travel Time) in the life of a call. This change will necessitate a similar increase in the targets for all three priority levels.

Figure 6: Updated “Response Time” Call Interval



Priority A Target

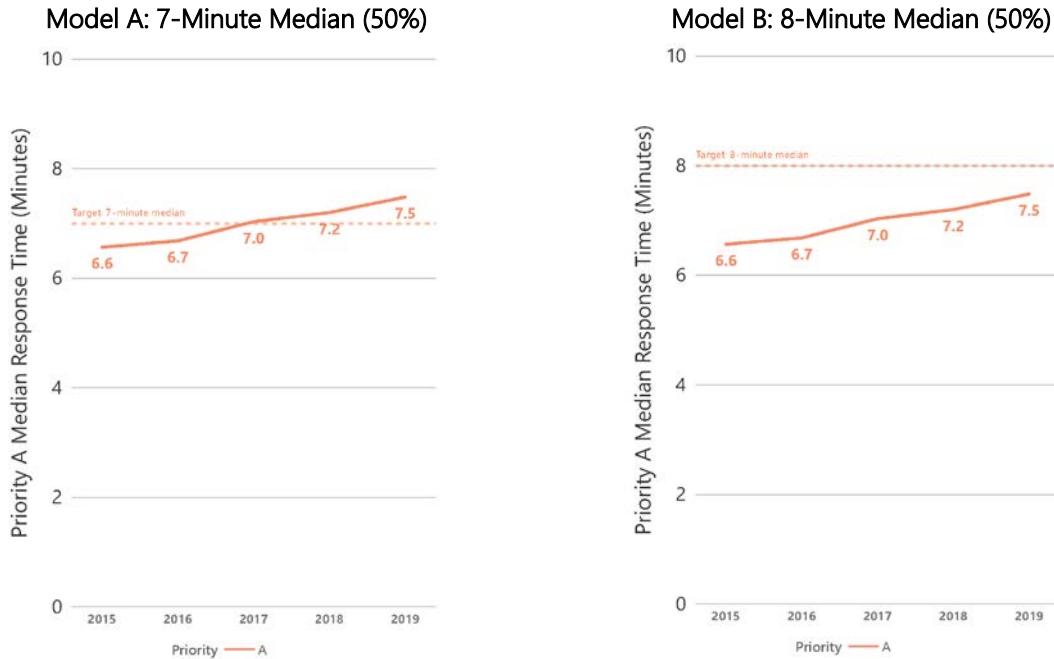
The mean travel times for Priority A calls have, according to current methodology, consistently increased each fiscal year. The SFPD reported a mean in FY10 of 3.6 minutes and set a mean target of 4 minutes; every year thereafter, the target remained steady while mean travel times increased.

The SFPD reports they have not identified operational changes that would be appropriate or substantially reduce response times to Priority A calls without causing negative consequences to the health and safety of officers and the public. SFPD states that the department is responding to these high-emergency calls as quickly as is safely possible.

One factor within the SFPD’s control that could impact response times to Priority A calls is the policy that allows officers to respond “Code 3” (at maximal speed, with lights and sirens). Current policy allows

officers to respond Code 3 after performing a “balance test” to determine if an emergency response is necessary to prevent potential loss of life or injury resulting from a reported crime. The SFPD will continue to require the balance test.

While the factors discussed above support an increase in the target from 4 minutes, there is no data available that could point to an objectively “correct” increase. Therefore, CON created two potential models for a new median target and discuss the pros and cons of each below.



The median response time to Priority A calls has steadily, in small increments, increased each year since 2015 (currently, the earliest year with reliable data available). Given the continued increase in population and traffic, the absence of major changes to operations, and the steady staffing rates, it is unlikely the SFPD will be able to reduce the current trend of increasing median response times to Priority A Calls.

The response time target should not be set so strictly that it will encourage officers to prioritize response times over other possible important actives. As noted in Section 1, response time is not always the most important factor in solving crimes and closing cases.

Conclusion: DEM and the SFPD will target an 8-minute median Response Time for Priority A calls. This target balances the reality of limited resources with the urgency of immediate response. Given that the actual is close to the 8-minute target, DEM and the SFPD should follow the actual closely; the agencies should analyze and respond to any increases in the actual to ensure it remains at or below the target.

Priority B Target

The median response time to Priority B calls has remained close to 20 minutes since 2015 (currently, the earliest year with reliable data available). DEM and the SFPD should analyze any increases carefully.

San Diego is the only city in benchmarking study that sets targets for lower-level priorities. San Diego set a target for their equivalent of Priority B calls at a mean of 27 minutes. Seattle and Portland do not set targets for Priority B calls, but report medians of 17 and 16 minutes, respectively.

Conclusion: DEM and the SFPD will target a 20-minute median for Priority B calls. This target is feasible given current resources and remains within the benchmarking range of targets or performance.

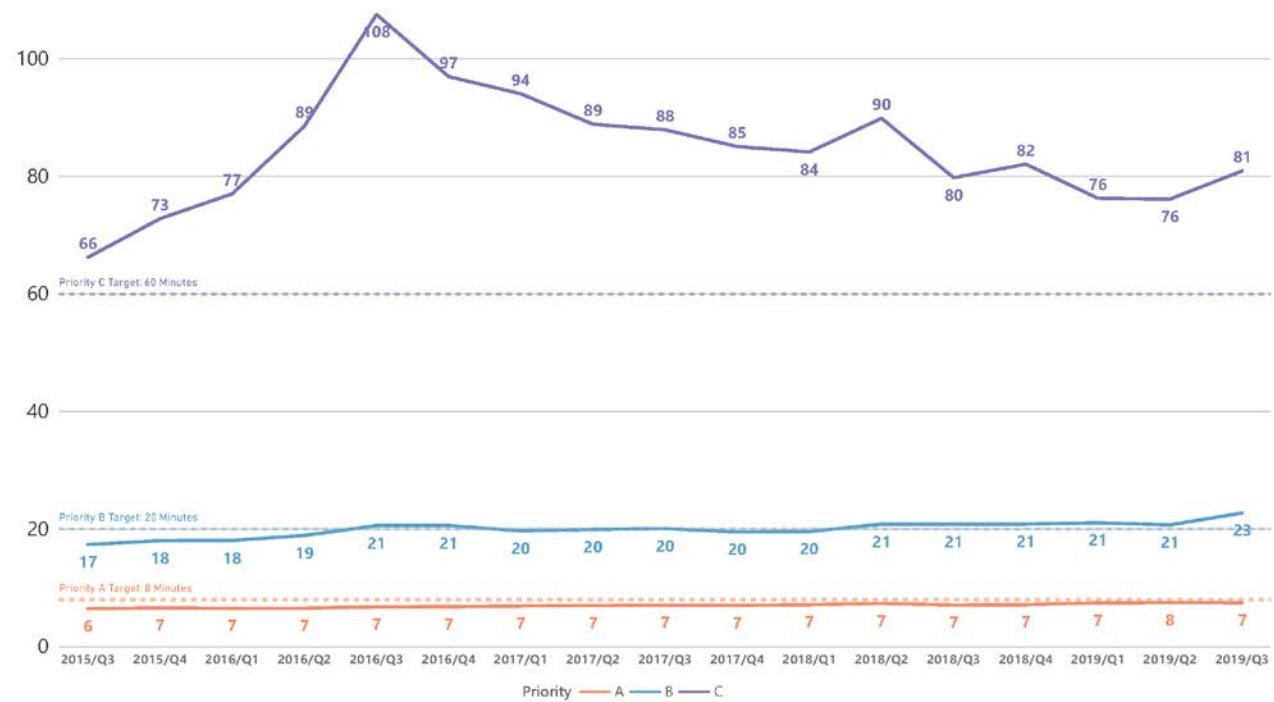
Priority C Target

Response times to Priority C calls began slowing in mid-2015 (currently, the earliest year with reliable data available) and then steadily improved beginning in 2016, after the median reached a peak of 108 minutes. However, the SFPD has identified several potential operational changes that, if implemented, have the potential to further reduce the median response time to Priority C calls.

San Diego, again, is the only city in the benchmarking study that sets targets for lower-level priorities. San Diego has two priority levels that encompass San Francisco's Priority C calls: Priority 3 and 4, with mean targets of 80 and 90 minutes, respectively. Seattle and Portland do not set targets for Priority C calls, but report medians of 52 and 44 minutes, respectively.

Conclusion: DEM and the SFPD will target a 60-minute median for Priority C calls. This target can be achieved with significant operational changes, as will be discussed in the following section. It remains within the range of targets or performance reported by other cities in the benchmarking study.

Figure 7: Median Response Times and Targets to Priority A, B, and C Calls (Minutes)



6. FUTURE CONSIDERATIONS

DEM and the SFPD have identified several operational changes that should be made to ensure consistently valid data and appropriate response times. These departments should collaborate on three main areas of improvement: creative solutions to low priority calls, classifying priority levels, and defining the role of the dispatcher.

(1) Solutions to Low-Priority Calls

DEM and the SFPD are not currently meeting the Priority C target and there is a wide range of response times to these calls. The two agencies should discuss creative solutions that may increase citizen satisfaction with city services and decrease median response times.

Some suggested solutions include alerting 9-1-1 callers to the expected wait time to their calls; suggesting in-person appointments at local district stations; employing technological solutions for officer-citizen interactions; creating units of non-sworn officers to respond to certain Priority C calls; and more. These solutions should aim to offer citizens transparent and quality service while reducing the workload on active sector patrol cars. This may reduce not only median times for Priority C calls, but Priority A and B calls as well.

(2) Priority Level Classification

DEM and the SFPD should analyze several aspects of the call code and classification system, including: which priority level the CAD system should automatically assign to each call code; what situational factors for each call code should lead to a manual priority-level upgrade; and whether the number and structure of the current priority levels are appropriately robust.

(3) Active Dispatcher Role

The two departments are also in discussion to clarify the roles of the DEM dispatcher and the sector patrol cars in identifying, prioritizing, and dispatching units to calls. Active dispatching roles, as opposed to passive dispatching roles, will likely lead to faster and more efficient response times, as well as consistent and more valid timestamps for each call segment.

Additionally, DEM should establish an ongoing working group with 311 and the Municipal Transportation Agency (MTA) to determine which types of 311 calls should be automatically entered into the CAD or not. This working group should ensure ongoing communication, shared processes, and valid data between the departments that respond to citizen requests.

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Issued: Updated Public Health Benchmarking Dashboards
Date: Monday, December 9, 2019 4:02:00 PM
Attachments: [image005.png](#)
[image006.png](#)

From: Reports, Controller (CON) <controller.reports@sfgov.org>
Sent: Monday, December 9, 2019 2:09 PM
To: Reports, Controller (CON) <controller.reports@sfgov.org>
Subject: Issued: Updated Public Health Benchmarking Dashboards

Today the Controller's Office is releasing updated [Public Health Benchmarking dashboards](#) on the benchmarking section of the Performance Scorecards [website](#).

In the updated Public Health Benchmarking dashboards, learn more about:

- How San Francisco compares to peer cities in terms of access to healthcare, health outcomes, and health risk factors
- How racial inequality impacts health
- Key health equity topics such as birthing health, smoking and vaping, and premature death

Visit <https://sfgov.org/scorecards/benchmarking/public-health> to learn more.

HEALTH LANDSCAPE

Updated November 2019

UNINSURED

San Francisco is leading the way in improving access to health insurance, with the uninsured population at an all-time low. **95% of San Franciscans have health insurance.**

Year	California (%)	San Francisco (%)	United States (%)
2006	20	20	20
2008	18	18	18
2010	17	17	17
2012	16	16	16
2014	15	15	15
2016	14	14	14

[Learn more](#)

FOOD ACCESSIBILITY

More San Francisco residents report food inaccessibility than residents of peer counties.

16% of San Francisco residents do not have a reliable food source, despite having access to grocery stores within 1 mile.

[Learn more](#)

RESIDENTIAL SEGREGATION

Segregation is linked to a wide variety of poor health outcomes including high rates of reproductive, infectious, and chronic diseases and higher mortality rates.

In terms of black and white residents, **San Francisco is the most segregated county of our California peers.**

[Learn more](#)

PREVENTABLE HOSPITAL STAYS

This rate measures patients admitted to a hospital with diagnoses that are treatable in outpatient settings. This measure may represent overuse of hospitals as a main source of care and limited access to primary health care.

Measure	Value
CA Peer Average	31
San Francisco	32
Non-CA Peer Average	44

[Learn more](#)

PROVIDERS PER RESIDENT

Compared to peers, San Francisco has a high ratio of care providers to residents.

Provider Type	Value
Primary Care Physicians	#1 of 20
Mental Health Providers	#1 of 20

[Learn more](#)

HEALTH RISK FACTORS

Updated November 2019

YOUTH SMOKING

San Francisco has a **lower than average youth smoking rate** among California peers.

LGBTQ+ youth smoke at significantly higher rates than heterosexual youth across all peers.



Youth of color smoke at higher rates than White youth across all peers.



Tobacco companies have a history of targeting advertising towards youth, communities of color, low income people, and LGBTQ+ people.

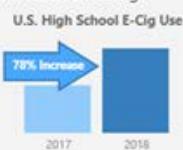
[Learn more](#)

YOUTH E-CIGARETTE USE

The San Francisco peninsula has the **highest youth e-cigarette use rate** in California.



Youth use of e-cigarettes (vaping) has drastically increased across the country in recent years. Studies show e-cigarette use leads to increased smoking.



San Francisco recently made the sale of e-cigarettes illegal until products are FDA reviewed in an effort to protect the health of youth and all users, effective Jan. 2020.

[Learn more](#)

EXCESSIVE DRINKING



The excessive drinking rate in San Francisco is **above** the peer average.

[Learn more](#)

OBESITY



San Francisco has the **second lowest** obesity rate of peers.

[Learn more](#)

ADULT SMOKING



The adult smoking rate in San Francisco is **below** the peer average.

[Learn more](#)

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For questions about the dashboards, please contact Sarah Small at sarah.small@sfgov.org

Follow us on Twitter @SFController. To subscribe to our reports, go [here](#).

HEALTH LANDSCAPE

Updated November 2019

UNINSURED

San Francisco is leading the way in improving access to health insurance, with the uninsured population at an all-time low. **95% of San Franciscans have health insurance.**



FOOD ACCESSIBILITY

More San Francisco residents report food inaccessibility than residents of peer counties.

16% of San Francisco residents do not have a reliable food source, despite having access to grocery stores within 1 mile.

Only 0.3% of San Francisco residents live far from a grocery store. This indicates that other factors, such as **affordability**, are impacting food accessibility.

Learn more

RESIDENTIAL SEGREGATION

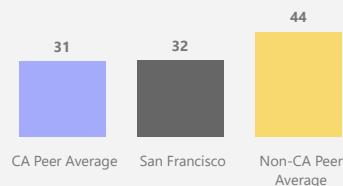
Segregation is linked to a wide variety of poor health outcomes including high rates of reproductive, infectious, and chronic diseases and higher mortality rates.

In terms of black and white residents, **San Francisco is the most segregated county of our California peers.**

Learn more

PREVENTABLE HOSPITAL STAYS

This rate measures patients admitted to a hospital with diagnoses that are treatable in outpatient settings. This measure may represent overuse of hospitals as a main source of care and limited access to primary health care.



PROVIDERS PER RESIDENT

Compared to peers, San Francisco has a high ratio of care providers to residents.

#1 of 20

#1 of 20

Primary Care Physicians

Mental Health Providers

Learn more

UNINSURED

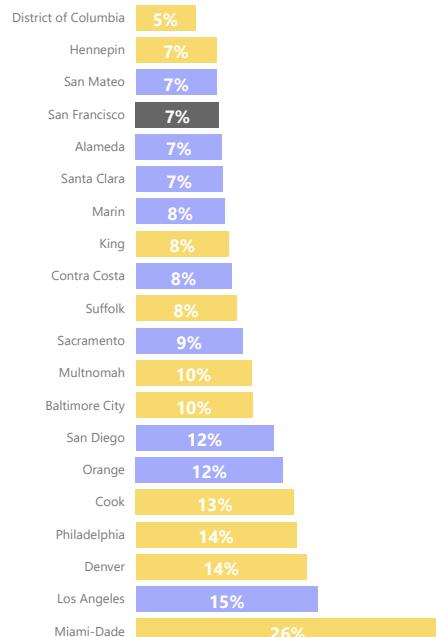
HOME

2014

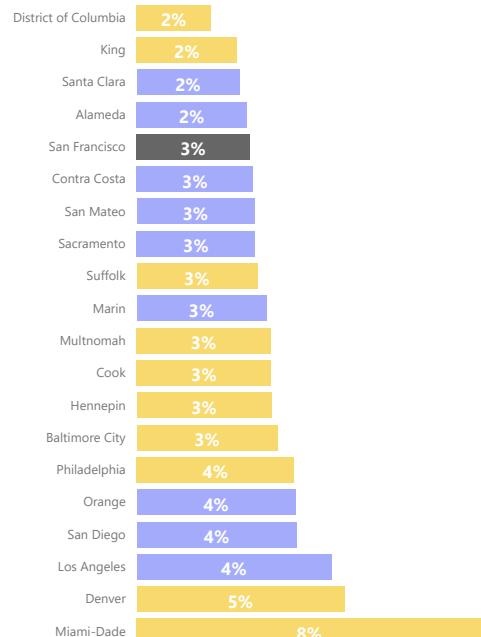
2015

Alameda
Baltimore City
Contra Costa
Cook
Denver
District of Columbia
Hennepin
King
Los Angeles
Marin
Miami-Dade
Multnomah
Orange
Philadelphia
Sacramento
San Diego
San Francisco
San Mateo
Santa Clara
Suffolk

Percent of Adults Uninsured



Percent of Children Uninsured



HOME

● CA Peer Counties ● Non-CA Peer Counties ● San Francisco

FOOD SECURITY

HOME

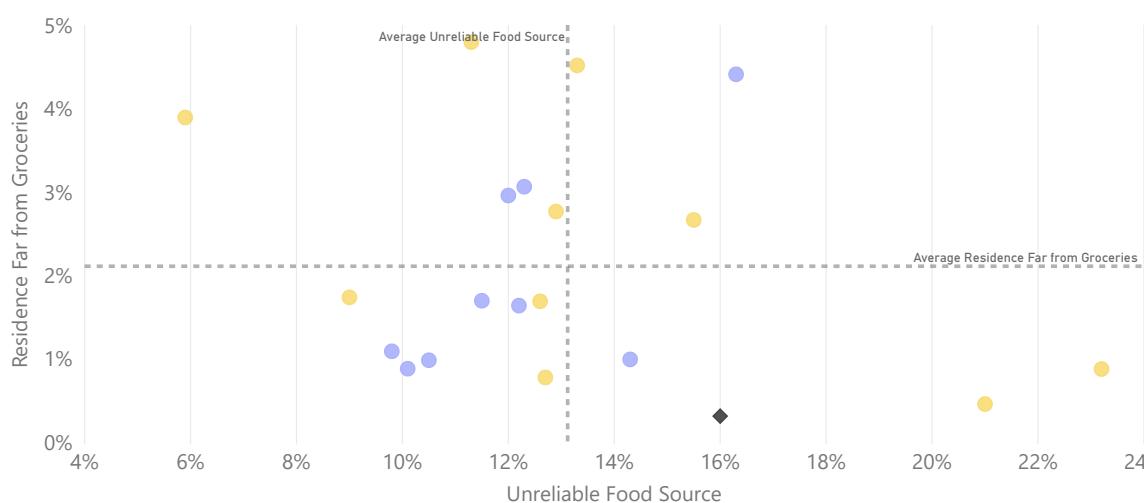
Data from 2015

FOOD ACCESSIBILITY

Residence Far from Groceries measures the percent of residents who do not have access to a grocery store within 1 mile of residence. Unreliable Food Source estimates the percentage of the population who did not have access to a reliable source of food during the past year based on Feeding America's "Map the Meal Gap" project.

Almost all San Franciscans live close to a grocery store, but San Franciscans still struggle with unreliable food sources. Affordability is a key factor in how reliably residents can access food.

Hover over dots to view details:



UNINSURED

PROVIDERS & PREVENTABLE STAYS

HOME

PROVIDERS PER RESIDENT

San Francisco has the most primary care physicians, mental health care providers, and dentists per resident compared to peers. However, other counties may supplement their care with other health professionals.

San Francisco	San Francisco Rank	Rate (per 100,000 residents)	Peer County Avg Rate (per 100,000 residents)
---------------	-----------------------	---------------------------------	--

Primary Care
Physicians **#1 of 20** **159** **104**

Mental Health **#1 of 20** **850** **389**
Psychiatrists, psychologists, licensed clinicians, therapists, SA/MH workers, advanced practice nurses

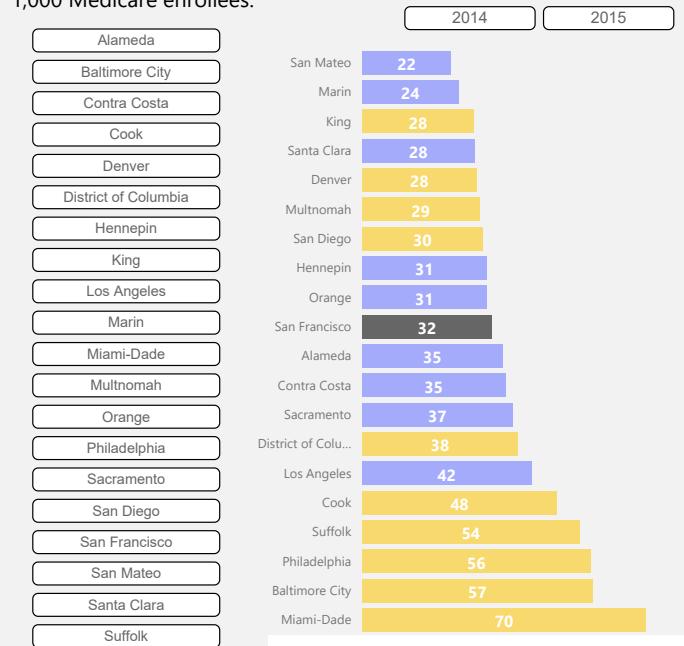
Dentists **#1 of 20** **148** **93**

Other **#9 of 20** **82** **84**
Nurse practitioners, physician assistants, clinical nurse specialists

Data from 2017

PREVENTABLE HOSPITAL STAYS

Discharge rate for ambulatory care sensitive conditions per 1,000 Medicare enrollees.



PROVIDERS & PREVENTABLE STAYS

DATA NOTES

HOME

DATA SOURCES**Data from the Robert Wood Johnson Foundation County Health Rankings:**This report can be found at <https://www.countyhealthrankings.org/>

Measure	Source	Year(s) of Data
Access to Healthy Food	USDA Food Environment Atlas	2015
Dentists	Area Health Resource File	2016
Food Insecure	Map the Meal Gap	2015
Mental Health Providers	National Provider Identification, CMS	2017
Other Primary Care Providers	National Provider Identification, CMS	2017
Primary Care Physicians	National Provider Identification, CMS	2017
Segregation Index	American Community Survey, 5-year estimates	2012-2016
Uninsured		2016

Questions or Comments?Please contact us at performance.con@sfgov.org

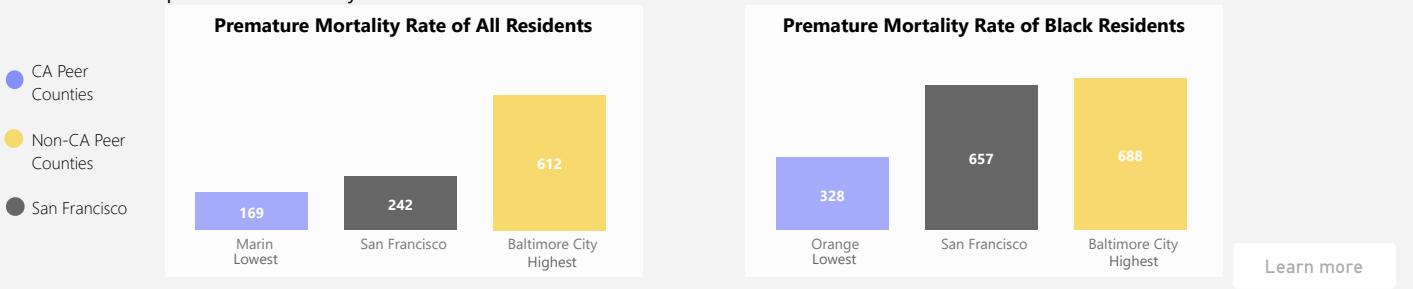
PROVIDERS & PREVENTABLE

MORTALITY & DISEASE

Updated November 2019

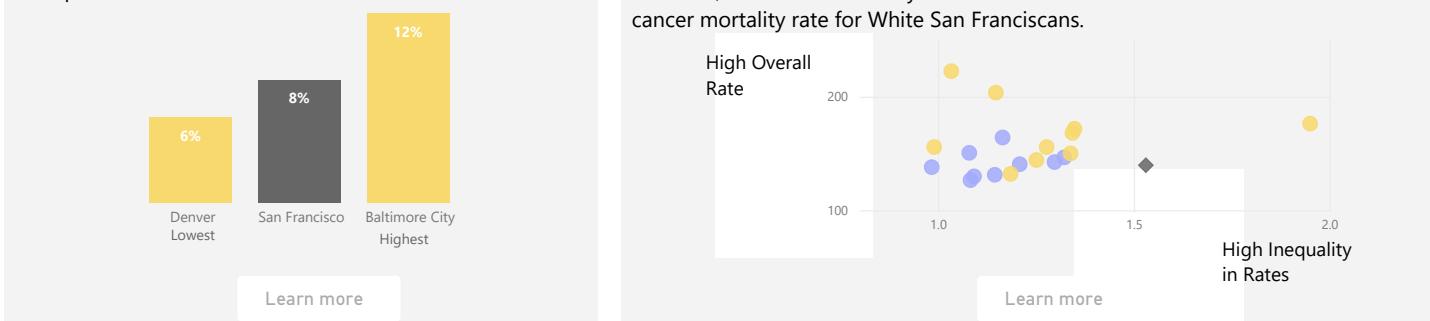
PREMATURE MORTALITY

San Francisco has an overall premature mortality rate below the peer average. However, the San Francisco premature mortality rates of Black, Hispanic, and Native American residents is higher than peer averages. The San Francisco Black premature mortality rate is **2.66 times** the San Francisco White premature mortality rate.



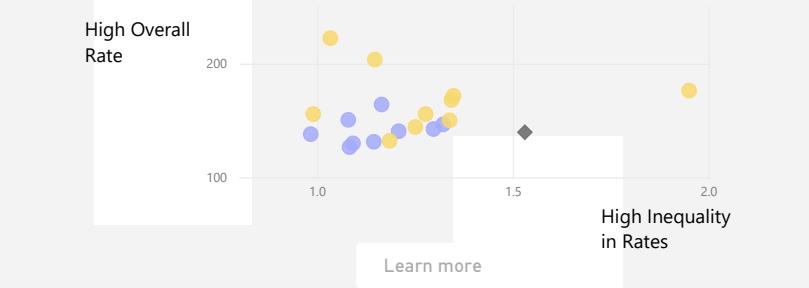
DIABETES PREVALENCE

The rate of diabetes in San Francisco is lower than most peers.



CANCER MORTALITY RATE

San Francisco overall has a lower than average cancer mortality rate among peers. However, the cancer mortality rate for Black San Franciscans is **1.5 times** the cancer mortality rate for White San Franciscans.



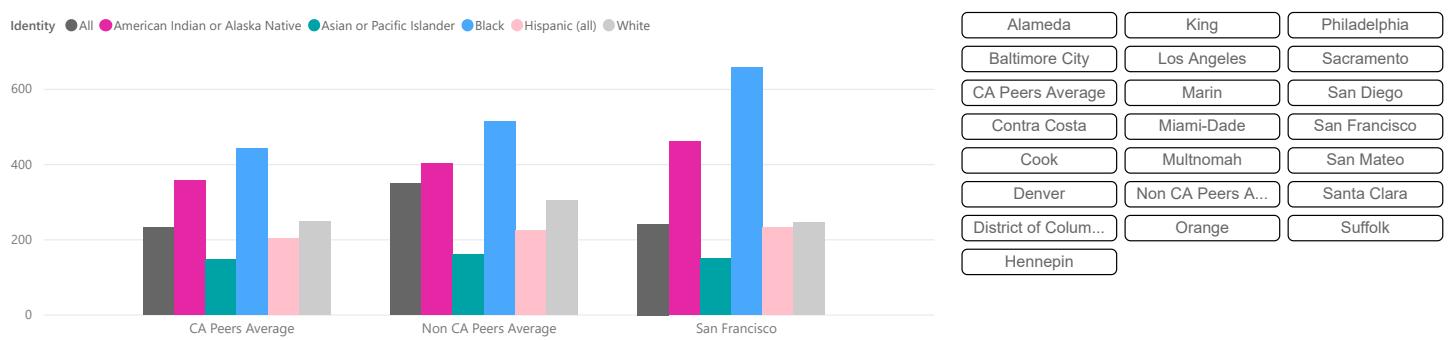


HOME

Data from 2011-2015

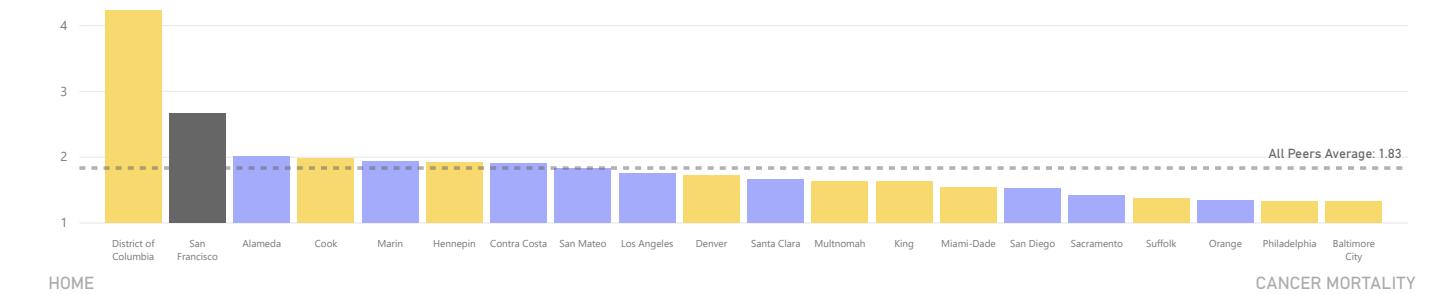
PREMATURE MORTALITY RATE

Premature mortality measures the rate of deaths occurring before the age of 75 per 100,000 residents, weighted for age.



PREMATURE MORTALITY RATE: BLACK-WHITE INEQUALITY

The ratio of Black premature mortality to White premature mortality. The San Francisco Black premature mortality rate is 2.66 times that of the San Francisco White premature mortality rate.



HOME

CANCER MORTALITY



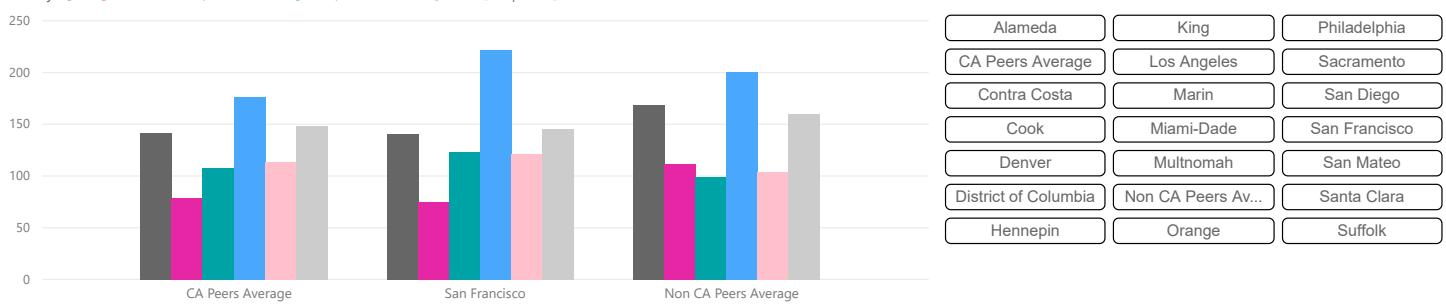
HOME

Data from 2015

CANCER MORTALITY RATE

Number of deaths due to cancer per 100,000 residents.

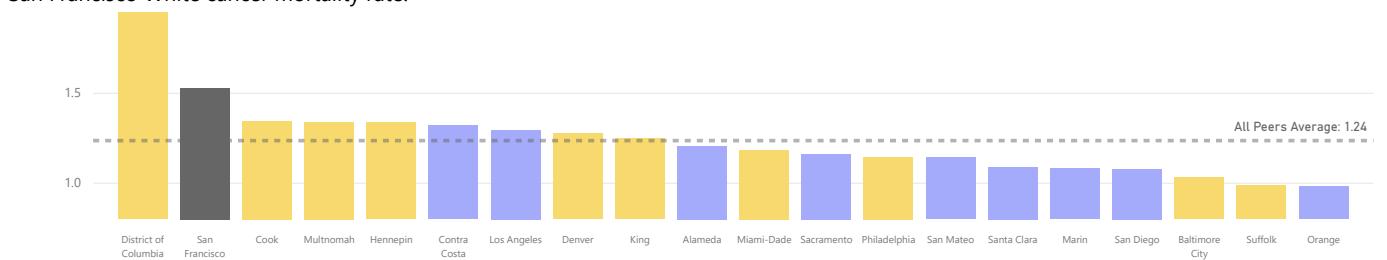
Identity ● All ● American Indian/Alaska Native ● Asian/Pacific Islander ● Black ● Hispanic ● White



Alameda	King	Philadelphia
CA Peers Average	Los Angeles	Sacramento
Contra Costa	Marin	San Diego
Cook	Miami-Dade	San Francisco
Denver	Multnomah	San Mateo
District of Columbia	Non CA Peers Av...	Santa Clara
Hennepin	Orange	Suffolk

CANCER MORTALITY RATE: BLACK-WHITE INEQUALITY

The ratio of Black cancer mortality to White cancer mortality. The San Francisco Black cancer mortality rate is 1.53 times that of the San Francisco White cancer mortality rate.



PREMATURE DEATH

DIABETES

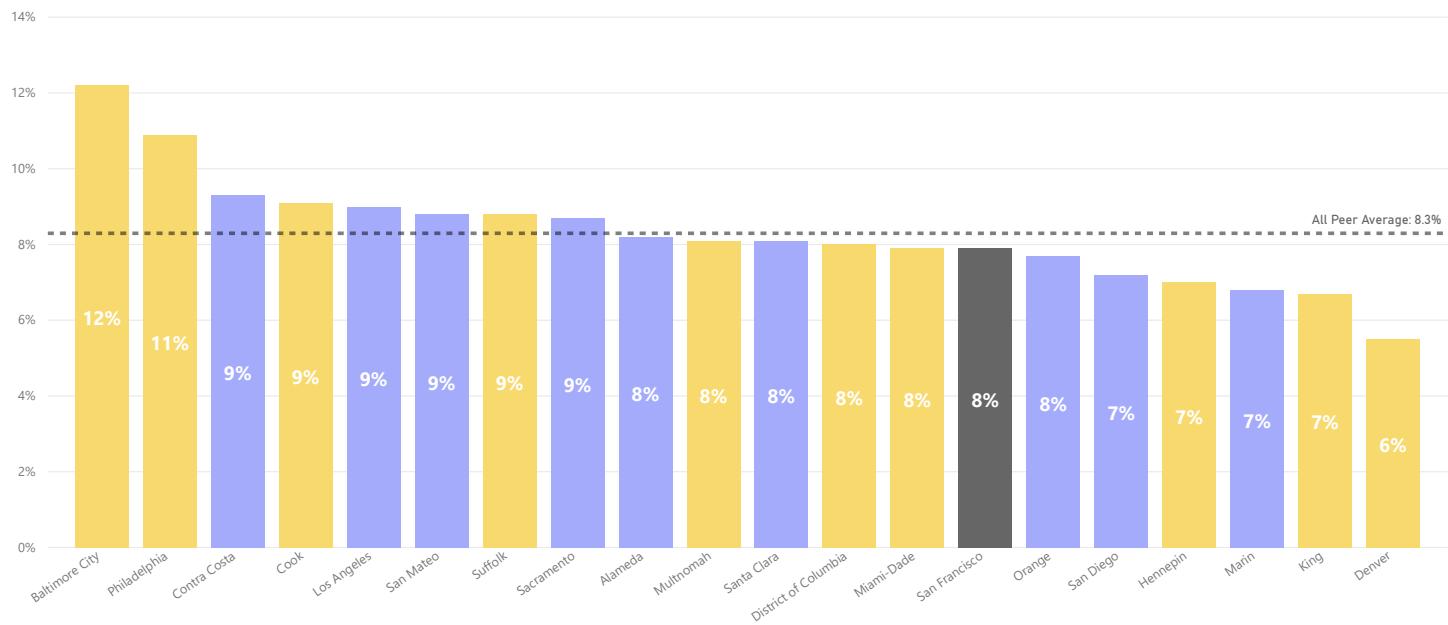
HOME

DIABETES

Percent of adult population with diabetes.

2013

2014



CANCER MORTALITY

DATA NOTES

HOME

DATA SOURCES

Data from the Robert Wood Johnson Foundation County Health Rankings:
This report can be found at <https://www.countyhealthrankings.org/>

Measure	Source	Year(s) of Data
Diabetes	CDC Diabetes Interactive Atlas	2013-2014

Additional Data Sources:

Measure	Source	Year(s) of Data
Cancer Mortality	United States Cancer Statistics, CDC	2015
Premature Mortality	Compressed Mortality File (CMF) on CDC WONDER Online Database, National Center for Health Statistics (NCHS)	2011-2015

Questions or Comments?

Please contact us at performance.con@sfgov.org

DIABETES

BIRTHING HEALTH

Updated November 2019

BIRTHING HEALTH FACTORS

Across all peers, Black, Hispanic, Native American, and mixed race rates of infant mortality, low birth weight, and teen birth rates are consistently higher than white rates.

Infant mortality and birth weight are impacted by overall parental health, environmental health (pollution, access to food, stable housing, etc), access to prenatal care, biases in interactions between medical staff and the birthing parent, intergenerational trauma, and more. The teen birth rate is impacted by access to abortion services, access to contraceptive care, and more.

INFANT MORTALITY

San Francisco has the lowest overall infant mortality rate of all peers.



San Francisco has higher inequality between black and white infant mortality rates than the peer average.

[Learn more](#)

LOW BIRTH WEIGHT

San Francisco's low birth weight rate is similar to the peer average overall.

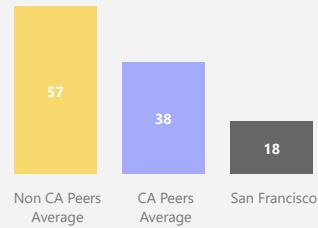


San Francisco has the highest inequality between Black and White low birth weight rates of all peers.

[Learn more](#)

TEEN BIRTHS

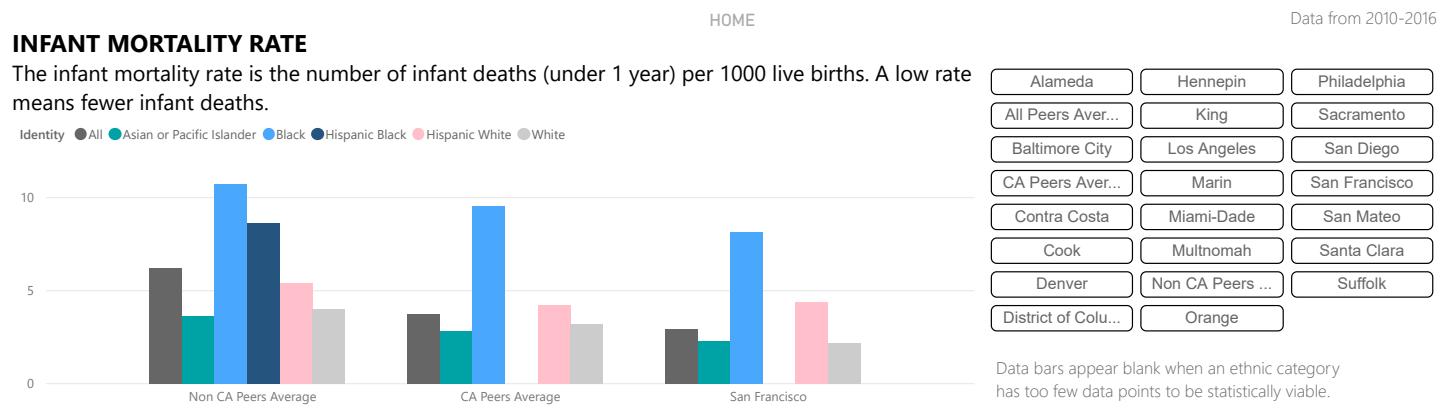
San Francisco has the **lowest rate** of births where the birthing parent is ages 15-19 among peers.



San Francisco has the second highest racial inequality in teen birth rates of peers.

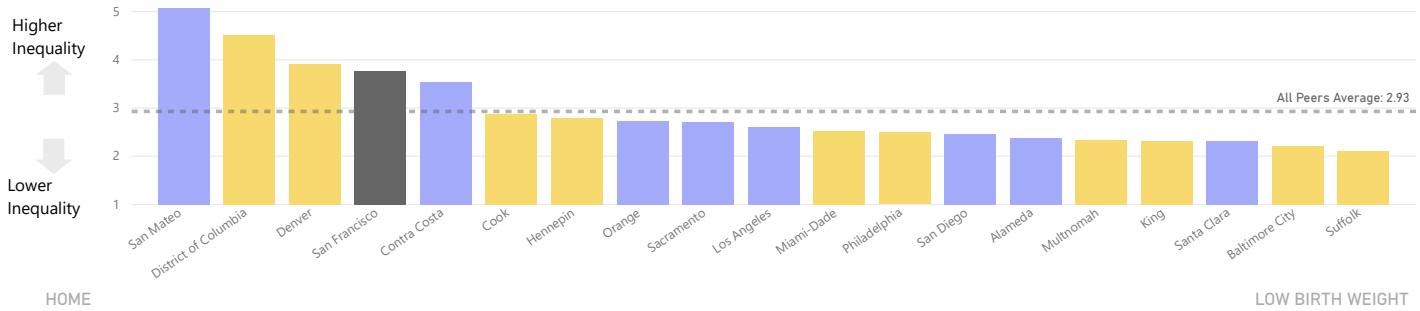
[Learn more](#)

* Many counties have suppressed data for Hispanic American Indian or Alaska Native, Hispanic Asian/Pacific Islander, and Hispanic Black residents due to relatively small reported populations. However, where data is available we see that these groups often have high infant mortality, LBW, and teen birth rates compared to other ethnic groups.



INFANT MORTALITY: BLACK-WHITE INEQUALITY

The ratio of Black infant mortality rate to White infant mortality rate. The San Francisco Black infant mortality rate is 3.77 times that of the San Francisco White premature mortality rate.



HOME

LOW BIRTH WEIGHT



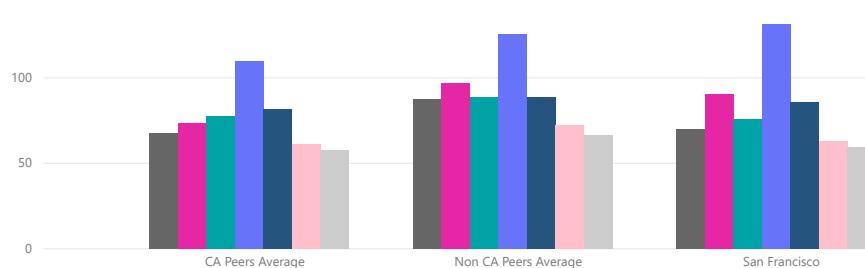
HOME

Data from 2010-2017

LOW BIRTH WEIGHT RATE

Number of births with infant weighing under 2500 grams (5 pounds, 8 ounces) per 1000 live births.

Identity ● All ● American Indian or Alaska Native ● Asian or Pacific Islander ● Black ● Hispanic Non-White ● Hispanic White ● White

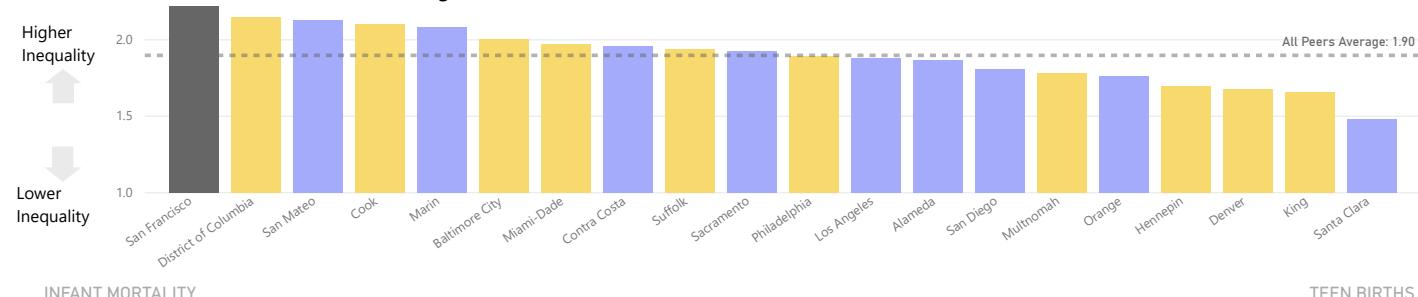


Alameda	King	Philadelphia
Baltimore City	Los Angeles	Sacramento
CA Peers Aver...	Marin	San Diego
Contra Costa	Miami-Dade	San Francisco
Cook	Multnomah	San Mateo
Denver	Non CA Peers ...	Santa Clara
District of Colu...	Orange	Suffolk
Hennepin		

Data bars appear blank when an ethnic category has too few data points to be statistically viable.

LOW BIRTH WEIGHT RATE: BLACK-WHITE INEQUALITY

The ratio of Black low birth weight rate to White low birth weight rate. The San Francisco Black low birth weight rate is 2.22 times that of the San Francisco White low birth weight rate.



INFANT MORTALITY

TEEN BIRTHS

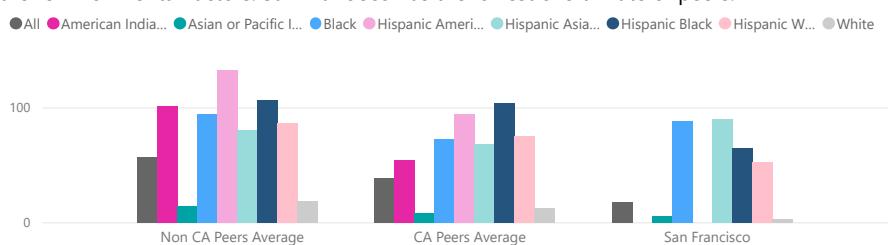


HOME

Data from 2010-2017

TEEN BIRTH RATE

The teen birth rate is the rate of births with a birthing parent ages 15-19 years per 1000 live births of all age ranges. There are major differences by race and ethnicity. These rates are influenced by access to reproductive healthcare, sex education, socioeconomic status, and other environmental factors. San Francisco has the lowest overall rate of peers.

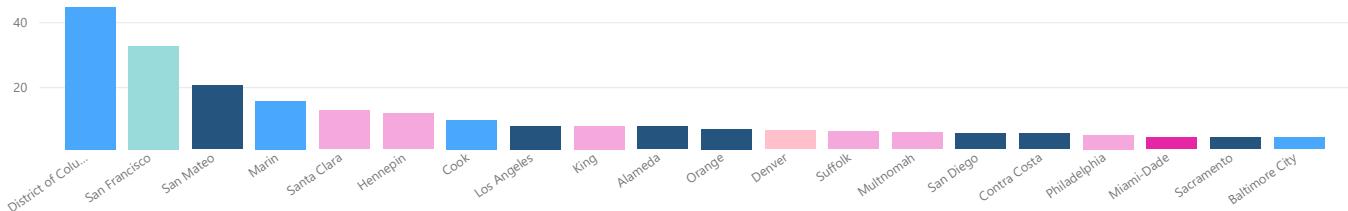


Alameda	King	Philadelphia
Baltimore City	Los Angeles	Sacramento
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Cook	Multnomah	San Mateo
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District of Col...	Orange	Suffolk
Hennepin		

Data bars appear blank when an ethnic category has too few data points to be statistically viable.

TEEN BIRTH RATE : RACIAL & ETHNIC INEQUALITY

This chart shows the inequality between the highest teen birth rate in the county and the white teen birth rate. In all counties, the teen birth rate of people of color is higher than the white teen birth rate (exception: Asian teen birth rate is lower). In San Francisco, the Hispanic Asian teen birth rate is **33 times** the white teen birth rate.



LOW BIRTH WEIGHT

DATA NOTES

HOME

DATA SOURCES

Measure	Source	Year(s) of Data
Infant Mortality	Compressed Mortality File (CMF) and Natality public-use data on CDC WONDER Online Database, National Center for Health Statistics (NCHS), CDC	2010-2016
Low Birth Weight	Natality public-use data on CDC WONDER Online Database, National Center for Health Statistics (NCHS), CDC	2010-2017
Teen Births	Natality public-use data on CDC WONDER Online Database, National Center for Health Statistics (NCHS), CDC	2010-2017

Questions or Comments?Please contact us at performance.con@sfgov.org

TEEN BIRTHS

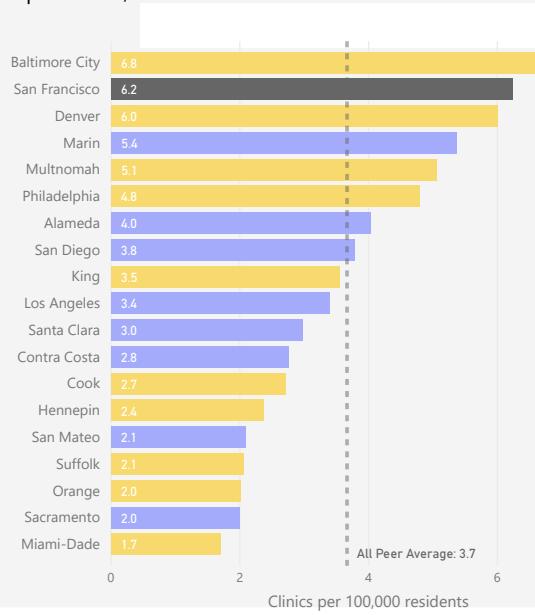
SEXUAL HEALTH

Updated November 2019

ACCESS TO CONTRACEPTIVE CARE

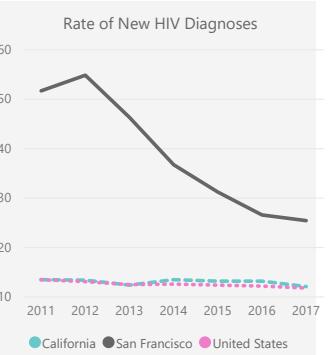
Data from 2015

Having access to contraceptive care reduces unwanted pregnancies and STDs. San Francisco has 54 publicly funded clinics providing contraceptive care, or **6.2 clinics per 100,000 residents**. Clinics may be funded through federal Title X, Planned Parenthood, county health departments, or other means.

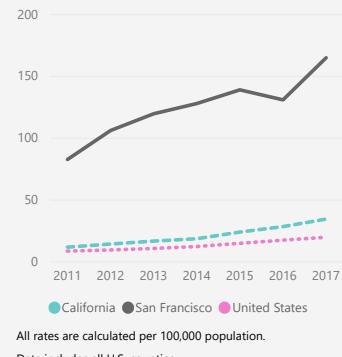


STD AND HIV RATES

Historically, San Francisco has had higher HIV and STD prevalence rates than peer counties. It has also led the way in setting standards for prevention, care, and treatment. San Francisco is working towards the UNAIDS vision of "Getting to Zero": zero new HIV infections, zero HIV deaths, and zero HIV stigma by 2020. As a result, the county has seen a **sharp decline in the number of new HIV diagnoses**.



Rate of New Early Syphilis Diagnoses



While HIV prevalence is high in San Francisco (1,486 per 100,000) compared to all counties in California (340 per 100,000) and the US (307 per 100,000), most people living with HIV in San Francisco are virally suppressed (74% versus 63% and 61%).

One unintended consequence is that as people can use medications to decrease their viral load and risk of transmission, there has been a decrease in condom use. This has been a contributor to increases in rates of other STDs, such as early syphilis.

DATA NOTES

HOME

DATA SOURCES

Measure	Source	Year(s) of Data
Contraceptive Care	Guttmacher Institute Data Center, Publicly Funded Clinics by County	2015
HIV prevalence and viral Suppression, San Francisco and California	California Department of Public Health, Office of AIDS, California HIV Surveillance Report	2017
HIV prevalence, United States	CDC HIV Surveillance Report	2017
Rate of New Early Syphilis Diagnoses, California	California Department of Public Health, STD Surveillance Report	2011-2017
Rate of New Early Syphilis Diagnoses, San Francisco	San Francisco Sexually Transmitted Disease Annual Summary	2011-2017
Rate of New Early Syphilis Diagnoses, United States	Sexually Transmitted Disease Surveillance, CDC	2011-2017
Rate of New HIV Diagnoses, California	California Department of Public Health, Office of AIDS, California HIV Surveillance Report	2011-2017
Rate of New HIV Diagnoses, San Francisco	San Francisco Department of Public Health HIV Semi-Annual Surveillance Report	2011-2017
Rate of New HIV Diagnoses, United States	CDC HIV Surveillance Report	2011-2017
Viral suppression, United States	CDC HIV Supplemental Surveillance Report	2017

Questions or Comments?Please contact us at performance.con@sfgov.org

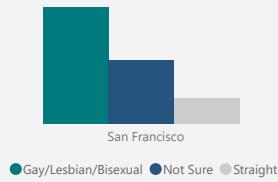
HEALTH RISK FACTORS

Updated November 2019

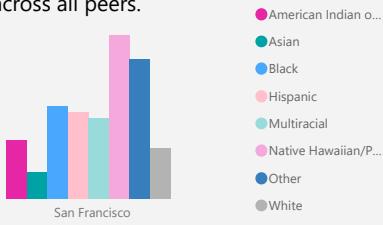
YOUTH SMOKING

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Youth of color smoke at higher rates than White youth across all peers.

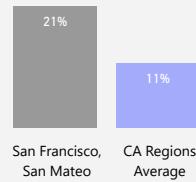


Tobacco companies have a history of targeting advertising towards youth, communities of color, low income people, and LGBTQ+ people.

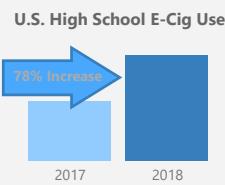
[Learn more](#)

YOUTH E-CIGARETTE USE

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San Francisco recently made the sale of e-cigarettes illegal until products are FDA reviewed in an effort to protect the health of youth and all users, effective Jan. 2020.

[Learn more](#)

EXCESSIVE DRINKING

The excessive drinking rate in San Francisco is **above** the peer average.

[Learn more](#)

OBESITY

San Francisco has the **second lowest** obesity rate of peers.

[Learn more](#)

ADULT SMOKING

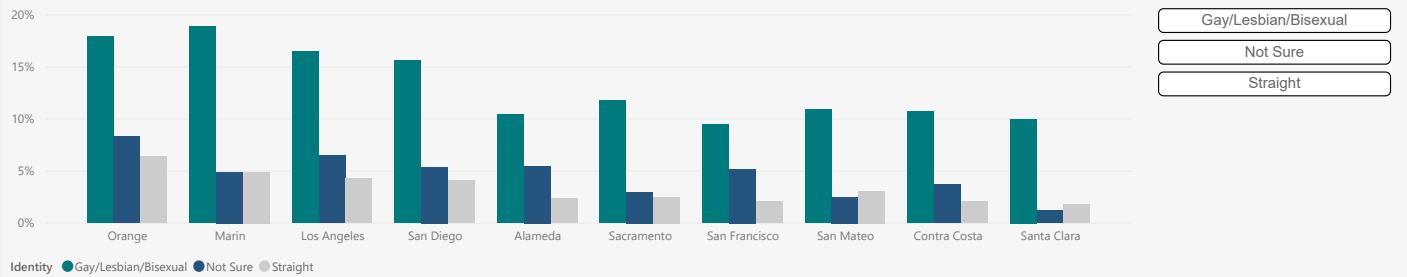
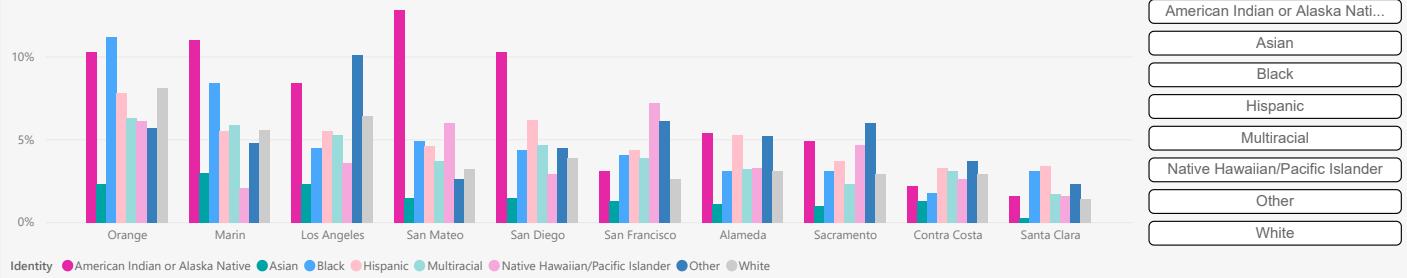
Adult smoking rate in San Francisco is **below** the average.

[Learn more](#)

HOME

Ever Use in Past Month

Heavy Use (20-30 days) in the past month

YOUTH SMOKING BY SEXUAL IDENTITY**YOUTH SMOKING BY RACE**

HOME

Data from 2013-2015. Youth surveyed were grades 7, 9, and 11 in California.

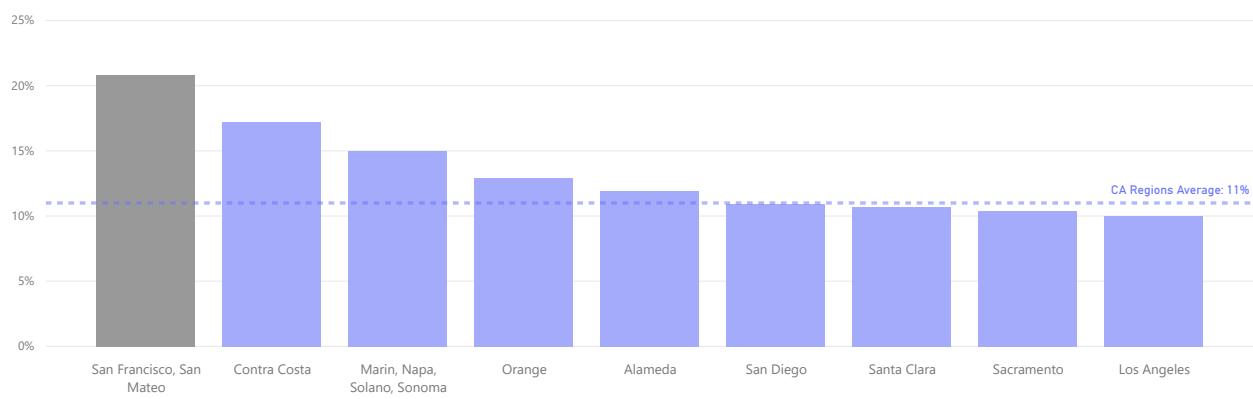
YOUTH VAPING

Data from 2017-2018

HOME

YOUTH E-CIGARETTE USE (VAPING) IN CALIFORNIA REGIONS

The San Francisco and San Mateo region has the highest youth e-cigarette use rate in California. Regions reflect groupings of similar geographic qualities. Youth in grades 8, 10, and 12 were surveyed.



Select additional regions:

Alameda	Alpine, Amador, ...	Butte, Colusa, De...	Contra Costa	Fresno	Imperial, Riverside	Kern	Kings, Tulare
Los Angeles	Madera, Merced	Marin, Napa, Sola...	Monterey, San Be...	Nevada, Placer, S...	Orange	Sacramento	San Bernardino
San Diego	San Francisco, S...	San Joaquin, Sta...	San Luis Obispo, ...	Santa Clara	Ventura		

Demographic data is not yet available at the region level. However, across California LGBTQ youth (12.4%) use e-cigarettes more than heterosexual youth (10.5%).

YOUTH SMOKING

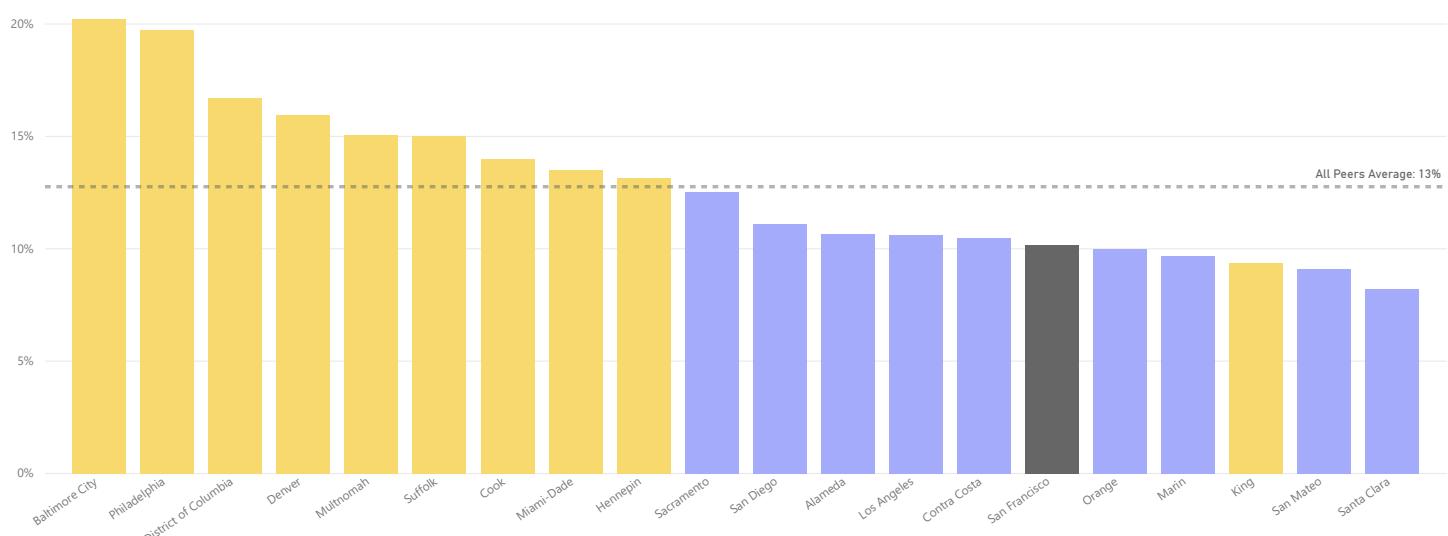
ADULT SMOKING

HOME

Data from 2016

ADULT SMOKING

Adult smoking measures the percentage of the adult population in a county who both report that they currently smoke every day or most days and have smoked at least 100 cigarettes in their lifetime.



YOUTH VAPING

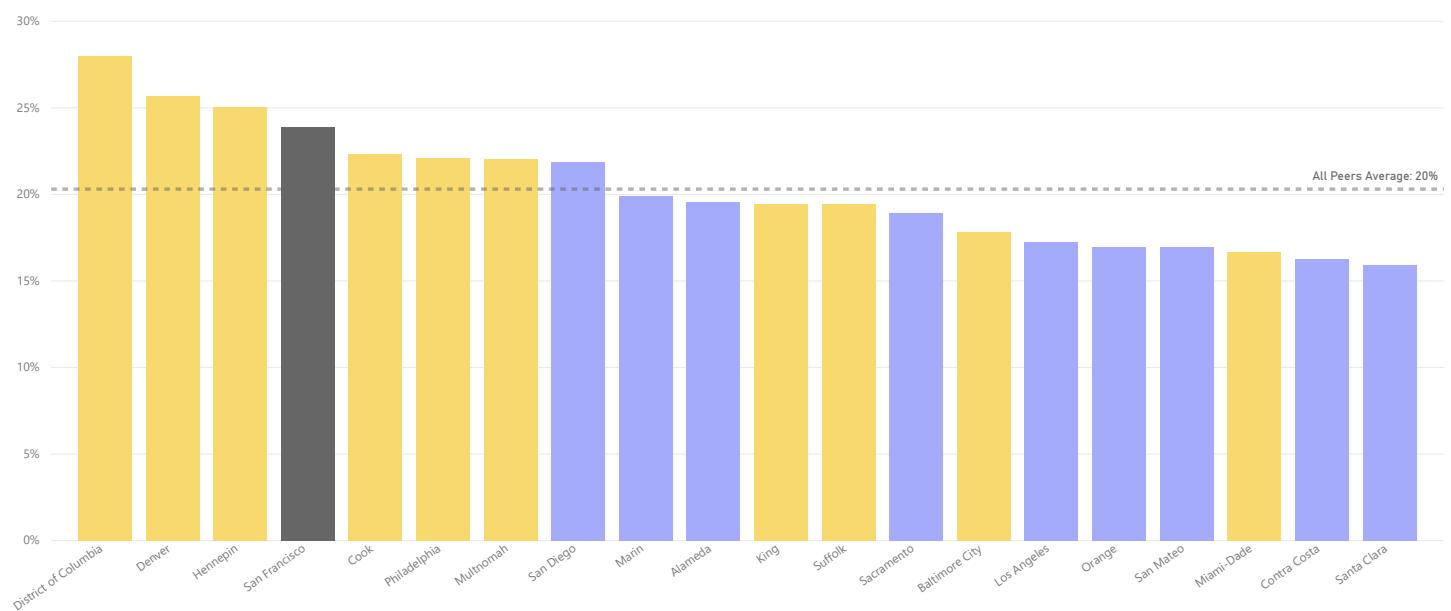
DRINKING

HOME

Data from 2016

EXCESSIVE DRINKING

Excessive drinking measures the percentage of a county's adult population that self-reports binge (more than 4-5 drinks during a single occasion) or heavy drinking (more than 1-2 drinks per day) in the past 30 days.



ADULT SMOKING

OBESITY

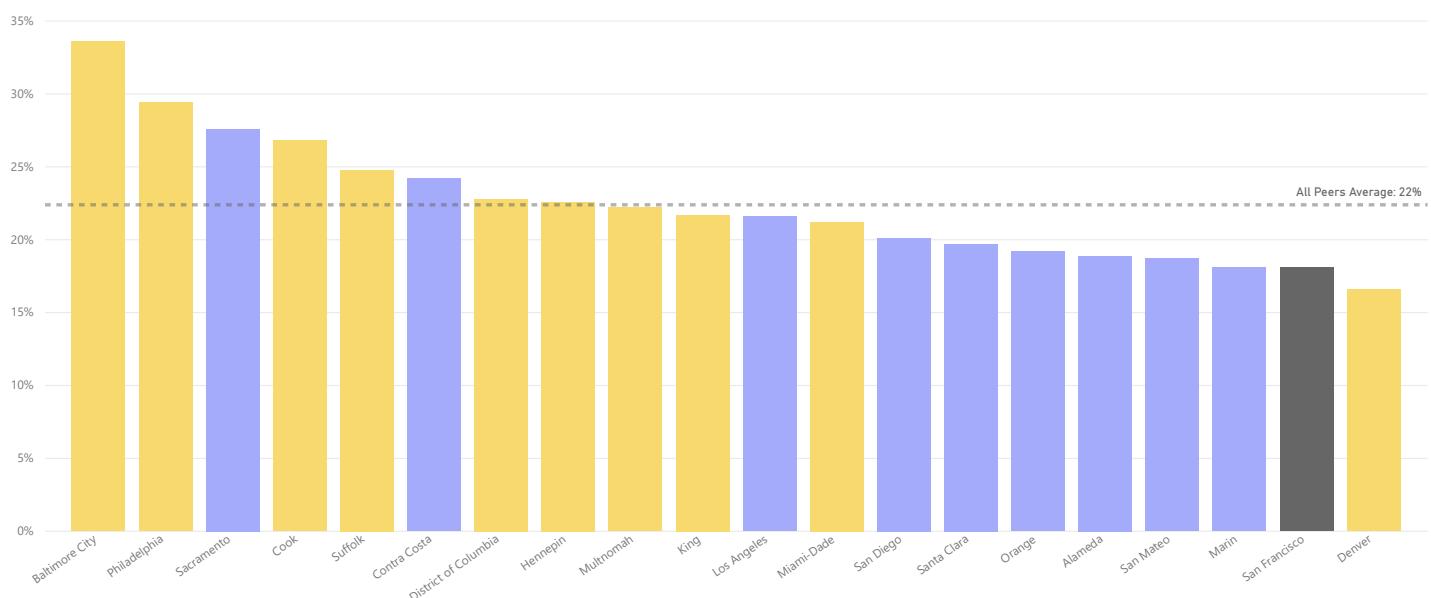
HOME

OBESITY

The percent of adults who self-report a Body Mass Index (BMI) above 30, calculated based on self-reported height and weight. Please note that BMI based on height and weight cannot account for weight distribution between muscle and fat.

2013

2014



DRINKING

DATA NOTES

HOME

DATA SOURCES**Data from the Robert Wood Johnson Foundation County Health Rankings:**This report can be found at <https://www.countyhealthrankings.org/>

Measure	Source	Year(s) of Data
Adult Smoking	Behavioral Risk Factor Surveillance System	2016
Excessive Drinking	Behavioral Risk Factor Surveillance System	2016
Obesity	CDC Diabetes Interactive Atlas	2013-2014

Additional Data:

Measure	Source	Year(s) of Data
Youth Smoking Use	Lucile Packard Foundation, Kids Data: California School Climate, Health, and Learning Survey	2013-2015
Youth E Cigarette Use	Results of the Statewide 2017-18 California Student Tobacco Survey. San Diego, California: Center for Research and Intervention in Tobacco Control (CRITC), University of California, San Diego.	2017-2018

Questions or Comments?Please contact us at performance.con@sfgov.org

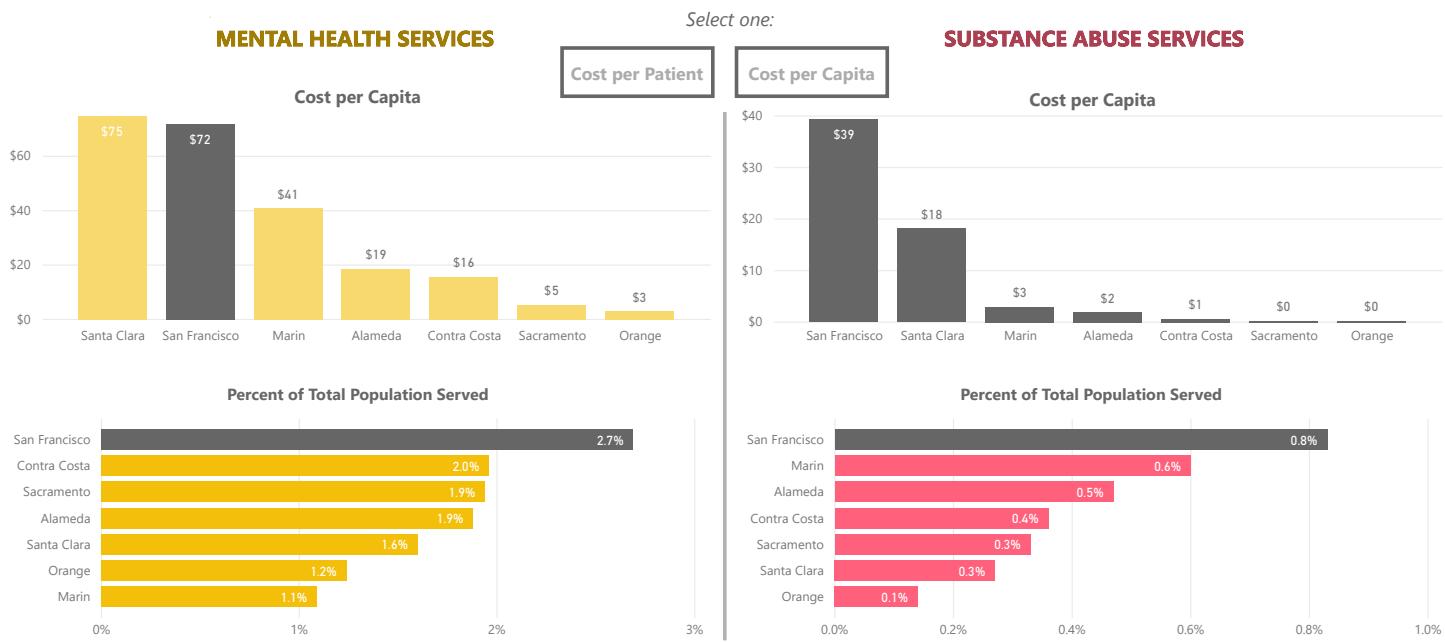
OBESITY

HEALTH SPENDING

Updated June 2018

MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES COUNTY COSTS

The Controller's Office surveyed California county peers to collect the number of unique patients served and General Fund (or county-matched) budget support for **mental health** and **substance abuse treatment** services for fiscal year 2016-17. While county investments for mental health and substance abuse treatment services vary among peers, the survey results do not compare the types and levels of services offered in these two categories. San Francisco spends more per capita than survey peers, but does not have the highest per patient costs. San Francisco also served a greater percent of the total population compared to peers in each of these services.



DATA NOTES

The Controller's Office collected data by surveying peer California counties, who submitted the following data for FY2016-17:

- General fund, also known as county-funded or county-match, budget numbers
- Unique number of patients served

Population data is from the 2016 US Census, Table B01003.

Questions or Comments?

Please contact us at performance.con@sfgov.org

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Issued: Cannabis in San Francisco: A Review Following Adult-Use Legalization
Date: Monday, December 9, 2019 5:13:00 PM
Attachments: [image002.png](#)

From: Reports, Controller (CON) <controller.reports@sfgov.org>
Sent: Thursday, December 5, 2019 12:42 PM
To: Reports, Controller (CON) <controller.reports@sfgov.org>
Subject: Issued: Cannabis in San Francisco: A Review Following Adult-Use Legalization

In late 2017, the San Francisco Board of Supervisors passed ordinances governing the legal adult-use cannabis industry in San Francisco and established an Equity Program for cannabis businesses.

In response to the Board of Supervisors' legislative directive, the City Performance Unit of the Controller's Office:

- 1) identified the number and type of cannabis businesses currently permitted and applications for cannabis business permits currently in queue; and
- 2) analyzed key indicators within the topic areas of Regulation, Equity, Economy, Public Safety and Public Health to recommend whether there should be any limits on cannabis permits.

Key recommendations include:

- The Board of Supervisors and Mayor should consider a moratorium on new storefront retail applications. In addition, they should consider methods of reducing the number of current storefront retail applications in queue, such as offering incentives to change pending storefront retail applications to other business activities.
- The Board of Supervisors, Mayor, and departments should consider creating a priority permitting lane or expedited processing for equity applicants in departments other than the Office of Cannabis, including but not limited to: Planning, Police, and Building Inspection.
- The Board of Supervisors and City Attorney's Office should consider utilizing the Community Reinvestment Fund to provide technical and capital assistance to equity applicants, including no-interest loan funding, grants, and/or banking options.
- The existing legal cannabis market will become increasingly competitive with the entry of equity applicants. The illicit cannabis market, by some estimates, is much larger than the legal market. The city should consider taking significant steps to halt the illicit cannabis market.

Read the [FULL REPORT](#) to learn more.

CANNABIS IN SAN FRANCISCO

Review of Findings Following Adult-Use Legalization

REGULATION

There are a total of **212** cannabis businesses authorized to operate, but the actual number operating is likely closer to **118**.

59 of those are **storefront retailers**.



It takes on average **18-24** months to complete the cannabis business permitting process.

277 equity permit applications have been submitted, but **zero** have been approved since the start of the Adult-Use Cannabis Business Permitting.

EQUITY

To cover costs while waiting for application approval, **many equity applicants are incurring debt** and/or selling ownership shares in their business to investors who can provide capital.



ECONOMY

San Francisco cannabis taxable sales decreased from **\$61 million** in Q2 2018 to **\$51 million** in Q1 2019, a reduction of 16% in nine months.

PUBLIC SAFETY

In 2018, cannabis-related crimes accounted for only **one-tenth of one percent** of all crimes in San Francisco. Since 2015, cannabis-related crimes have **decreased by 78%**, down to only 186 incidents in 2018.



PUBLIC HEALTH

Locally, use of cannabis **among high school students has decreased** along with national trends since the 1990s. Notably, San Francisco use rates are lower than national averages.



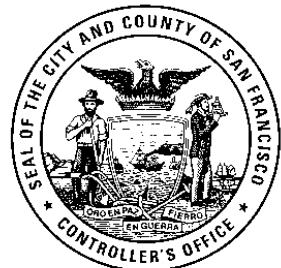
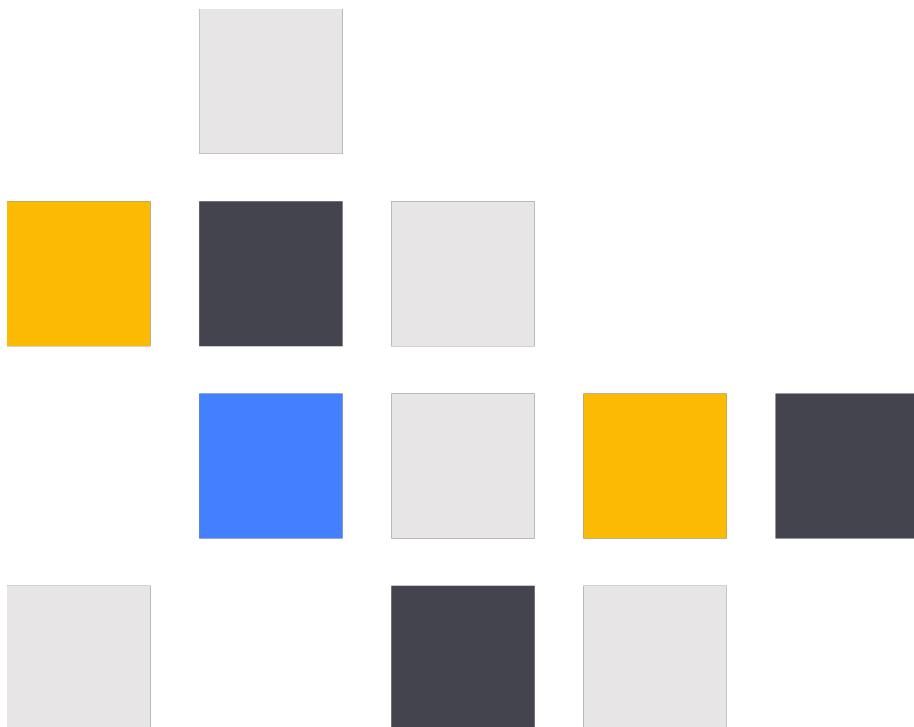
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For **questions about benchmarking**, please contact Cody Reneau at cody.reneau@sfgov.org or 415.554.5344.

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Cannabis in San Francisco

A Review Following Adult-Use Legalization



December 5, 2019

City Performance

City & County Of San Francisco
Office of the Controller
City Performance

About City Performance

The City Services Auditor (CSA) was created in the Office of the Controller through an amendment to the San Francisco City Charter that was approved by voters in November 2003. Within CSA, City Performance ensures the City's financial integrity and promotes efficient, effective, and accountable government.

City Performance Goals:

- City departments make transparent, data-driven decisions in policy development and operational management.
- City departments align programming with resources for greater efficiency and impact.
- City departments have the tools they need to innovate, test, and learn.

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Executive Summary

In 2016, California voters passed Proposition 64, allowing for the production and sale of adult-use cannabis; in San Francisco, 74% of voters approved this measure. In late 2017, the San Francisco Board of Supervisors passed ordinances governing the legal cannabis industry in San Francisco and establishing an Equity Program for cannabis businesses. The Board also instructed the Controller's Office to "track the number of permits awarded" and issue "a report that makes recommendations as to whether the issuance of Cannabis Business Permits should be subject to any numerical, geographical, or other limits."¹ In response to this legislative directive, this report: 1) identifies the number and type of cannabis businesses currently permitted and applications for cannabis business permits currently in queue; and 2) analyzes key indicators within the topic areas of **Regulation, Equity, Economy, Public Safety and Public Health** to recommend whether there should be any limits on cannabis permits. In consultation with the City Administrator's Office, the Controller's Office will provide a brief update in Fiscal Year 2020-21 to these findings and recommendations.

Below is a summary of key findings and recommendations by topic area.

Regulation

During the first year of legalization, the Office of Cannabis has undertaken: regulating the existing and previously unregulated cannabis industry, implementing the Equity Program, and developing a new cannabis business permit application system and associated multi-departmental approval process. This complex permitting process, combined with a lack of staff resources, has led to a significant permit queue.

The following table shows the number of active cannabis business permits by activity type in San Francisco and the number of cannabis business permit applications in queue with the Office of Cannabis.²

Business Activity	Currently Permitted	Equity Permit Applications in Queue
Storefront Retail	37	133
Delivery-only Retail	41	46
Cultivation	45	17
Manufacturing	42	31
Distribution	46	50
Testing Laboratory	1	0
Total	212	277

- There are 212 cannabis businesses authorized to operate, but the actual number currently operating is likely closer to 118. There are 37 authorized cannabis retail storefront operators, all of which were medical dispensaries or were in the process to become medical dispensaries before adult-use legalization. The Office of Cannabis has issued temporary permits to business activities other than storefront retail, which include delivery-only retailers and supply-chain business activities.
- There are 277 Equity Program permit applications, which are the only application type currently eligible for processing by the Office of Cannabis. No equity applications have been granted a permanent permit yet.
- There is such a high number of storefront retail applications (133) that this activity may not be viable for many of these equity applicants, who may be expending resources to reach a market that may already be saturated. (Page 24)

¹ San Francisco Ordinance 230-17, §1613

² As of August 15, 2019. At the time of publication of this report, there were 39 permitted storefront retail businesses.

Recommendation: The Board of Supervisors and Mayor should consider a moratorium on new storefront retail applications. In addition, they should consider methods of reducing the number of current storefront retail applications in queue, such as offering incentives to change pending storefront retail applications to other business activities.

- The average equity applicant currently in queue can likely expect to wait 18-24 months before being permitted due to the intensive process of a multi-departmental application review and the current backlog of applications. (Page 30)

Recommendation: The Board of Supervisors, Mayor, and departments should consider creating a priority permitting lane or expedited processing for equity applicants in departments other than the Office of Cannabis, including but not limited to: Planning, Police, and Building Inspection.

Equity

- Equity Program applicants—who were specifically chosen because of their existing disadvantage—face a lengthy permitting timeline during which they may be expending resources. These individuals may be further disadvantaged by the city's inability to provide timely permit processing. (Page 42)
- To cover costs while waiting for application approval, many equity applicants are incurring debt and/or selling ownership shares in their business to investors who can provide capital (Page 42). This is currently the primary mechanism by which large investors/companies are entering the cannabis market. (Page 42)
- Equity applicants who do not receive external financial backing are the least likely to be able to float their business location costs through the lengthy application process. Applicants that have financial backing from investors or other cannabis companies will be more likely to survive to market. (Page 42)
- Limits to cannabis business permits based on numeric caps or geography would disproportionately impact equity applicants in queue who have already expended resources while waiting for their permit.

Recommendation: No numeric or geographic limits to existing or in-process cannabis business permits are recommended at this time; however, any potential future limits should apply to new applicants rather than to the existing applicant pipeline.

Recommendation: The Board of Supervisors, Mayor, and City Attorney's Office should consider utilizing the Community Reinvestment Fund to provide technical and capital assistance to equity applicants, including no-interest loan funding, grants, and/or banking options.

Economy

- San Francisco cannabis taxable sales decreased from \$61 million in Q2 2018 to \$51 million in Q1 2019, a reduction of 16% in nine months. (Page 56)
- In 2015, the average cannabis retail operator had sales of \$6.3 million, but by 2018, given the 44 new retail operators in the market, those sales decreased by 45% to an average of \$3.4 million (Page 57). Assuming consistent demand to 2018, the average annual revenue will decrease notably as new equity cannabis retailers become permitted. (Page 57)

Recommendation: The existing legal cannabis market will become increasingly competitive with the entry of equity applicants. The illicit cannabis market, by some estimates, is much larger than the legal market. The Board of Supervisors, Mayor, and departments should adopt strategies and investments, where required, to halt the illicit cannabis market.

Public Safety

- In 2018, cannabis-related crimes accounted for only one-tenth of one percent of all crimes in San Francisco. Since 2013, cannabis-related crimes have decreased by 78%, down to only 186 incidents in 2018. (Page 64)

- In 2018, cannabis business locations saw a 6% decrease in violent crime compared to a less than 1% increase citywide. (Page 71) In 2018, cannabis business locations saw a 1% decrease in property crime compared to a 9% increase citywide. (Page 72)

Recommendation: Based on the decreasing amount of property and violent crime around legal cannabis locations in 2018, the Controller's Office does not recommend any limits to the number of cannabis operator permits to address public safety concerns at this time.

Public Health

- Locally, use of cannabis among high school students has decreased along with national trends since the 1990s. Notably, San Francisco use rates are lower than national averages. (Page 79)
- ZSFG admissions that indicate cannabis as a diagnosis slightly increased following legalization, but are relatively rare compared to overall admissions, making up less than one-third of one percent. (Page 83)
- It is difficult to separate trends related to increasing cannabis use from the impact of increased comfortability discussing and recognizing cannabis use, leading to increased reporting. (Page 82)

Recommendation: Cannabis-related health indicators are mixed. It is too early to determine any recommendations regarding legalization and its public health impacts at this time.

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1. Background and Methodology

In 2016, California voters passed Proposition 64, allowing for the production and sale of adult-use cannabis;³ in San Francisco, 74% of voters approved this measure. In late 2017, the San Francisco Board of Supervisors passed ordinances that govern how existing cannabis businesses (formerly the medical cannabis industry) can transition to the adult-use market and how new entrants can establish cannabis businesses in San Francisco.

The ordinances established an Equity Program, which attempts to prioritize “communities that have been historically and disproportionately affected by federal drug enforcement policies” to receive permits before general applicants. Additionally, the regulatory framework intends to reduce the illicit market, minimize social harm, protect and promote the health of San Franciscans, limit youth access and exposure, and create jobs and tax revenue for the city.⁴

The legislation instructs the Controller’s Office to “track the number of permits awarded” and issue “a report that makes recommendations as to whether the issuance of Cannabis Business Permits should be subject to any numerical, geographical, or other limits.”⁵ This report 1) details the number and types of cannabis businesses currently permitted in San Francisco; and 2) analyzes key indicators within the following five topic areas to recommend whether there should be any limits on cannabis permits at this time. Each chapter concludes with a summary table of key findings and recommendations (see Appendix A for a complete list of recommendations across chapters).

- **Regulation:** tracks the number of cannabis permits by activity type and location. It analyzes how San Francisco’s cannabis permitting framework has functioned and describes the impact of the permitting framework on equity applicants and other priority applicant groups.
- **Equity:** evaluates the impact of the Equity Program thus far, given the regulatory intent of the program.
- **Economy:** reviews key economic indicators and trends of the cannabis industry, such as retail sales, pricing, and job growth.
- **Public Safety:** analyzes recent trends in cannabis-related crimes in San Francisco, the prevalence of crime within 600 feet of known legal cannabis businesses, and the number of cannabis-related DUI arrests and SF 311 complaints since adult-use legalization.
- **Public Health:** analyzes recent trends in cannabis youth use, hospital admissions with cannabis-related diagnoses, and substance use treatment admissions with cannabis-related diagnoses.

The Controller’s Office methodology for this analysis included 1) interviews with subject matter experts and industry participants; 2) data analysis; 3) comparative review of other jurisdictions with legal adult-use cannabis; and 4) a literature review. For a detailed list of meetings and interviews, please see Appendix B, Controller’s Office Meetings and Interviews. For further details regarding the data sources and analysis of cannabis crime and arrests, please see Appendix G, SFPD Data Analysis Methodology.

³ In some states, the term “recreational” is used instead of “adult-use”, and “marijuana” used instead of “cannabis”. In this report, “adult-use cannabis” is used to mirror state and local terminology.

⁴ San Francisco Ordinance 230-17, §1600

⁵ San Francisco Ordinance 230-17, §1613

2. Regulation

This chapter presents an overview of the cannabis industry in California and San Francisco and analyzes how San Francisco's cannabis permitting framework has functioned as it has developed. San Francisco's adult-use legalization ordinance prioritizes equity program participants and other priority groups to receive permits before general applicants. This chapter describes the impact of the permitting framework on equity applicants and other priority applicant groups and particularly, the difficulty they are experiencing with a lengthy and complex regulatory framework. Finally, this chapter presents recommendations on how to improve their experience.

STATE OF ADULT-USE CANNABIS IN CALIFORNIA

Since the legalization of adult-use cannabis in California, the state's legal market quickly grew to the largest legal market in the world. In California in 2018, it is estimated that legal sales of cannabis totaled approximately \$2.5 billion. A recent report estimates that the **2019 totals may reach \$3.1 billion, a one-year increase in sales of approximately 23%.**⁶

\$2.5 billion - 2018

\$3.1 billion - 2019

Estimated cannabis sales volume in California.

The state, local jurisdictions, and cannabis businesses have worked diligently to establish the industry's regulatory structure while simultaneously attempting to implement those regulations. While the general framework of legalization was laid out by the voter-approved state measure, state authorities had to craft the discrete rules that would govern the industry. In addition, cities and counties had to decide if they would allow the industry to operate locally at all; and if so, how they were going to regulate cannabis.

Cities and counties in California have significant ability to restrict cannabis operators in their jurisdiction, and approximately two-thirds of municipalities prohibit cannabis operators outright.⁷ However, most of California's large cities allow adult-use cannabis, including Los Angeles, San Diego, San Jose, Sacramento, Oakland, Long Beach, and San Francisco.

As of August 15, 2019, the state has approximately 6,200 active cannabis operator licenses permitting a variety of activities, from cultivation through retail sale. Figure 2.1 shows the number of active medical and adult-use cannabis licenses in a group of seven peer cities.

⁶ "California's Biggest Legal Marijuana Market." LA Times, 08/14/19. <https://www.latimes.com/california/story/2019-08-14/californias-biggest-legal-marijuana-market>

⁷ "Most of California municipalities ban commercial cannabis activity." MJ Biz Daily, 2/18/19. <https://mjbizdaily.com/chart-most-of-california-municipalities-ban-commercial-cannabis-activity/>

Figure 2.1 Active California Cannabis Licenses by City and Type

San Francisco has fewer total state licenses than four of seven peers and is below the peer average. Oakland has the most active licenses, with the highest number of manufacturers and retailers in the group.

City	Manufacture	Cultivation	Distribution	Retail	Microbusiness	Testing		Total
						Lab	Total	
Oakland	90	33	107	114	43	0	387	
Los Angeles	83	60	110	72	32	1	358	
Sacramento	40	35	42	78	6	1	202	
Long Beach	46	6	48	21	6	2	129	
San Francisco	20	10	22	55	10	1	118	
San Diego	19	1	20	17	1	3	61	
San Jose	5	12	7	9	8	0	41	
Average	43.3	22.4	50.9	52.3	15.1	1.1	185.1	

Note: Sorted by total licenses. Retail includes both storefront and delivery-only operators; these different types are broken down in Table 2.2 below. Microbusinesses are authorized to perform multiple activities including supply-chain and retail functions.

Source: California Bureau of Cannabis Control, California Department of Food and Agriculture, California Department of Public Health.

As shown, **San Francisco has fewer active total licenses than four of seven peers and falls below the peer-group average.**

The active licenses shown above include both retail and supply chain operators. Most supply chain operators, such as cultivators, distributors, and manufacturers, are less apparent in the community than retail operators because they are not open to the general public, lack signage, and have limited foot traffic. The most visible “face” of the cannabis industry in the community is typically storefront retailers, which accordingly often draw more scrutiny. Figure 2.2 compares California cities in terms of retail operators (both storefront and delivery retailers) and compares them by population and land area.

Figure 2.2 Active California Retail Licenses by City

San Francisco falls in the middle of peer cities with respect to storefronts per 100,000 population. Due to its small area, however, it leads the pack in terms of storefronts and any retail per square mile.

City	Retail Licenses		By Population		By Land Area	
	Storefront Retail	Delivery-Only Retail	Storefront per 100,000	Any Retail ⁸ per 100,000	Storefront per Sq. Mi.	Any Retail per Sq. Mi.
Sacramento	27	54	5.5	16.4	0.3	0.8
Long Beach	24	0	5.0	5.0	0.5	0.5
Oakland	15	142	3.5	36.8	0.3	2.8
San Francisco	30	28	3.4	6.6	0.6	1.2
Los Angeles	79	0 ⁹	2.0	2.0	0.2	0.2
San Jose	16	1	1.5	1.6	0.1	0.1
San Diego	17	0	1.2	1.2	0.1	0.1
Average	21.8	7.3	2.8	3.6	0.3	0.5

Note: Sorted by Storefront per 100,000. Retail license totals are slightly different than the previous table due to the inclusion of microbusinesses that are permitted to operate a retail function. Full population and land area table available in Appendix C, California Retail Licenses by City. Source: League of California Cities (2017 population), U.S. Census American Fact Finder (2010 land area).

San Francisco ranks fourth among seven cities in terms of storefronts per 100,000 people. San Francisco has the highest number of storefronts per square mile and any type of retail (storefront and delivery) per square mile. While the city has the most retail per square mile, the geographical distribution of these retailers is not evenly distributed across the city and is highly clustered on the city's eastern side. This geographical clustering is further discussed in the following section, *Cannabis in San Francisco* (page 19).

REGULATORY BACKGROUND

In November 2016, California voters passed Proposition 64, allowing for the production and sale of adult-use cannabis. The law allows adults over the age of 21 to possess and use limited quantities of cannabis sold from regulated and licensed retailers. It also regulates growers, suppliers, distributors, and creates a system of testing and tracking to monitor the cannabis supply chain. The law maintains many of California's existing medical cannabis regulations, which allow individuals to purchase and use cannabis with a medical approval.

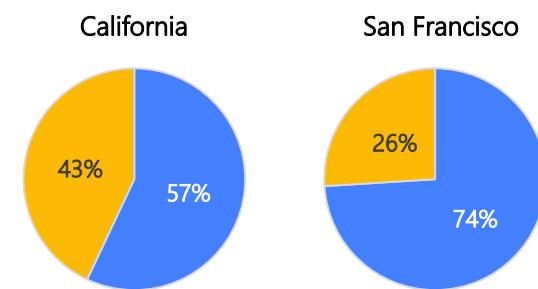
⁸ "Any retail" includes both storefront and delivery operators.

⁹ There are yet to be any licensed delivery-only operators in LA; however, some retail operators have authorization for delivery.

Statewide, Proposition 64 passed with 57% of voters approving the measure. Locally, the proposition was overwhelmingly passed with **74% of San Franciscans approving the measure.**

In allowing adult-use cannabis, California joined a growing number of states that allow for adults to possess and recreationally use the substance. This follows a broader national trend towards more permissive laws concerning cannabis. Eleven states and the District of Columbia currently allow adult-use cannabis, and more are expected to legalize in the coming years. Across the nation, dozens of states have also passed laws decriminalizing cannabis possession, allowing medical cannabis, or allowing for some uses of cannabis derivatives for the treatment of certain medical conditions.¹⁰

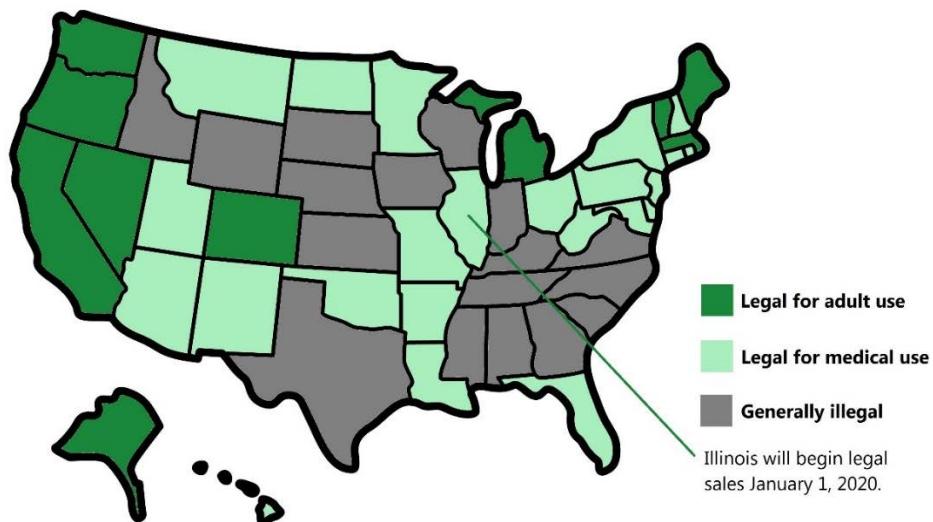
Figure 2.3 Cannabis Legalization Election Results
Proposition 64 was approved by a majority of Californians and a large margin in San Francisco.



Source: California Secretary of State, San Francisco Department of Elections

Figure 2.4 Cannabis Legalization Across the United States

Eleven states have legalized adult-use cannabis, and many allow medical cannabis use.



Note: This figure is for illustrative purposes only, as many states grouped together in the legend have very different legal approaches to cannabis. For example, "generally illegal" includes some states that have decriminalized cannabis possession or allow limited-THC cannabis products (CBD products), as well as some states in which cannabis and all derivatives are prohibited. Adapted from: Governing Magazine, State Marijuana Laws in 2019 Map. <<https://www.governing.com/gov-data/safety-justice/state-marijuana-laws-map-medical-recreational.html>>

¹⁰ Cannabidiol (CBD) is a non-psychoactive cannabis derivative that has been legalized in many states for consumer use.

Despite the trend among states towards legalization, decriminalization, and medical use, federal law continues to consider the use and possession of cannabis illegal and classifies cannabis as a Schedule I substance. While enforcement of federal law within states that have adult-use cannabis has been limited, the prohibition still presents challenges for cannabis businesses. For example, many banks refuse to accept funds from cannabis retailers for fear of being prosecuted by the federal government or losing certain benefits provided by federal entities. In addition, unpredictable enforcement priorities as signaled by the U.S. Department of Justice have created an uncertain landscape for cannabis businesses that are compliant under state law but federally prohibited.¹¹

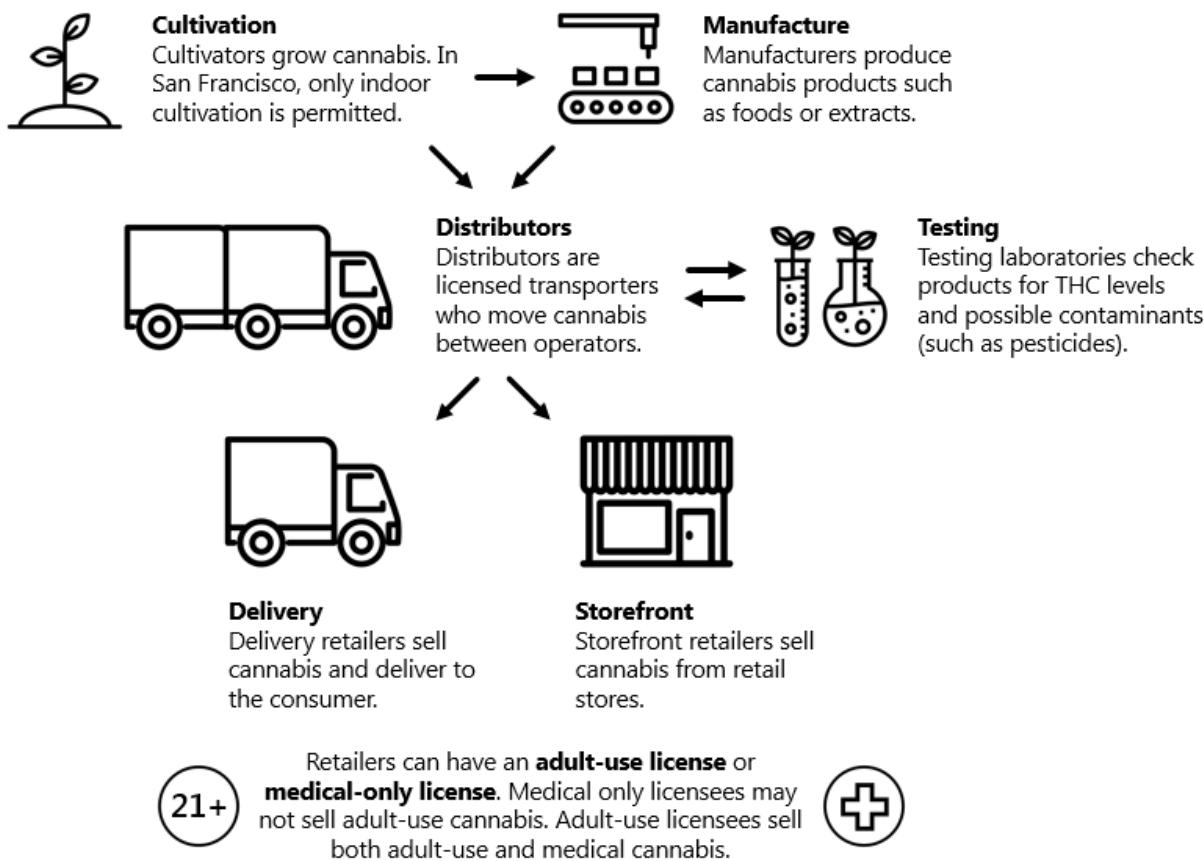
REGULATORY FRAMEWORK

As with other states in which cannabis is legalized, California does not allow for cannabis to come from out-of-state sources and does not allow cannabis to be transported outside the state. In order to monitor cannabis production and transportation, the law licenses each different type of cannabis production activity and requires operators to track cannabis products through the supply chain from "seed to sale."

California Permit Types

With the passage of Proposition 64, California implemented a regulatory framework that oversees the functions within the cannabis retail and supply chain with the intent of ensuring a safe supply for consumers while preventing the diversion of cannabis to illegal channels. The framework includes different permit types for each type of cannabis operator.

¹¹ In 2013, the Department of Justice released the Cole Memorandum, which indicated that the department would not enforce the federal cannabis prohibition in states with legalized cannabis. Subsequently, former Attorney General Jeff Sessions rescinded the memo, restoring prosecutorial discretion to federal prosecutors. Following Sessions' departure, Attorney General William Barr expressed support for de-prioritization similar to the Cole Memorandum's position but has not officially implemented this in Justice Department policy.



Businesses must obtain both a license from the state and a permit from their local jurisdiction to legally operate. Local jurisdictions that allow cannabis operators generally offer permits in the same operator types as the state, however, many places restrict what type of operations can happen within their jurisdiction. San Francisco, for example, prohibits outdoor cultivation. Many local jurisdictions ban cannabis operators outright and prohibit cannabis businesses of any kind within their local jurisdiction.

San Francisco Permitting Framework

Following the passage of Proposition 64 (statewide proposition), local jurisdictions passed their own ordinances in order to permit or prohibit cannabis operators. In San Francisco, the Board of Supervisors passed two major ordinances in November 2017 that regulate cannabis in the city:

- **Establishing Article 16.** Ordinance 230-17 amended city codes to comprehensively regulate the cannabis industry in the city. It stipulates how businesses obtain permits (known as Article 16 permits), creates regulations surrounding cannabis businesses, and defines the process by which equity applicants are prioritized in permitting.¹²
- **Amending the Planning Code.** Ordinance 229-17 amended the Planning Code to regulate land uses related to the cannabis industry. Cannabis retail storefronts must locate in certain areas, which primarily include land on the city's eastern side but also some commercial corridors throughout the city. Retail storefronts also must not locate within 600 feet of a school or other cannabis dispensary. Other cannabis-related industries (cultivation, manufacture, etc.) must

¹² San Francisco Ordinance 230-17

locate in areas where those types of activities are otherwise permitted (for example, manufacturing must locate in a location properly zoned for manufacturing).

The ordinances prescribed how cannabis operator permits would be issued in San Francisco. Many businesses that were already operating in the cannabis industry were allowed to continue, including Medical Cannabis Dispensaries (MCDs) that had been previously legal. As part of the city's Amnesty Program, it also offered supply-chain operators that may have been operating in the illicit market a pathway to enter the legalized market if they came into regulatory compliance. At the same time, the ordinances were designed to restrict the market such that certain equity applicants would have the opportunity to enter the nascent market early. This was an attempt to recognize and benefit individuals who were disproportionately impacted by the War on Drugs. More details on the equity program can be found in Chapter 3, Equity (page 41).

Cannabis businesses that are currently operating in San Francisco are permitted under one of the following provisions:

- **Medical Cannabis Dispensaries (MCDs).** Businesses that were permitted as MCDs, or were in process to become MCDs before legalization, are allowed to operate under an MCD permit from the San Francisco Department of Public Health. In order to sell adult-use cannabis, MCDs must receive an additional adult-use authorization from the Office of Cannabis. MCDs can be either storefront or delivery-only operators.
- **Temporary Permits.**¹³ Businesses that were operating prior to legalization and were located in places that are properly zoned for that type of business are allowed to operate with Temporary Permits from the Office of Cannabis. Temporary permittees cannot be storefront retailers, but they can be delivery-only operators, cultivators, distributors, manufacturers, or testing laboratories.

CANNABIS IN SAN FRANCISCO

As of August 1, 2019, there were **212 cannabis businesses permitted to operate in San Francisco**, 59 operating with MCD Permits and 153 operating with Temporary Permits. Among permitted businesses, there are 134 supply chain operators and 78 retailers (including both storefront and delivery only). It is difficult to track exactly how many of these businesses are currently operating, but as of August 15, 2019, 35 retail storefronts were in operation out of 37 permitted.¹⁴ In calendar year 2018, cannabis operators generated \$220 million in reported revenue, from which the city received \$2.2 million in sales tax (further details on the cannabis market and tax revenue are in the Chapter 4, Economy (page 55).

¹³ These permits are called "temporary" because operators will be required to seek permanent permits once they become available. Permanent permits will not become available to these operators, however, until equity applicants, incubators, and some other categories of applicants first receive their permanent permits.

¹⁴ There are 212 operators permitted to operate, but fewer than 212 are currently operating. Operators can cycle in and out of operation in between inspection dates. The 118 active state licenses referenced in Table 2.1 more accurately represents the number of businesses currently operating. Most of the businesses that are authorized to operate but are not operating are temporary permittees in supply-chain activities.

Figure 2.5 Cannabis Businesses by Activity Type in San Francisco

A total of 212 cannabis businesses are permitted in San Francisco, 37 of which are storefront retailers.

Business Activity	Type of Activity	Number of MCD Permits	Number of Temporary Permits	Total
Storefront Retail	Retail	37	-	37
Delivery-only Retail	Retail	22	19	41
Cultivation	Supply Chain	-	45	45
Manufacturing	Supply Chain	-	42	42
Distribution	Supply Chain	-	46	46
Testing Laboratory	Supply Chain	-	1	1
Total		59	153	212

Note: Within the manufacturing activity, there are two permit types: non-volatile manufacturing and volatile manufacturing. There are 41 non-volatile manufacturers and 1 volatile manufacturer.

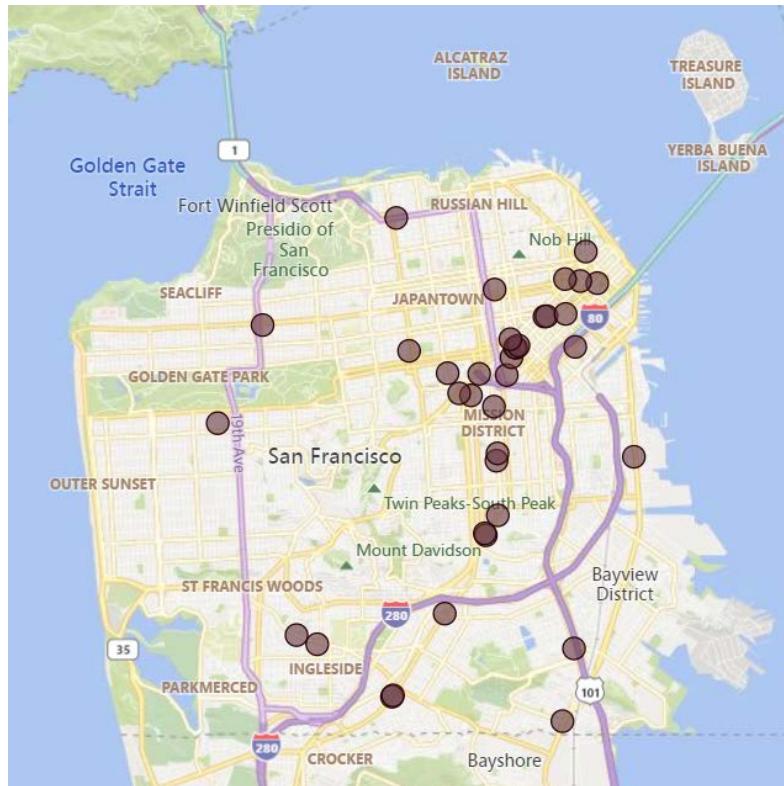
As shown in Figure 2.5, approximately three-quarters of all cannabis operators are permitted with Temporary Permits, the majority of which are supply-chain operators. **There are 37 operators permitted to operate a physical storefront, all of which were medical dispensaries prior to legalization** (or were in process to become medical dispensaries prior to legalization).¹⁵ All MCDs and Temporary Permittees will be eligible for permanent Cannabis Business Permits when the “Existing Industry” phase of the application process opens (see Figure 2.13). Retail and supply chain operators are not evenly distributed throughout the city and tend to be geographically clustered due to both market forces and zoning regulations.

¹⁵ 37 MCDs have permits to operate, 35 are in operation as of August 15, 2019. At the time of publication of this report, there were 39 permitted storefront retail businesses.

By the nature of their business having a storefront location, the most visible cannabis operators tend to be storefront retailers. These businesses are located throughout the city, but cluster most significantly along the Market Street corridor and in the Mission District. Notably, there are very few storefront retailers located on the western portion of the city.¹⁶ New storefront retailers may not locate within 600 feet of another storefront retailer, but a retailer that was operating before the current ordinance came in to effect may be located within 600 feet of another.

Cannabis retailers can also operate as delivery only. These retailers deliver cannabis directly to the consumer and are not permitted to sell cannabis to consumers at their location of business.¹⁷ These retailers tend to have a less obvious physical presence at their location, although frequent product pickups can have an impact on vehicular traffic. The following table summarizes Supervisor District-level information regarding the location of cannabis retailers in the city.

Figure 2.6 Cannabis Storefront Retailers in San Francisco
Storefronts are heavily clustered in the Mission District and along the Market Street corridor.



Note: Delivery-only retail operators not shown.

¹⁶ Additional details on the locations of permitted retail locations is available on the Office of Cannabis website at <https://officeofcannabis.sfgov.org/retail/permitted-locations>.

¹⁷ Delivery-only retailers can deliver products from their place of business directly to the consumer. They are permitted to carry only as much product as has been ordered and are not permitted to carry excess supply in order to receive and deliver new orders as they are mid-delivery (this is sometimes called "dynamic delivery" or the "ice cream truck" model).

Figure 2.7 Retail Operators (storefront and delivery only) by Supervisor District

Districts range in the number of retailers, from one retailer (District 4) to 25 retailers (District 6). District 3 has the most delivery-only retailers, whereas District 6 has the most storefront retailers.

Supervisor District	Storefront	Delivery Only ¹⁸	Total
1 – Fewer	1	0	1
2 – Stefani	1	0	1
3 – Peskin	2	17	19
4 – Mar	1	0	1
5 – Brown	2	0	2
6 – Haney	14	11	25
7 – Yee	2	0	2
8 – Mandelman	2	0	2
9 – Ronen	7	0	7
10 – Walton	2	13	15
11 – Safai	3	0	3
Total	37	41	78

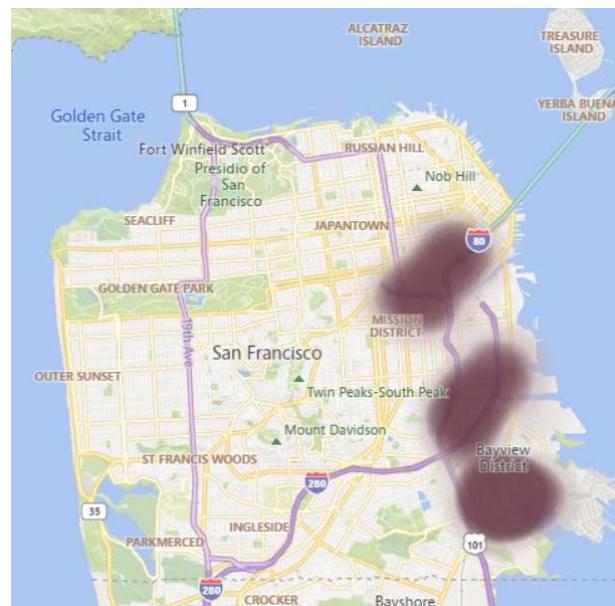
Cannabis supply-chain operators, which represent 64% of all permitted operators, tend to be highly clustered in the city.

Geographically, **supply chain operators are located exclusively on the eastern portion of the city and south of Market Street**, including the neighborhoods: South of Market, northern Mission District, Showplace Square, Central Waterfront, Produce Market, Apparel City, Bret Harte and the Bayview. The heat map presented at right shows this concentration.¹⁹

Supply-chain operators are highly clustered in the city's southeast due to zoning regulations, which require that these operators locate in areas that will permit their activity. Predominantly, operators locate in areas zoned for production, distribution, and repair (known as PDR zones). Depending on the activity type, some operators are also in areas zoned for mixed use.

Figure 2.8 Cannabis Supply-Chain Heat Map

Supply-chain operators are heavily clustered south of Market Street and in the city's southeast.



¹⁸ The location of delivery-only operators is their registered place of business.

¹⁹ Due to security concerns, the exact location of supply-chain operators has been obscured with a heat map.

Figure 2.9 Supply-Chain Operators by Supervisor District

Supply-chain operators, which represent 64% of all permitted cannabis operators, are only in Districts 6, 9, and 10, and most-heavily concentrated in District 10.

Supervisor District	Total Permits	Unique Sites	Activity Type	Permits per Activity
6 – Haney	24	14	Distribution	10
			Cultivation	7
			Non-Volatile Manufacture	7
9 – Ronen	8	4	Distribution	3
			Cultivation	2
			Non-Volatile Manufacture	3
10 – Walton	102	46	Distribution	33
			Cultivation	36
			Non-Volatile Manufacture	31
			Volatile Manufacture	1
			Testing Laboratory	1
Total	134	64		

Note: there are 153 total temporary permits, of which 134 are supply-chain operators; this difference is because there are 19 delivery-only retailers permitted with temporary permits. "Unique Sites" is determined by street-level address: 1 Market Street is different than 2 Market Street (two unique locations), but 1 Market Street Unit A is the same as 1 Market Street Unit B (one unique location).

In addition to clustering geographically within the city, supply chain operations tend to co-locate in the same place, as shown in the "Unique Sites" column in Figure 2.9 above. This is due to two distinct reasons:

1. Supply-chain operators must secure a permit for each different activity that they perform. For example, an operator that cultivates cannabis and manufactures a product with that cannabis must obtain two separate permits. Co-location of permits therefore reflects some vertical integration in the cannabis supply chain, with many operators performing more than one production activity.
2. Some buildings that are zoned for cannabis lease different units or suites within one address to different cannabis operators. Anecdotal reports from cannabis operators indicates that some landlords in the city are hesitant to rent to cannabis businesses, which may encourage clustering in buildings that have landlords that are willing to rent to them.

2.0

Average number of activity types per San Francisco supply-chain business.

As a result, **cannabis supply chain operators tend to co-locate multiple different production activities in one site and to co-locate in the same place as other cannabis operators**. The following table analyzes supply-chain operators and how many activities each operator is performing.

Figure 2.10 Supply-Chain Activities per Operator

Two-thirds of supply-chain operators perform more than one production activity.

Number of Activities per Operator	Number of Operators ²⁰	Total Number of Permits
Four Activities	4	16
Three Activities	15	45
Two Activities	23	46
One Activity	24	24

PERMITTING STRUCTURE IN SAN FRANCISCO

The legalization ordinances passed in San Francisco attempted to balance two priorities: first, allowing existing operators to continue their business, and second, creating space for individuals who had disproportionately been impacted by the War on Drugs to enter the new market. The responsibility of overseeing these priorities falls on the Office of Cannabis, which during its first year was tasked with regulating the existing industry, establishing an amnesty program for the unregulated industry, implementing the equity program and verifying applicants, and developing a new, web-based cannabis permitting application system.

Equity Applications and Additional Priority Groups

To accomplish these dual goals, the legislation allowed for existing operators to apply for adult-use permits and continue operating with temporary authorization, but no other applicants are allowed to enter the market until individuals who are qualified as equity applicants are permitted. In order to be verified as an equity applicant, individuals must fall below a threshold of household assets²¹ and are required to meet three of six criteria, as specified by the Board of Supervisors, and provide proof of those conditions. These criteria, and how applicants have qualified thus far, are shown in the following table.

²⁰ There are some owners that own more than one entity in this category. For example, one ownership group may have two different entities (at different locations) doing four activities each.

²¹ Household assets must be below three times 80% of the average median income in San Francisco.

Figure 2.11 Criteria for Equity Applicants

Approximately 85% of verified equity applicants qualified with the same four criteria.

<i>How to qualify:</i>	<i>How applicants have qualified:</i>
Criteria	Percentage qualified among verified applicants
Meet three of the six criteria shown at right:	Have a household income below 80% of the average median income (AMI) in San Francisco for 2018. 25.9%
Attended school in SFUSD for a total of 5 years from 1971 to 2016.	23.3%
Lived in San Francisco census tracts for 5 years from 1971 to 2016 where at least 17% of the households had incomes at or below the federal poverty level.	20.7%
Have been arrested or convicted for a cannabis-related crime (including as a juvenile) from 1971 to 2016.	15.5%
Lost housing in San Francisco after 1995 through eviction, foreclosure, or subsidy cancellation.	7.4%
Have a parent, sibling, or child who was arrested or convicted for a cannabis-related crime (including as a juvenile) from 1971 to 2016.	7.3%

As shown in Figure 2.11 above, equity applicants have not been verified by all criteria equally, with the top four criteria being used to qualify 85.4% of applicants. The Office of Cannabis reports that this is likely due to the difficulty in proving certain criteria relative to others, rather than a qualitative difference between applicants. For example, SFUSD tends to have student records dating back many years, but individuals are unlikely to have kept record of a notice of eviction.

It is important to note that this process of equity verification takes time. While the Office of Cannabis estimates that they can verify an applicant in a matter of days if all their documentation is in order, it often takes several rounds of back and forth with applicants to understand the requirements and secure acceptable documents. Applicants must contact several individuals or agencies to secure this documentation, and the process can take weeks or months. Obtaining equity verification requires significant effort by the applicant, and it is being performed by applicants who have been specifically targeted because of their disadvantaged status. This entire process must happen before the equity applicant can begin to apply for an operating permit.

298

Verified equity applicants

As of August 15, 2019, **298 applicants had been verified as equity applicants.** From verified applicants, the Office of Cannabis had received 183 applications for Cannabis Business Permits, and from those permits, applicants have indicated 277 different uses they intend to permit, as shown in Figure 2.12.

Figure 2.12 Equity Applicants, Equity Applications, and Activities Applied For

Among equity applications received, 73% indicate storefront retail as an intended activity.

Category	Number	Percent of Applications*
Verified Equity Applicants	298	-
Permit Applications Received from Equity Applicants	183	100%
Business Activities Applied For	-	-
Storefront Retail	133	73%
Delivery-only Retail	46	25%
Cultivation	17	9%
Manufacturing	31	17%
Distribution	50	27%
Testing Laboratory	0	0%
Total Activities Applied For	277	

Note: Percent of Applications uses the number of Permit Applications Received as the denominator. Applications can specify more than one intended activity; thus, the percentages total is greater than 100%. The percentages expressed in the table can be expressed as "73% of applications received indicate storefront retail as an intended activity."

As shown in Figure 2.12, the distribution of equity applications across possible activities is uneven: at the high end, 73% of applications indicate wanting to establish storefront retail; conversely, only 9% of applications want to establish cultivation, and no applications have been received to establish a testing laboratory. **At 133 proposed storefront retailers, there is such a high number of applicants intending to establish storefront retail that this activity may not be viable for many of these equity applicants**, who may be expending resources in order to reach a market that may already be saturated. For more details on this point, see Chapter 3, Equity (page 44).

Following equity applicants, there are additional groups of individuals that get priority permitting status (see Figure 2.13). The second tier of priority permit processing after equity applicants is equity incubators, which are businesses that offer a certain level of assistance to equity applicants. This can be in the form of rent-free space or technical assistance.²² Third in priority are previously-existing non-conforming operators (PENCOs), which are businesses that were already operating prior to legalization, but were not in zoning-compliant locations. This third tier also includes a specific group of previously operating businesses that were shut down due to federal enforcement or the threat of federal enforcement. The intent of this third tier of priority is to allow operators that may have been operating in the illicit market an opportunity to enter the regulated legal market, as part of the city's Amnesty Program.

²² Equity incubator applications are further prioritized in the following order: first, incubators offering rent-free offsite space (space not shared with the incubator); second, incubators offering rent-free onsite space (space co-located with the incubator); and third, incubators offering technical assistance.

The fourth tier of priority application processing is existing industry. These existing industry operators are the MCDs and temporarily licensed operators who are currently operating in San Francisco and were operating prior to legalization. As of August 15, 2019, these are the only operators currently operating in the city, and there have been no new entrants to the market other than MCDs who had applied for a permit prior to legalization and were pending approval.

For the tiers after equity, each tier cannot be processed until all the applications in the previous tier have begun processing. Currently, only applications for equity applicants are being processed, and no other tiers are being considered. Within each tier, applications are processed according to the time they were received on a first-come, first-serve basis. This permitting framework, as well as which types of businesses are currently operating, is shown in the following table.

Figure 2.13 Operating Status and Ability to Apply for Cannabis Permits

No new entrants have yet been permitted to operate a cannabis business in San Francisco.

Existing Industry Pre-Legalization		New Entrants	
Medical Cannabis Dispensaries	MCDs that were permitted or in-process for permits prior to legalization are allowed to continue operating with temporary permits.	First Priority: Equity Applicants	Individuals who qualify under the equity program get first priority in permitting.
Existing Industry in Compliant Location	Businesses in operation prior to legalization in a zoning-compliant location are allowed to continue operation with temporary permits.	Second Priority: Equity Incubators	Operators who help an equity applicant establish a business get second priority in permitting.
Existing Industry in Non-Compliant Location	Businesses in operation prior to legalization but in non-compliant zoning were required to cease operation. They may apply for permanent permits as a PENCO (see right).	Third Priority: PENCO & Federally Enforced	Previously existing non-conforming operators get special permitting privilege, as do operators that were forced to shut down as a result of federal enforcement.
Legend		MCDs and existing industry (as shown on top left).	
Currently operating	Applications under review	Fourth Priority: Existing Industry	MCDs and existing industry (as shown on top left).
Applications not under review	May not apply		
		Fifth Priority: Community Commitments	Operators that have entered Community Benefit Agreements may apply for permits before general applicants.
		Sixth Priority: General Applicants	Application is open to all; however, each activity type must have at least 50% equity representation to open (see next table).

Note: Within each category, applications are processed in the order they are received as reflected by a timestamp at submission.

Allowing existing operators to continue functioning, as shown in the left-hand column in table above, has ensured that San Francisco has legally operating cannabis retailers and suppliers. However, **apart from medical dispensaries that were in-process for a permit before legalization, all of the currently operating businesses existed prior to legalization.**²³ There have yet to be any new operators from the pool of equity applicants seeking permanent permits, meaning that the growth of the cannabis industry in San Francisco has been significantly curtailed since legalization.²⁴

Permanent Permits

The Office of Cannabis has been tasked with processing equity applicant verification, the permanent permit applications that stem from those verifications, and simultaneously designing a system to process these various applications. **Due to the complexity of this system and a lack of staff resources to execute it, there is a significant backlog of applications.** Currently, only equity applicants are being processed for permanent permits, although the Office of Cannabis does have applications from other types of applicants that will not be processed until equity applications are finished.

Figure 2.14 Application Backlog in the Office of Cannabis

As of August 15, 2019, the Office of Cannabis was processing 183 applications from verified equity applicants, which is slightly more than half of the 354 total applications that are currently in queue.

Application Priority	Number of Applications
1. Equity applicants	183
2. Equity incubators	26
3. PENCO & Federally Enforced ²⁵	4
4. Existing Industry	141
5. Additional Priority Levels	<i>Application Not Open</i>
Total	354

Permit application processing follows a series of steps that is overseen by the Office of Cannabis but involves a number of additional departments. This typical process is described in brief below. The number of equity applications in each stage are shown on the visual on the following page in Figure 2.15.

²³ Medical dispensaries that were “in-process” are MCDs that applied for a permit with the Department of Public Health prior to legalization.

²⁴ While there have been no new entrants, operators have had to undergo inspection and implement corrective actions in order to meet regulations. The portion of the industry that is in regulatory compliance has grown significantly.

²⁵ Previously-existing non-compliant operators (PENCOs) were existing businesses that were not properly zoned for their business activity in their location. Federally Enforced are a specific subset of operators that closed due to federal prosecution or the threat of federal prosecution.

Figure 2.15 High-Level Application Approval Process

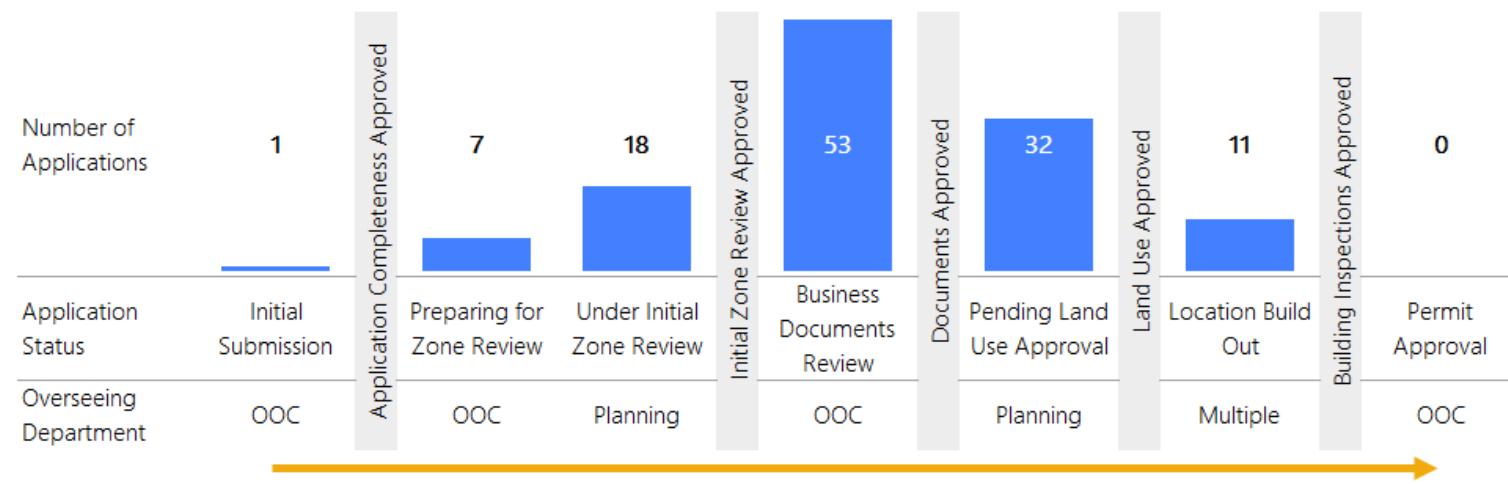
Applications generally move sequentially through these steps, although changes to an application while in-process may require revisiting certain steps.

	The applicant submits their application materials to the Office of Cannabis, including an application form and a number of additional documents that must be provided by the applicant, such as business formation documents and proof to occupy their current business location.
1. Initial Submission	Milestone: Application Completeness Approved The Office of Cannabis reviews submissions to ensure that minimum documentation is provided.
2. Preparing for Zone Review	The Office of Cannabis officially accepts the application and begins processing. The application is prepared for an initial zoning review.
3. Under Initial Zone Review	Applications are informally reviewed by the Planning Department to ensure that the type of business applied for is viable in the proposed location. Milestone: Initial Zone Review Approved The Planning Department verifies that the business activity is allowed in the zoning district. For most applicants, additional approval will be required (a Conditional Use Authorization) from the Planning Commission.
4. Business Documents Review	The Office of Cannabis reviews each applicant's business documents. This includes business formation documents, proof to occupy the space, and any corporate governance materials between owners and investors. ²⁶ Applicants must also pass a background check performed by the Police Department. Milestone: Documents Approved The Office of Cannabis verifies that all of the applicant's documents are in order to establish their business. Part one of the application is approved.
5. Pending Land Use Approval	Unless the proposed business activity is principally permitted or eligible for discretionary review, applications require a Conditional Use Authorization from the Planning Commission. These applicants must be referred to the Planning Commission and be approved at a weekly commission hearing. Milestone: Land Use Approved Applicants receive land use approval and may proceed to build out their business location.
6. Location Build Out	Applicants may build out their space for their business activity, which requires permitting and inspections from the Department of Building Inspection. Depending on their business activity, this step may also require permits and inspections from the Department of Public Health, Fire Department, Police Department, and the Mayor's Office of Disability. Milestone: Building Inspections Approved The applicant's business space has been fully built out and complies with city zoning and regulations.
7. Permit Approval	The Office of Cannabis provides approval and part two of the application is approved. The applicant receives a Permanent Cannabis Permit, which must be renewed annually.

²⁶ The Office of Cannabis reports that a significant amount of time and resources are spent reviewing corporate governance documents to ensure that distributions, voting, and other items reflect ownership interests, particularly between equity applicants and investors.

Figure 2.16 Application Status Among Equity Applications

Among 183 submitted equity applications as of August 15, 2019, the largest category of application status is “Business Documents Review” with the Office of Cannabis, with 53 applications. Following that, 32 applicants are waiting for land use approval from the Planning Commission.²⁷



Special Status		
Status	Number of Applications	Notes
Applications on Hold	19	Applicants who have applied for a storefront location within the 600 foot buffer of another application that was received earlier may be put on hold. The OOC will not process these applications until they have a viable location to move forward.
Applications Withdrawn by Applicant	33	Applicants may withdraw their application at their choice. Many of these applications are from applicants who have reapplied with another application.
Applications Denied	9	Applications can be denied for improper zoning, failure of background check, or conducting unlicensed activities.

²⁷ As of October 23, 2019, there are 58 applicants waiting for land use approval from the Planning Commission and 13 applicants in the location build out stage.

As shown in Figure 2.16, the applications that are farthest along in the process are in the location “build out” stage. No applications (equity applications) have yet been approved to receive a permanent permit. It is worth noting that for many other types of business other than cannabis, this “build out” stage is where those businesses would start their permitting process—a process that in itself can involve many departments and be lengthy and complex.

The application process for equity applicants opened in May 2018, and as of August 2019, no applicants have finished it and become permitted; although some hope to do so before the end of the year. That means the process from application to approval will be somewhere between 13 and 19 months for applicants whose applications were well-developed and experienced few delays in the process. **The average applicant currently in queue can likely expect to wait longer, from 18-24 months before being permitted.**²⁸ For someone submitting their permit application as an equity applicant today, there is such a significant backlog of applications that it will take at least six months before their application would begin processing by the Office of Cannabis following initial submission.²⁹

The current process is also reliant on a number of dependencies with departments outside of the Office of Cannabis. Applications must twice be reviewed by the Planning Department: first for an initial zoning review and again for land use approval. Applicants must also pass a background check administered by the Police Department. While equity applicants are the first priority for the Office of Cannabis, they have no elevated priority with any other department. Even if the Office of Cannabis was able to process applications quickly, there would still be significant delay as applicants went to the “bottom of the stack” at each other department they visited. All of this happens before applicants start building out their location, which again requires pulling permits from departments like Building Inspection and Fire, and possibly Public Health, Police, and the Mayor’s Office of Disability; all of which offer no special priority for these applicants.

Impact on Equity Applicants

During their application processing wait time, applicants must hold their planned business location or ensure that it will be available when they are ready to occupy. Because applications are tied to this business location, applicants may have to carry the location costs (e.g., rent) for the entirety of the permitting process. This can be an enormous cost to applicants in a city with one of the highest commercial rents in the country. In addition, applicants anecdotally report that some landlords charge more rent for proposed cannabis business locations due to limited availability and potential federal liability. While some applicants may be able to use their space to generate revenue while they wait, many are on the hook for costs that could easily reach hundreds of thousands of dollars while they wait for approval.

To cover these costs, some equity applicants are incurring debt and/or are selling ownership shares in their companies to investors who can provide much-needed capital. This decreases the benefit equity applicants may eventually be able to earn from the business and increases the potential for large and well-funded entrants to the San Francisco market during this equity phase.

²⁸ Per Office of Cannabis estimated timelines as of August 2019.

²⁹ Applications are initially reviewed for completeness shortly after submission (within days) to ensure incomplete applications are not held in the queue. No further processing would occur for six months. This stage is reflected in Step 2 of Figure 2.15.

The conditions of equity verification attempt to identify individuals who have been disadvantaged by the War on Drugs, yet these are the individuals bearing the costs of a lengthy application process. While the intent of the city's legislation was to benefit equity applicants by providing priority access to the cannabis market, no equity applicants have yet been able to establish a new operating business. Without additional investment to help these applicants navigate the city's complicated multi-departmental permitting process, the city risks creating a situation where these individuals—who were specifically chosen because of their existing disadvantage—are further disadvantaged by the city's inability to provide timely permit processing.

Because this permitting process was completely new, there have been startup costs for the city related to developing application systems, establishing review processes, and creating the linkages between departments necessary to review applications. The Office of Cannabis expects that once this process is well-established, processing time will decrease. This means that equity applicants have disproportionately borne the cost of the city's development of its processes; processes that will become more efficient by the time non-equity applicants are being processed. Additional details on the equity program are discussed in Chapter 3, Equity (page 41).

Ratios for General Applicants

Per the city's legalization ordinance, general applicants are not allowed to apply for a permit to operate until "the total number of Cannabis Business Permits awarded to Equity Applicants in the permit category sought by the Applicant has reached 50% of the total number of [permits] in that permit category."³⁰ That means that for each permit category, such as retail, distribution, or cultivation, equity businesses must make up 50% of all permits before a general applicant permit can be accepted.

Given that existing operators currently make up the pool of all issued permits, that means that the number of equity permits in each activity will need to match the current pool of operators in that activity before any general applicants can apply.³¹ This is illustrated in Figure 2.17.

³⁰ SF Municipal Code Section 1606 (b)

³¹ There are some existing operators who qualify as equity applicants. As yet, it has not been determined how these operators should be counted in the 50% representation formula.

Figure 2.17 Existing Permits vs. Equity Permits, by Activity Type

Cultivation and manufacturing do not have enough equity applications in queue to reach 50% representation by equity permits, barring entry to that activity by general applicants.

Business Activity	Number of Existing Permits for Activity	Number of Equity Applications for Activity
Storefront Retail	37	133
Delivery-only Retail	41	46
Cultivation	45	17
Manufacturing	42	31
Distribution	46	50
Testing Laboratory	1	0

Note: Applications can express an intent to apply for more than one activity: out of a total of 183 applications in queue there are 277 intended activities. Some operators will not end up establishing an operating business, and some will establish a business but in fewer activities than was originally specified on their application.

The right-hand column in Figure 2.17 shows all equity applications currently in queue; the number that will actually receive a cannabis business permit in that activity type will be lower as applicants drop out of certain activity types.

The 50% equity representation condition has a different potential impact according to each activity type shown above. For example, if all 46 equity delivery-only retailers are permitted, that activity will have more than 50% equity representation. In cultivation or manufacturing, however, there are currently not enough equity applicants for this pool to reach 50% representation. With 45 cultivators currently operating, and only 17 equity applicants expressing an intent to establish a cultivation business, this activity type will not open to general applicants unless more equity applicants apply for this activity type. There is no sunset date associated with these regulations, as there are for equity programs in some other peer cities.

Devaluing of Priority Tiers

Equity applicants currently in the application queue are facing long wait times for application processing, but the additional priority tiers of applicants (e.g., second-priority equity incubators, third-priority previously-existing non-conforming operators) face an even longer wait. These applications cannot be processed until all equity applications have been processed. **Due to the length of the permitting timelines currently facing the secondary and tertiary-priority applicants, the priority processing incentives promised to these applicants have failed to materialize.**

While there is a backlog of equity applicants, per the city's legalization ordinance, no other types of applicants can be processed. Any of these lower-priority tiers of applicants are easily more than a year away from having their applications begin processing, in addition to the lengthy application processing time. This has, at least to-date, rendered the value of having this priority status negligible. Because a lower-priority applicant would need to be holding (renting or owning) the same business location that is on their submitted application, it might actually be a net negative for an operator to hold that space but have to wait multiple years before operating.

Currently, there are 26 applications in queue from equity incubators, which is low in comparison to the number of equity-qualified applications they could be incubating (183), as shown in Figure 2.14. This is likely due to the lengthy application period facing incubators: with a delay of many years to enter the San Francisco market, it is more lucrative for potential incubators to instead directly fund an equity applicant-owned business in exchange for ownership share. As discussed in the previous section, *Impact on Equity Applicants* (page 30), equity applicants need this funding to float the carrying costs of their companies while they wait for permit approval. While the investing company does not outright own the business, as they would have if they incubated, they are able to get to market much faster, albeit with a maximum of 60% ownership of the company.³²

Instead of a situation where there are many equity applicants being assisted by many equity incubators, there are instead many equity applicants who are selling ownership share of their businesses to would-be incubators, and very few actual incubators. **Purchasing an ownership percentage of equity-owned businesses has become the primary method for non-equity applicants to enter the San Francisco market, including large multi-state cannabis companies.**

This effect of devaluing the priority processing tiers is also true for previously-existing non-conforming operators (PENCOs). These individuals were operators who had existing businesses but who were not in locations properly zoned for their business (e.g., a cannabis baker who produced products in their kitchen). These individuals were offered third-priority status in permitting in exchange for voluntarily signing an affidavit that they would cease activity at the current location. The benefit offered to PENCOs in exchange for their voluntary cooperation has failed to materialize, however, and PENCO applicants are at least two years from operating a business.

Moreover, PENCOs were likely among a pool of operators that were less resourced than operators in conforming locations, given that many would have moved to a conforming location if possible. In effect, more well-resourced operators were allowed to continue operating, while less-resourced operators were shut down. Given the length of time that has already passed, and current approximate two-year horizon before they will possibly receive a permit, these operators may have either moved to other pursuits or have restarted their operation in the illicit market.

³² To qualify as an equity-applicant owned business, the equity applicant must own no less than 40% of the business entity.

SAN FRANCISCO OFFICE OF CANNABIS

For its first year of operation, the Office of Cannabis was staffed by three full-time employees, including the Director. During this time, it was responsible for overseeing the transition from medical to adult-use cannabis for existing dispensaries, permitting and inspecting previously illicit operators as part of the amnesty program, establishing the equity program and verifying applicants, and setting up a new permit application process including establishing the inter-departmental channels for application review. In its second year, the office received three more positions, but its duties have continually expanded to oversee the entire adult-use cannabis market in San Francisco. The Office of Cannabis summarizes its core functions as shown in the table below.

Figure 2.18 Core Functions of the Office of Cannabis

The office currently oversees seven core functions with an eighth (oversight committee) to be added by October 2020.

Function	Duties
Equity Verification and Support	Verifying equity applicants, working with applicants to obtain adequate documentation, and coordinating assistance and resources for equity applicants.
Permitting Businesses and Events	Processing adult-use permits for existing operators and permanent permits for equity applicants. In August 2019, the office permitted its first event.
Rulemaking	Developing regulations regarding cannabis and working with state and local policymakers to craft and implement those regulations.
Enforcement	Overseeing the existing cannabis industry. The office is the only enforcement agency regulating the cannabis industry in the city.
Community Outreach	Working with the community to advance the social and equity goals of the office, including community events and forums.
Collaboration with City Partners	Working with other city agencies to expedite the permitting process for applicants who must seek approval from these agencies.
Limit Youth Access and Exposure	Educating youth regarding the impact of cannabis use and discouraging underage access.
Oversight Committee	Beginning by October 2020 the office will have an oversight committee that will require staff time to liaise with and be responsive to.

As shown in Figure 2.18, the Office of Cannabis has seven core functions, with an additional function to be added with the formation of the Cannabis Oversight Committee. With current staffing of six, including the Director, there is not sufficient staff time to dedicate particular staff to each function. Ideally, the office could maximize efficiency through specialization, dedicating individual employees to particular expertise areas, such as one or more core functions. With limited staff, however, each position must designate a portion of their time to each of the seven functions. In practice, staff are pulled in different directions depending on new developments or demands on the office, especially given the dynamic early stages of this regulatory landscape. For example, when the Outside Lands festival was approved for a cannabis event permit, staff had to work shifts throughout the weekend in order to oversee the event.

While the Office of Cannabis expanded in FY 2019-20, it will also be receiving the additional function of working with the newly-established Cannabis Oversight Committee. The office reports that they do not

have the resources to dedicate any more staff time to permitting functions, and as is, have very little time to focus on the “enforcement,” “community outreach,” and “limit youth access and exposure” functions tasked to their office.

At current staffing levels, the Office of Cannabis expects that an equity applicant who submitted their application for a business permit today would not have their application even looked at for at least six months. That is six months in addition to the lengthy review process that would then have to happen before the applicants could begin building out their space.

By establishing a **complex permitting framework that requires significant resources to develop and oversee, but not providing adequate resources to oversee that process, the city has undermined its own equity goals and intent to eliminate the illicit market**. While some equity applicants are nearing the completion of this process, many more are still awaiting permit approval while they pay the carrying costs of holding a business location. In addition, the other non-equity priority tiers for permitting have yet to see benefit from this priority status.

Revenue Generation

The Office of Cannabis collects fee revenue with each new permit and annual renewal granted, and in the long term will be a revenue-generating office. Equity applicants, however, are granted fee waivers for their applications (although they will be responsible for annual renewal fees). During the time that the office has a backlog of equity applications and is unable to issue permits and annual renewals to any other types of applicants, it is not generating revenue.

The office was able to achieve some fee recovery in FY 2018-19, as it received some fee revenue from MCDs and supply-chain operators. This generated approximately \$360,000 for the office, offsetting slightly less than half of its annual budget. In FY 2019-20, however, the office projects that it will not collect any fee recovery due to its application backlog.

Figure 2.19 Office of Cannabis Revenue Generation

The office recovered \$360,000 in its first year but projects it will recover nothing in its second year.

Fiscal Year (FY)	Fee Recovery ³³	OOC Budget ³⁴
FY 2018-19	\$360,000	\$788,316
FY 2019-20	\$0	\$1,029,948
FY 2020-21	\$350,000	\$1,579,196
FY 2021-22	\$1,211,500	\$1,626,572
FY 2022-23	\$1,691,500	\$1,675,369
FY 2023-24	\$1,931,500	\$1,725,630
FY 2024-25	\$1,931,500	\$1,777,399

³³ The Office of Cannabis may generate some revenue from event permitting, but it is currently unknown how many events will be permitted. If event permitting proceeds, the revenue will likely be in the \$10,000 to \$25,000 range.

³⁴ For a full list of city departments and their budget related to cannabis regulation, see Appendix D, Citywide Adult-Use Cannabis Regulation and Enforcement Expenditures.

These estimates are based on the Office of Cannabis being able to permit some revenue-generating tiers of applicants and secure renewal fees from equity-applicant businesses starting in FY 2020-21. This is contingent on the office having the resources to eliminate the current application backlog and permit the pool of qualified equity applicants.

Given that the office is currently revenue negative and will not be revenue positive until it processes its equity applications, some form of temporary assistance to the Office of Cannabis to work through its current backlog would pay dividends in the form of reaching revenue generation sooner. In order to reach the point of revenue generation without creating permanent expenses, the Office of Cannabis may want to consider utilizing temporary positions.

KEY FINDINGS AND RECOMMENDATIONS

Topic	Finding
Cannabis Industry in San Francisco	2.1 San Francisco falls in the mid-range of its peers in terms of total active cannabis business licenses, which include both retail and supply-chain licenses and in terms of total retail licenses per 100,000 population. It has the highest number of retail licenses per square mile. (Page 13)
	2.2 There are 212 cannabis businesses authorized to operate in San Francisco, including both retail and supply-chain operators, but the actual number operating is likely closer to 118. (Page 17)
	2.3 There are 37 authorized cannabis retail storefront operators, all of which were MCDs prior to legalization, or were in process to become MCDs prior to legalization. (Page 18) <ul style="list-style-type: none"> ▪ These storefronts are highly clustered within the Mission District and along the Market Street corridor.
	2.4 There are 41 authorized delivery-only retailers, all of which were MCDs prior to legalization, were in process to become MCDs prior to legalization, or had to prove that they were in operation prior to legalization. (Page 18)
	2.5 There are 134 authorized cannabis supply-chain operators, all of which had to prove they were in operation prior to legalization. (Page 21) <ul style="list-style-type: none"> ▪ These supply-chain operators are highly clustered in the South of Market neighborhood and the city's southeast neighborhoods.
	2.6 There are 298 verified equity applicants as of August 15, 2019. (Page 23)
	2.7 There are 183 submitted applications from verified equity applicants as of August 15, 2019. (Page 23) <ul style="list-style-type: none"> ▪ 122 of these applications are being actively processed, 19 are on hold, 33 have been withdrawn by the applicant, and 9 have been denied.
	2.8 At 133 proposed storefront retailers, there is such a high number of applicants intending to establish storefront retail that this activity may not be viable for many of these equity applicants, who may be expending resources in order to reach a market that may already be saturated. (Page 24)
	2.9 There are an additional 173 applications from individuals who are not equity applicants, but have some other authorization to apply, such as equity incubators and previously-existing operators. (Page 24) <ul style="list-style-type: none"> ▪ Per San Francisco ordinance, none of these 173 applications can be processed until after all of the equity applications are processed.
	2.10 The application process for equity applicants opened in May 2018 and the furthest-along applicants hope to be operating before the end of the year. The process from application to approval will be somewhere between 13 and 19 months for these applicants. (Page 30)
	2.11 The average applicant currently in queue can likely expect to wait 18-24 months before being permitted due to the current backlog, the intensive process of application review, and the dependencies on multi-departmental approval. (Page 30)

Topic	Finding
	<p>2.12 For an equity applicant submitting a permit application today, there is such a significant backlog of applications that it will take at least six months before their application begins processing by the Office of Cannabis. (Page 30)</p>
	<p>Recommendation 2.A: As there have been no permanent cannabis business permits issued and the current operator pool is primarily businesses that were operating prior to legalization, it would be premature for the Controller's Office to recommend numeric limits to cannabis business permits at this time.</p>
	<p>Recommendation 2.B: As there have been no permanent cannabis business permits issued and the current geographic distribution of cannabis operators largely predates legalization (operators were primarily pre-existing), it would be premature for the Controller's Office to recommend geographic limits to cannabis business permits at this time.</p>
	<p>Recommendation 2.C: The Board of Supervisors and Mayor should consider a moratorium on new storefront retail applications. In addition, they should consider methods of reducing the number of current storefront retail applications in queue, such as incentives to change pending storefront retail applications to other business activities. (See also Recommendation 3.A)</p>
Equity Applicants	<p>2.13 The current application review process is reliant on departments outside the Office of Cannabis to process applications timely. While equity applicants are the first priority for the Office of Cannabis, they have no elevated priority with any other departments. (Page 30)</p>
	<p>2.14 To cover costs while waiting for application approval, many equity applicants are incurring debt and/or selling ownership shares in their business to investors who can provide capital. (Page 30)</p> <ul style="list-style-type: none"> ▪ This diminishes the benefit that equity applicants will eventually derive from their businesses and decreases their control of the business entity. ▪ Without additional investment to help equity applicants navigate the city's complicated multi-departmental permitting process, the city risks creating a situation where these individuals—who were specifically chosen because of their existing disadvantage—are further disadvantaged by the city's inability to provide promised benefits in a timely manner.
	<p>2.15 Due to start-up costs on the part of the city related to setting up an entirely new application and permitting process, the Office of Cannabis expects that application processing time will decrease in the future. (Page 31)</p> <ul style="list-style-type: none"> ▪ As the first group to apply, equity applicants are disproportionately bearing the cost of the city's development of its system and processes. In the future, non-equity applicants will benefit from a more efficient application process.
	<p>Recommendation 2.D: The Board of Supervisors, Mayor, and departments should consider creating a priority permitting lane or expedited processing for equity applicants in departments other than the Office of Cannabis, including but not limited to: Planning, Police, and Building Inspection. (See also Recommendation 3.D)</p>
	<p><i>See Equity Chapter (page 49) for details on what some other peer cities offer equity applicants.</i></p>
	<p>Recommendation 2.E: The Board of Supervisors and Mayor should consider providing additional benefits to equity applicants to help them through the lengthy permitting process, including capital and technical assistance (e.g., a loan program, permit navigation).</p>
	<p><i>See Equity Chapter (page 49) for details on what some other peer cities offer equity applicants.</i></p>

Topic	Finding
Other Applicants	<p>2.16 San Francisco ordinance requires that 50% of the operators in each activity (such as retail, manufacturing, or cultivation) must be equity-owned operators before general applicants can apply. For some activity types, there are not currently enough equity applicants to reach 50% equity representation, barring general applicants from participation. (Page 31)</p>
	<p>2.17 The priority processing tiers after equity applicants (equity incubators and previously-existing non-conforming operators) cannot have their applications processed until after the equity applicant pool is complete, which is likely over a year away. (Page 33)</p> <ul style="list-style-type: none"> ▪ Due to the length of this wait, the value of second-priority processing status associated with being an incubator is reduced. ▪ Due to the length of this wait, any previously-existing non-conforming operators may have likely moved on to other businesses or may have resumed operating in the illicit market.
	<p>2.18 As mentioned in Finding 2.13, equity applicants need capital to cover costs associated with waiting for application processing. As mentioned in Finding 2.14, the value of equity incubator status has been reduced due to lengthy processing times. These two factors have created a situation in which it is more profitable for large investors and multi-state cannabis companies to purchase ownership share in equity applicant businesses rather than incubate equity applicants. (Page 30)</p> <ul style="list-style-type: none"> ▪ This is currently the primary mechanism that large investors and companies are entering the San Francisco cannabis market.
Office of Cannabis	<p>2.19 The Office of Cannabis has a broad set of responsibilities in a highly-dynamic regulatory landscape and has had limited staff with which to execute its responsibilities. (Page 34)</p>
	<p>2.20 Due to limited staff resources, the Office of Cannabis has been unable to quickly process applications for cannabis business permits, which has led to significant wait times for applicants and potentially undermined the goals of the Equity Program.</p>
	<p>2.21 The Office of Cannabis will be revenue-generating in the long term but is unable to generate revenue while it has a backlog of equity applicants. (Page 35)</p>
<p>Recommendation 2.F: In order to reach revenue-generation faster, the Office of Cannabis should consider temporary positions to reduce the backlog of equity applicants and expedite application processing.</p>	

3. Equity

San Francisco's adult-use cannabis legalization ordinance contains equity goals that are central to its regulatory framework. The ordinance states its intent for equity:

The Board of Supervisors is committed to ensuring that the perspectives of communities that have been historically and disproportionately affected by federal drug enforcement policies are included and considered in all cannabis policy decisions.

The Board of Supervisors is committed to fostering equitable access to participation in the cannabis industry for San Francisco-based small businesses and individuals by promoting ownership and stable employment opportunities in the industry.

Through this Article 16, the Board of Supervisors intends to develop a regulatory framework that...creates equitable access to opportunities within the cannabis industry; and creates jobs and tax revenue for the City. (Ordinance 230-17, §1600)

Since legalization, there have been some significant equity-related accomplishments related to cannabis—notably with respect to community benefit agreements and criminal record expungements. There have been mixed results, however, when it comes to the equity intent behind the regulatory framework as discussed in Chapter 2, Regulation (page 15) and continuing disproportionate enforcement as described in Chapter 5, Public Safety (page 66).

THE CASE FOR EQUITY

In November 2017, the Office of Cannabis, Human Rights Commission, and Controller's Office jointly produced a Cannabis Equity Report, which was filed with the Board of Supervisors. The report details the history of drug enforcement in the United States and California, and particularly its role as a tool to marginalize communities of color. The report states that "For decades, the War on Drugs has had consequential impacts on communities of color in San Francisco. The impacts of this disproportionality are acutely felt today: poverty, education gaps, and criminal records are the vestiges of explicitly and implicitly racist drug enforcement policies."³⁵

The report found that arrest rates for cannabis offenses in San Francisco were, and continue to be, disproportionately skewed towards individuals who are Black, even as the city decriminalized cannabis and arrested fewer people for cannabis offenses: "[A]s the number of total arrests drastically falls around 2011, after the downgrading of misdemeanor cannabis possession to an infraction, Black cannabis arrests as a percentage of total arrests hovers around 50%... [while] Black people only represented 6% of San Francisco's population in 2010." As discussed in Chapter 5, Public Safety (page 66), this disproportionality continues today.

The report made clear the need for a cannabis equity program to benefit communities who had been disproportionately impacted by decades of criminal drug enforcement. Without an equity program, the

³⁵ City and County of San Francisco. "Cannabis Equity Report". San Francisco Board of Supervisors File Number 171042. <https://sfgov.legistar.com/View.ashx?M=F&ID=5533484&GUID=DBB17596-3BCB-44D9-A3DF-6ECA247E9A16>

very communities who had disproportionately suffered the consequences of criminal drug enforcement for cannabis might be unable to participate in the newly-legalized market due to legal or capital barriers. Many cities in California recognized this imperative and established equity programs, including Oakland, Los Angeles, Sacramento, Long Beach, and San Francisco, among others.

SAN FRANCISCO'S EQUITY PROGRAM

San Francisco's Cannabis Equity Program has three main components, as shown below:

- **Equity Applicant Program.** Equity applicants must meet certain criteria in order to qualify for the Equity Program, as described in Chapter 2, Regulation (page 23). The primary benefit of being an equity applicant is having priority for cannabis business permits: other than existing operators, no new entrants are allowed to establish cannabis businesses before equity application are processed.
 - **Benefits:** first priority in application processing, initial application and permit fee waivers, assistance from the Office of Cannabis finding incubators and technical assistance.
- **Equity Incubator Program.** Businesses that commit to support equity applicants with rent-free space or technical assistance for at least three years can become equity incubators.
 - **Benefits:** second priority in application processing (following equity applicants). Currently, equity incubator permit applications are not being processed because the Office of Cannabis is still processing equity applications. This process is described in more detail in Chapter 2, Regulation (page 28).
- **MCD Equity Plans.** Medical cannabis dispensaries (MCDs) are operators that primarily existed before legalization. Currently, MCDs comprise all of San Francisco's storefront retailers and some delivery-only retailers. In order to receive authorization to sell adult-use cannabis, MCDs must create an equity plan and comply with it. Many equity plans commit to hiring equity-qualified employees,³⁶ purchasing products from equity-owned businesses,³⁷ holding technical assistance events, and donating to local equity-supporting non-profits.
 - **Benefits:** MCDs with equity plans can receive authorization to sell adult-use cannabis, as opposed to being restricted to medical-use only.

As more fully discussed in Chapter 2, Regulation (page 30), the lengthy processing time associated with receiving a cannabis business permit has significantly reduced the potential benefit of priority processing to equity applicants and equity incubators. As yet, there have been no permanent cannabis permits fully approved by the Office of Cannabis. While some applicants are nearing the end of the process (11 are currently building out their business location), many more are waiting on application approval while they incur the cost of holding their business location (111 applications are actively in the queue).

³⁶ An "equity-qualified employee" is an individual who meets the equity criteria specified by the city's cannabis Equity Program but may or may not have actually applied to be an equity applicant.

³⁷ Equity-owned businesses include future operators who will be permitted as part of the Equity Program, but also current operators who meet the equity criteria specified by the Equity Program but may or may not have actually applied to be an equity applicant.

Equity Applicants

As of August 15, 2019, there are 298 individuals who have been verified as equity applicants per the criteria set forth in the city's Equity Program. The Office of Cannabis has received 183 applications for Cannabis Business Permits from equity applicants, but none have yet received final approval for operation (although a few hope to open within the next two months).³⁸ For more details on equity applicants, see Chapter 2, Regulation (page 23).

While equity applicants wait for their cannabis business permit applications to be approved, they generally must hold onto their proposed business location. For some, this means paying rent on a location that is not yet generating revenue. To cover these costs, some applicants are incurring personal debt and/or selling ownership shares to investors to fund the business while they wait on permit approval. As it currently stands, **due to long permitting timelines the city is in danger of further disadvantaging equity applicants that were specifically targeted due to their disadvantaged status.** This process is more fully described in Chapter 2, Regulation (page 30).

San Francisco does not provide direct capital assistance to equity applicants, other than application and permit fee waivers. Given the current wait time for equity applications (for the average applicant, 18 to 24 months from submission to final approval), the businesses most likely to survive to market will be from the more well-resourced applicants, including businesses that sold partial ownership to investors. Applications from individuals such as sole proprietors with little outside investment will be less likely to survive to market due to the capital needed.

Applicants with the least resources are also the most likely to be unable to afford specialized legal, regulatory, or technical assistance (e.g., compliance experts, permit expediter), and may be unfamiliar with the city's complex business approvals process. Without special assistance or knowledge, these applications may have difficulty navigating the city's bureaucracy, further slowing down their processing time and endangering their prospects for approval.³⁹ While nothing in the application process explicitly favors more well-resourced candidates, the duration of the process will favor applicants who have greater access to capital, capital networks, and/or willingness to take on investors.

While the Office of Cannabis works down its backlog of applications, equity applicants must bear the cost of slow and complex city permitting structure. Without additional assistance for applicants or increased resources dedicated to reducing wait time, the city may not achieve its goals for the Equity Program and may, in fact, undermine them by favoring more well-resourced applicants.

³⁸ A small number of equity applicants are also existing operators: there are three operators with Temporary Permits and one operator with an MCD.

³⁹ The Office of Cannabis has partnered with The Bar Association of San Francisco to provide legal assistance to equity applicants to help them navigate business establishment and permit processing issues. These attorneys cannot represent the applicants but can provide legal advice.

This sentiment was echoed in interviews with current equity program applicants. In the words of one applicant, the Equity Program “was pitched as a head start on the industry,” but “a whole year later there are no permits.” Combined with the fact that equity applicants will have to compete with existing industry (MCDs and Temporary Permittees) who are already generating revenue, this applicant questioned if the city is really coming through on the promise of a pathway to profitable operation.

The questionable value of this pathway might be particularly true for equity applicants applying for storefront retail. As of August 15, 2019, out of 183 applications in the queue, 133 applications (73%) express an intent to establish storefront retail.⁴⁰ Retail must locate in appropriate zoning districts and not within 600 feet of another cannabis storefront or a school, making suitable locations difficult to find and expensive, particularly in the areas where there is a high density of existing retailers such as the northern Mission District, Civic Center, and Embarcadero corridor (see Chapter 2, Regulation, Figure 2.6). Existing storefront retail industry combined with the high number of storefront retail applications in queue may mean that equity applicants are striving to reach a saturated market that will not sustain their business. Figure 3.1 shows the proposed locations for retail storefront businesses among current equity applicants.

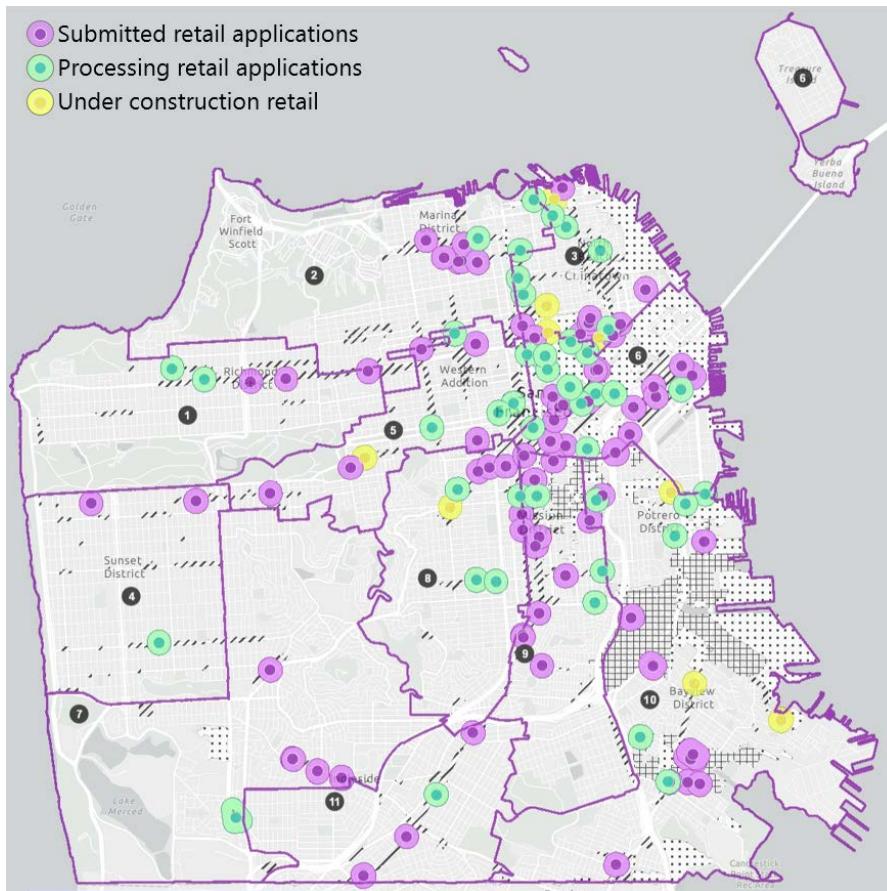
“The Equity Program was pitched as a head start on the industry...a whole year later, there are no permits.”

- Equity program applicant

⁴⁰ Out of 183 equity program applications in queue with the Office of Cannabis, 133 indicate storefront retail as an intended activity. Applicants can specify more than one activity per application. 110 applications express storefront retail as their only intended activity.

Figure 3.1 Retail Storefront Locations of Proposed Equity Business (currently in queue)

Out of 183 applications from equity applicants, 133 are applying for storefront retail. The proposed locations are heavily concentrated in Civic Center, Union Square, the Mission District, and South of Market.



While it is difficult to predict how many retail locations the local economy can sustain, there is a saturation point at which there are not sufficient consumers to support the number of businesses. As discussed in Chapter 4, Economy (page 57), there is evidence that average revenue per existing retail location is already decreasing, before any of the proposed locations shown in Figure 3.1 above have begun to operate. **Given the number of storefronts currently in queue, it is likely that some, if not many of these proposed locations will not be viable due to high competition between many operators.** This may be particularly acute in areas where there are high concentrations of existing retailers and proposed locations, such as Civic Center and the Mission District.

Equity applicants who are taking on debt in order to open a storefront retail location may end up worse off than they started because there is simply not enough demand to build a profitable business. Moreover, equity applicants will be starting out at a disadvantage compared to existing retailers who have had the benefit of already operating.

The Board of Supervisors and Mayor should consider their options with how to handle this upcoming influx of proposed retail locations. **Numeric caps or geographic limits will bar equity applicants currently in the application queue from the market. This would disadvantage applicants who have already invested money into their business during the permitting process and would disproportionately impact equity applicants** compared to the existing cannabis market. Maintaining

the current permitting framework and timelines, however, exposes equity applicants to potentially expending more resources towards an unviable business. Instead of a hard cap, the city should consider other options to help equity applicants with storefront retail applications. This could include a moratorium on *new* storefront retail applications, offering incentives to applicants to change their proposed business from retail to other supply-chain activities, and offering incentives and technical assistance for equity applicants to merge businesses so as to reduce the number of existing retail storefronts applications. Incentives offered to equity applicants could also be offered to equity incubators, who have provided resources to equity applicants but may also be pursuing unviable retail activities.

Equity Incubators

As discussed in Chapter 2, Regulation (page 32), the long wait times associated with permitting have also impacted the equity incubator program. The equity incubator program was designed to provide a benefit to businesses or individuals who were willing to provide assistance to equity applicants. In exchange for providing rent-free space or technical assistance for three years, incubators would have their cannabis business permits processed immediately after the completion of the equity applicant category (second-priority in processing).⁴¹ The Office of Cannabis provides potential incubators with a listing of equity applicants that are interested in incubation.

Due to the extended processing timeline for applications, however, having equity incubator status has not yet provided value to these applicants. Incubator applications cannot be processed until after all equity applications begin processing, which is likely over a year away. Any potential incubators would have to provide space or technical assistance at significant expense without a clear time horizon for when their permits will be approved. As a result, there are relatively few incubators (26 submitted permit applications) when compared to the number of equity applicants that could be incubated (183 submitted permit applications). This has severely limited the benefits of the incubator program to equity applicants who could utilize rent-free space or technical assistance offered by incubators. In the absence of city-provided capital or technical assistance, and few incubators participating in the program, equity applicants have limited options for acquiring the kinds of assistance that they need.

In addition, as discussed on page 33 in Chapter 2, Regulation, some well-financed companies, including large multi-state cannabis companies, have decided that instead of providing incubation, it makes better financial sense to instead purchase ownership in equity applicant's businesses. Had they incubated, these companies could own 100% of their business once it is permitted; but it will likely be at least two years before they are permitted. By purchasing ownership in an equity business, they can only own up to 60% of the equity business, but they can get to market sooner.⁴² From the current equity incubator applicant queue, it appears that there are companies utilizing the latter strategy.

⁴¹ MCDs can also elect to become incubators in order to perform ownership changes that would otherwise not be permitted. MCDs must provide space or technical assistance for a period of 18 months.

⁴² To qualify as an equity-applicant owned business, the equity applicant must own no less than 40% of the business entity.

MCD Equity Plans

MCDs currently make up all of San Francisco's storefront retail operators and some of the city's delivery-only retailers. In order to receive a temporary authorization to sell adult-use cannabis, MCDs must create an equity plan that shows how their business will:

- Help and support Equity Operators
- Hire people hit hardest by the criminalization of cannabis
- Otherwise further the city's equity goals

As of August 15, 2019, there are 41 MCDs with equity plans. Every 120 days, they must show how they have worked to further their equity plans by providing a progress report. By the discretion of the Office of Cannabis, if the MCD has not made a good-faith effort on their plan, they may have their adult-use authorization rescinded. All operating MCDs have their equity plans publicly posted on the Office of Cannabis website.⁴³

Commonly-provided benefits include hiring equity-qualified employees, purchasing products from equity-owned businesses,⁴⁴ holding technical assistance events, and donating to local equity-supporting nonprofits. The city has leveraged private industry to provide a significant portion of community benefits as part of the Equity Program. MCD Equity Plans are one of the largest sources of direct community investment related to the cannabis industry in San Francisco, as there are 41 MCDs continuously investing in these plans.

Additional Equity-Focused Initiatives

In addition to these efforts overseen by the Office of Cannabis, there have been some other equity-focused initiatives undertaken by the city.

Criminal Records

Having a criminal record can bar individuals from certain types of employment and public benefits, so clearing these convictions can greatly benefit people who were victims of the War on Drugs. An important success since cannabis legalization has been the District Attorney's Office proactive clearing of criminal history records for cannabis-related offenses.

When Proposition 64 went into effect, it allowed individuals who were convicted of certain types of marijuana-related crimes to have their criminal records cleared. However, the process required individuals to petition the court, which requires time, expertise, and potentially money for professional services.⁴⁵ Instead of relying on eligible individuals to navigate this process on their own, the San

⁴³ At time of publication, there were three operators who had been recently permitted and not yet provided their equity plans. Equity plans can be viewed at <https://officeofcannabis.sfgov.org/equity/mcd-plans>.

⁴⁴ Equity-owned businesses include future operators who will be permitted as part of the Equity Program, but also current operators who meet the equity criteria specified by the Equity Program but may or may not have actually applied to be an equity applicant.

⁴⁵ This process was changed with the passage of AB 1793 (effective Jan. 1, 2019), which instructed the California Department of Justice to identify eligible cases and provide them to county district attorneys. If the county does not challenge the expungement, it will happen automatically.

Francisco District Attorney's Office worked with Code for America, a non-profit, to proactively identify eligible cases and petition the court to dismiss and seal the records on their behalf.

Reviewing cases back to 1975, the District Attorney's Office cleared 9,361 criminal charges from a total of 9,131 cases, as shown in Figure 3.2.

Figure 3.2 Criminal Records Cleared by the District Attorney

The District Attorney's Office cleared 9,361 charges from a total of 9,131 cases (cases can have more than one charge).

Charge Level	Number of Charges Cleared
Infraction	55
Misdemeanor	3,705
Felony	5,594
Unknown	7
Total	9,361

Source: San Francisco District Attorney's Office

Community Reinvestment Fund

In its legalization ordinance, San Francisco approved a Community Reinvestment Fund with the purpose of providing assistance to address the impact of "racially disproportionate arrests and incarceration, generational poverty, community degradation, housing insecurity, loss of educational and employment opportunities, disruption of family structures, and other burdens of the failed War on Drugs."⁴⁶ The fund was specifically intended for distribution to equity applicants and operators.

The Community Reinvestment Fund, however, has never been funded. **There is no plan to put money in the fund, and there have been no disbursements made from the fund.** As discussed in the next section, *Equity Programs in Peer Cities*, San Francisco is among the most risk-averse large cities with an equity program. It does not provide direct capital assistance to applicants and has been very cautious with providing any funding that could be interpreted as aiding in the sale of a federally-prohibited drug. This is in contrast to Oakland—which has allocated \$3.4 million dollars as direct loan funding to equity applicants.⁴⁷ This risk aversion is reflected in San Francisco's Community Reinvestment Fund, which was intended to provide assistance to equity applicants, but has instead gone unfunded due to concerns about the city's liability.

Some currently existing operators have expressed interest in donating to the fund as part of their community benefit agreements, but the Office of Cannabis has been advised by the City Attorney's Office not to allow this to avoid the appearance of self-dealing. There are currently no other planned sources of investment in to the fund.

⁴⁶ SF Administrative Code, Section 10.100-162.

⁴⁷ "Oakland Drags its Feet in helping Equity Pot." SF Chronicle, 6/4/18.

<https://www.sfchronicle.com/news/article/Oakland-drags-its-feet-in-helping-equity-pot-12963321.php>

Even if funded, there may be some legislative barriers related to disbursing the fund in ways that would most benefit equity applicants. As currently written, the ordinance authorizes the use of the fund for:

- (1) Workforce development;
- (2) Access to affordable commercial real estate;
- (3) Access to investment financing;
- (4) Access to legal services and business administration.

(San Francisco Administrative Code, Ch. 10, Art. XIII, §10.100-162)

In previous versions of San Francisco's legalization ordinance, however, the language was slightly different. Notably, a previous version of the legislation allowed the use of the fund for "financing capital improvement, construction, renovations, and leasehold improvements."⁴⁸ This original language would imply intent for a program similar to Oakland, where zero-interest loans are offered to qualified applicants. Without this explicit language, however, it appears that direct "financing" of an equity applicant might not be allowable as the legislation is currently written. Legislative modifications may be necessary in order to provide direct capital assistance like some other peer California cities.

California Equity Grant

At the state level, the California Cannabis Equity Act of 2018 appropriated \$10 million to the California Bureau of Cannabis Control for grants to be distributed to local jurisdictions with equity programming. The San Francisco Office of Cannabis hosted listening sessions with equity applicants to determine how best this funding could be utilized. The office submitted a grant application requesting \$5.1 million for various equity programs in the city. The proposed programming includes various types of legal, regulatory, and business development assistance, workforce development, and funding to help equity applicants pay for inspection fees and state licensing fees. If approved, funds are set to distribute no later than June 30, 2020.

⁴⁸ Ordinance 230-17

EQUITY PROGRAMS IN PEER CITIES

Some other California cities have implemented equity programs as part of their cannabis regulatory frameworks, but each city's program is different. Figure 3.3 provides a brief qualitative review of four other California cities with equity programs.

Figure 3.3 Equity Programs in Peer Cities

Like San Francisco, other California cities provide priority processing. Unlike San Francisco, other cities also provide direct capital and technical assistance.

City	Permitting Structure	Benefits
Oakland	Equity applicants must be Oakland residents, fall below an income threshold, and either lived in a high-enforcement police beat or been convicted of a cannabis crime.	Oakland's permitting structure requires that one equity applicant be permitted for each general applicant permitted. Equity applicants are eligible for fee waivers, zero-interest loans (ranging from \$5,000 to \$100,000), and technical assistance with starting their business. Oakland has approved at least 25 equity businesses to operate.
Sacramento	There are tiers of equity applicants eligible for various benefits. Qualification criteria include having lived in a zip code with disproportionate cannabis enforcement, falling below certain income thresholds, or being a woman- or veteran-owned business. Sacramento allows all operators to apply for permits and does not restrict applications to only equity applicants but does prioritize them.	Equity applicants are eligible for fee waivers, priority planning approvals, priority permit approvals, and technical assistance with starting their business.
Los Angeles	There are tiers of equity applicants eligible for various benefits. Qualification criteria include falling below certain income thresholds, being convicted of a cannabis crime, and having lived in certain disproportionately impacted areas.	Equity applicants are eligible for expedited processing, business licensing and compliance assistance, fee deferrals and potential access to special funding. A certain number of retail licenses will become available only to equity applicants. Los Angeles has verified approximately 1,000 equity applicants but not yet opened equity applicant permit processing.
Long Beach	Equity applicants must fall below an income and net worth threshold and also have one of the following three criteria: lived in a low-income census tract, been arrested for a cannabis-related crime, or be a current resident receiving unemployment benefits.	Equity applicants are eligible for application workshops (technical assistance), fee waivers, expedited application and plan check review, and cultivation tax deferrals (monthly payment plan rather than annual lump sum).

As shown in Figure 3.3, each of these programs has taken a slightly different approach towards its equity goals. Broadly, equity programs can be termed as providing (1) application processing assistance, such as expedited permitting or reserved quotas of permits, (2) capital assistance, such as loans or fee waivers, or (3) technical assistance, such as application assistance or business workshops. Comparing these programs to what San Francisco currently offers its equity applicants can be instructive as to what type of additional assistance might help equity applicants.

Application Processing Assistance

Many cities offer expedited permitting. San Francisco offers a type of expedited permitting (exclusive permitting) but this extends only to the Office of Cannabis. While equity applicants are the top priority in that office, their applications have no special priority with any other city departments, such as Planning, Building Inspection, or Police that are involved in approvals needed to obtain a cannabis permit. Sacramento, for example, offers expedited approval of the Conditional Use Permit from the Planning Department. In contrast, cannabis businesses are specifically exempt from San Francisco's Community Business Priority Processing Program (CB3P), which streamlines conditional use permitting in the Planning Department.

The city is at a critical moment when it comes to equity applicants, who may be incurring personal debt and/or diluting their business ownership (see Chapter 2, Regulation, page 33) while they wait for their application to receive approval from multiple city entities. In order to avoid further disadvantage these applicants, the city should consider how it can prioritize these applications in each approving department to expedite the process.

Capital Assistance

In addition to processing assistance, other cities provide capital assistance to equity applicants. Oakland, for example, provides applicants with access to a zero-interest loan program administered by a city contractor. Other than providing waivers for application and permit fees, San Francisco does not offer any capital assistance to equity applicants. Given equity applicant's need for capital to hold space while they wait for application processing and the inability to get traditional loans through banks, this type of program might be particularly beneficial in order to avoid higher-interest loans or selling ownership shares.

As discussed in *Community Reinvestment Fund* section above, the Office of Cannabis has been advised not to provide financial assistance to applicants that could be interpreted as aiding in the sale of cannabis (a federally prohibited drug). In comparison to its peers, San Francisco is the most risk-averse city; especially when compared to Oakland, which provides direct capital assistance in the form of loans. For at least some cannabis operators, this stance has caused some concern, with one applicant **concerned that the city might not stand behind its operators** if there was some kind of federal enforcement.

Technical Assistance

Technical assistance can also be critical in helping new entrepreneurs establish their business and navigate complex permitting frameworks. There are two primary programs for equity applicants to get technical assistance as part of San Francisco's Cannabis Equity Program:

- The **Office of Economic and Workforce Development** allocates resources to nonprofit and for-profit organizations for legal representation to qualifying cannabis equity clients. This legal representation helps cannabis entrepreneurs in the pre-launch phase to assess business feasibility and understand and mitigate regulatory compliance risks.

- The Office of Cannabis has partnered with **The Bar Association of San Francisco** to provide pro bono legal assistance to equity applicants. This assistance is intended to lower barriers to entry by helping equity applicants navigate the regulatory process and create business agreements for their business.

These efforts are similar to programs in Oakland and Sacramento, where the city has contracted with local non-profits to provide technical assistance, such as application preparation or business development resources.⁴⁹

In interviews with equity applicants in San Francisco, they expressed a desire for additional city-sanctioned programming that provides technical assistance. They also expressed a desire for an official forum or group of cannabis operators, with the city as a participant. In the absence of such a program, multiple peer groups have formed for equity applicants to share knowledge. Given that the city has no official position in these groups, however, some applicants have expressed confusion about who or what is the most "trustworthy" source.

INSIGHTS FROM EQUITY APPLICANTS

As part of the research for this chapter, the Controller's Office interviewed a sample of equity applicants who intend to establish businesses in different activities. This is by no means a representative sample, as only a small number of applicants were interviewed; however, their experience is important to consider as this group is who the Equity Program is intended to benefit. Overall, applicants expressed appreciation that the Equity Program had been opened to them, but frustration at the continuing capital, real estate, and regulatory barriers they faced.

Where possible, applicants are quoted directly, although paraphrasing is used where necessary to contextualize the subject matter. Applicants are quoted anonymously.

- **Benefit of the Equity Program.** "Without [the Equity Program] I never would have become a business. **I would never have been able to have the opportunity** to build my own business."
- **Difficulty as an equity applicant and early entrant.** "This is the hardest market to break into from every perspective: money, real estate, regulations, everything. **And the people you are asking to do it are the hardest pressed.**"
- **Operating Space.** "Landlords are a big obstacle...[they] are concerned about their property being seized...because they are a trafficking location." They are also concerned about FDIC-backed loans if they have a mortgage. "What can the city offer them to help us get locations [where we can operate]." Could "a landlord get some kind of benefit" for renting to cannabis operators?
- **Incubators.** "[Equity Applicants] need to be aware of incubators being exploitative. I want the city to incubate [operators]. We need a place to be incubated, work together, help each other out."
- **Financing and Real Estate.** The city needs to "help people with **financing and real estate—that's all that matters to applicants.** What about a bank or credit union: once you pass into

⁴⁹ For example, the Greater Sacramento Urban League lists the following business development resources through its Sac Green Equity Program: needs assessment, establishing a legal entity, business plan creation, city/state permitting and compliance, expungement, fiscal management, and tax planning, among others. <<https://sacgreenequity.com/services/>>

the Equity Program you get access to loans? They do that in other places, because regular banks won't help us out."

- **City's commitment to cannabis.** "Can the city demonstrate that they will protect us and stand behind the operators? Right now, lots of people are worried that the government will still come crack down on this stuff." This raises the price for everything, from financing to real estate.
- **The illicit market:**
 - "How [is the city] going to enforce the illicit market component of this? You need to recognize the illicit market and do something about it before the legal market can take hold."
 - "Draw the illicit market in by having an example of equity operators who are able to go legal." Right now, illegal operators see equity applicants waiting in the queue and have no interest in going legal. Illicit operators are benefitting from fewer legal operators, while there is little enforcement against the illicit market. Why would they want to go legal? **"The street dealers need to see: yes, it does take time, but then you get a legally operating business that can make real money."**

KEY FINDINGS AND RECOMMENDATIONS

Topic	Finding
Equity Program	<p>3.1 San Francisco's Equity Program is intended to address some of the negative consequences of disproportionate drug enforcement by benefitting individuals who were disproportionately impacted by the War on Drugs. (Page 40)</p> <p>3.2 Equity Program applicants are eligible for this program due to existing resource disadvantages, yet they face a lengthy application approval timeline during which they may be expending resources to hold a business location. (Page 42)</p> <p>3.3 Equity applicants who do not receive external financial backing are the least likely to be able to float their business location costs through the lengthy application process. Applicants that have financial backing from investors or other cannabis companies will be more likely to survive to market. (Page 42)</p> <p>3.4 San Francisco's Equity Program was pitched as a pathway into the industry for equity applicants, but due to existing operators and a lengthy permitting timeline, the value of priority processing is questionable. (Page 43)</p> <p>3.5 Due to zoning regulations, buffer zones around schools and other cannabis storefronts, and already-existing MCDs, equity-owned retail storefront applications have limited viable locations. (Page 43)</p> <p>3.6 Due to the high number of equity applicants in queue applying for storefront retail, in addition to existing storefront retailers, market saturation in storefront retail is possible. This would result in equity applicants investing in businesses for which there is no viable market. (Page 44)</p> <p>3.7 Limits to cannabis business permits based on numeric caps or geographic limits would disproportionately impact equity applicants in queue who have already expended resources while waiting for their permit.</p>
Recommendation 3.A: The Board of Supervisors and Mayor should consider methods to reduce the number of storefront retail applications in queue, such as a moratorium on new storefront retail applications and/or incentives to change pending storefront retail applications to other business activities. Incentives offered to equity applicants could also be offered to equity incubators. (See also Recommendation 2.C in Regulatory chapter)	
Recommendation 3.B: Numeric or geographic limits to cannabis business permits should apply to new applicants rather than to the existing applicant pipeline.	
Additional Equity Initiatives	<p>3.8 Likely as a result of the significant expense of incubating and unclear time horizon for the approval of an incubator's application, there are relatively few equity incubators (26 submitted applications) compared to the number equity applicants that could be incubated (183 submitted applications). (Page 45)</p> <p>3.9 Some well-financed companies, including large multi-state cannabis companies, have purchased ownership in equity applicant businesses instead of becoming equity incubators. (Page 45)</p> <p>3.10 There are 41 existing MCDs with equity plans that require them to provide community benefits. This is one of the largest sources of direct community investment provided as part of the city's Equity Program. (Page 46)</p>

Topic	Finding
Community Reinvestment Fund	3.11 The San Francisco District Attorney's Office has cleared 9,361 cannabis-related criminal charges dating back to 1975. (Page 47)
	3.12 The Community Reinvestment Fund established by San Francisco's cannabis legalization ordinance has never been funded and has no current viable method to become funded. (Page 47)
	3.13 The current legislative language concerning the use of the Community Reinvestment Fund may bar its use for direct capital assistance to equity applicants. (Page 47)
<p>Recommendation 3.C: The Board of Supervisors, Mayor, and City Attorney's Office should consider methods to fund the Community Reinvestment Fund. Further, they should consider possible legislative or policy modifications that would allow the Fund to be used for capital and technical assistance to equity applicants.</p>	
Expedited Permit Review	3.14 Outside of the Office of Cannabis, equity applicants receive no special priority or expedited processing in other city departments. (Page 50)
	3.15 Some peer cities provide expedited permit processing for equity applicants in departments outside of their cannabis permitting agency, such as expedited review by the Planning Department. (Page 50)
<p>Recommendation 3.D: The Board of Supervisors, Mayor, and departments should consider recommending a priority permitting lane or expedited processing for equity applicants in departments other than the Office of Cannabis, including but not limited to: Planning, Police, and Building Inspection. (See also Recommendation 2.D in the Regulatory chapter.)</p>	
Capital Assistance	3.16 Other than application and permit fee waivers, San Francisco does not provide direct capital assistance to equity applicants. (Page 50)
	3.17 Some peer cities provide capital assistance to equity applicants, such as access to no-interest loans. (Page 50)
<p>Recommendation 3.E: The Board of Supervisors, Mayor, and City Attorney's Office should consider utilizing the Community Reinvestment Fund to provide capital assistance to equity applicants, including no-interest loan funding or banking options.</p>	
Technical Assistance	3.18 Equity Program applicants are offered technical assistance provided through programs with the Office of Economic and Workforce Development and the Bar Association of San Francisco. (Page 50)
	<p>Recommendation 3.F: The Board of Supervisors, Mayor, and City Attorney's Office should consider utilizing the Community Reinvestment Fund to fund contractors to provide additional technical assistance to equity applicants.</p>

4. Economy

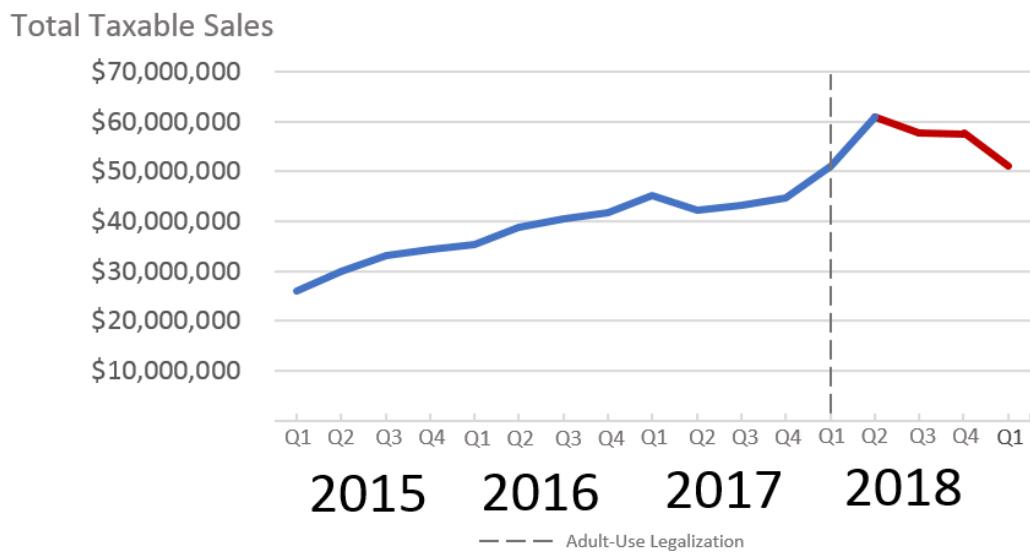
To understand potential cannabis industry economic concerns as a possible input to a recommendation on limits to cannabis business permits, this chapter analyzes the change in cannabis retail sales, average sales per operator, retail prices, and job growth since adult-use cannabis was legalized in January 2018.

INDUSTRY GROWTH

Cannabis Retail Sales

The positive or negative growth in the cannabis industry can be reflected by cannabis retail sales. The Controller's Office reviewed San Francisco cannabis retail sales tax data from January 2015 through March 2019⁵⁰ and determined that **the industry has increased sales steadily year-over-year until the second quarter of 2018, when it decreased by 16%** (Figure 4.1).⁵¹ In 2015, retail cannabis operators in San Francisco had taxable sales over \$123 million dollars, and this increased annually to \$228 million through 2018, an increase of 85%.

Figure 4.1 Total Taxable Cannabis Sales in San Francisco (2015-Q1 to 2019-Q1)



Source: San Francisco sales tax data, Controller's Office Budget and Analysis Division

⁵⁰ Calendar years, unless otherwise noted.

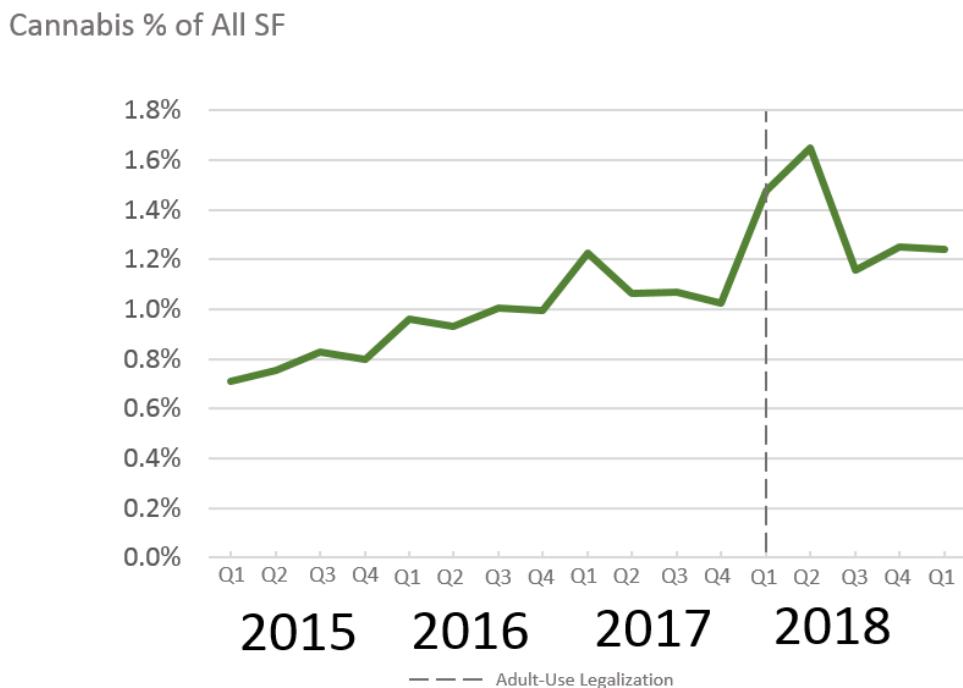
⁵¹ 2019 Q2 sales tax data was provided after this chapter was developed and shows an increase of 21% from 2019 Q1.

The increase between 2015 to 2018 can be attributed to a growing demand for legalized cannabis and an increase in legal operators from 20 in 2015 to 64 in 2018.⁵² **However, San Francisco cannabis taxable sales decreased from \$61 million in Q2 2018 to \$51 million in Q1 2019, a reduction of 16% for nine months.**

By comparison, retail sales in the liquor industry in San Francisco between 2015 and 2018 remained stable with less than a one percent increase. The liquor industry, however, brings in a substantially greater amount of revenue, averaging \$1.27 billion dollars annually.⁵³

As illustrated in Figure 4.2 below, the legal cannabis market makes up 1.2% of all taxable sales in San Francisco, a 75% increase since 2015.

Figure 4.2 Cannabis Taxable Sales as Percentage of All San Francisco Taxable Sales



Source: San Francisco sales tax data, Controller's Office Budget and Analysis Division

The state of California sold over \$3 billion in legal cannabis in 2017.⁵⁴ In 2018, when the state legalized adult-use cannabis, \$500 million less in sales were reported, or a 17% drop comparably. **San Francisco accounts for nine percent of California's cannabis market in 2018.**⁵⁵

⁵² In 2015, there were 20 medical cannabis dispensaries (MCDs). In 2018, there were 32 MCDs, 20 MCD delivery operations, and 12 temporarily permitted adult-use cannabis delivery.

⁵³ The liquor industry is defined by the North American Industry Classification System (NAICS), and the data is obtained from the San Francisco Controller's Office, Budget and Analysis Division from sales tax records

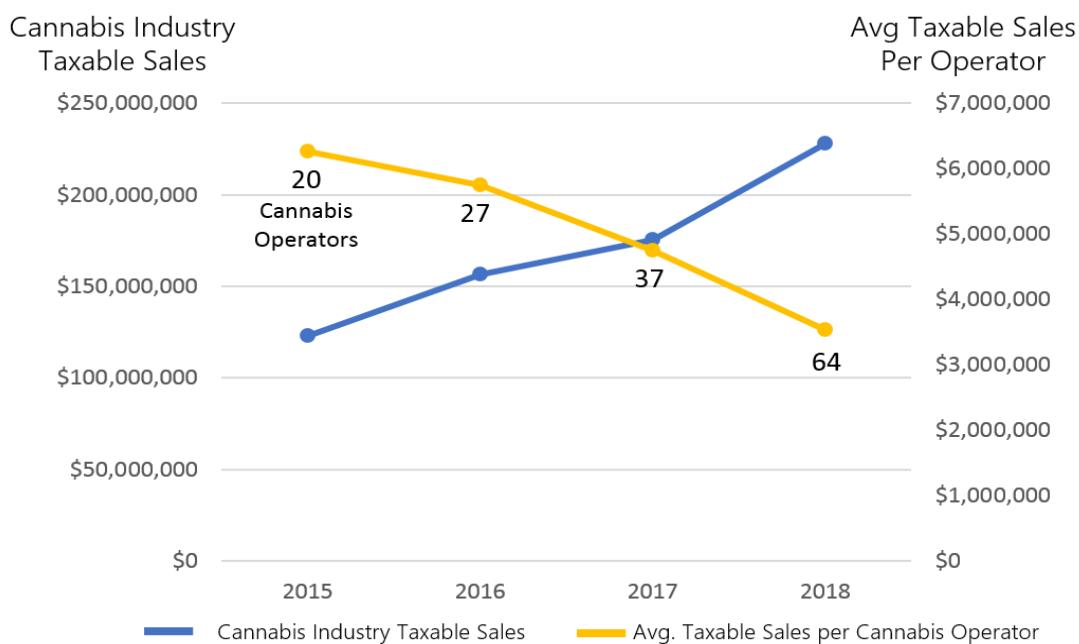
⁵⁴ "Buying Legal Weed in California." NY Times, 1/2/19. <https://www.nytimes.com/2019/01/02/us/buying-legal-weed-in-california.html>

⁵⁵ "2018 California Cannabis Marketplace in Review." BDS Analytics, 2/18/19. <https://bdsanalytics.com/the-2018-california-cannabis-marketplace-in-review/>

During this same timeframe, the total number of cannabis retailers (storefront and delivery) in San Francisco increased from 20 in 2015 to 64 in 2018,⁵⁶ decreasing the average revenue earned per cannabis retailer (see Figure 4.3). **In 2015, the average cannabis retail operator had sales of \$6.3 million, but by 2018, given the 44 new retail operators in the market, those sales decreased by 44% or to an average of \$3.5 million.**

Figure 4.3 Total Cannabis Retail Taxable Sales vs Average Taxable Sales per Operator in San Francisco (2015-2018)

The average cannabis retailer is earning 44% less in 2018 than 2015.



Source: San Francisco sales tax data, Controller's Office Budget and Analysis Division

Since legalization of adult-use cannabis in January 2018, 179 new retail equity permit applications have been submitted for review to the Office of Cannabis.⁵⁷ Assuming consistent demand to 2018, the average annual revenue will decrease notably as new equity cannabis retailers become permitted. In addition, in Q1 of 2019, **the San Francisco cannabis industry recorded a drop in taxable sales for the third quarter in a row, a total decrease of 16%**, so retailers would see decreasing sales, unless demand increased significantly.

In Colorado, where a legal adult-use cannabis market has existed since 2014, the average price of wholesale cannabis decreased from a high of \$2,007 per pound in 2015 to a low of \$781 per pound as of January 2019.⁵⁸ While it is impossible to predict the future demand for and price of cannabis in

⁵⁶ As of August 1, 2019, there were 78 retailers (including both storefront and delivery only). It is difficult to track exactly how many of these retailers are currently operating, but as of August 15, 2019, 35 retail storefronts were in operation out of 37 permitted.

⁵⁷ Not all new retail permit applications will be approved by the Office of Cannabis. There are zoning restrictions, proximity limits, and other regulations that would not allow for all 179 to be approved.

⁵⁸ "Taxing Cannabis." Institute on Taxation and Economic Policy, 1/23/19. <https://itep.org/taxing-cannabis/>

California, Colorado could be an example of decreasing prices as more retail operators enter a legalized market.

Comparing Retail and Supply-Chain Operators

Sales growth is not equal across cannabis retail and supply-chain operations in San Francisco.⁵⁹ Retail includes medicinal cannabis, adult-use and medicinal, and delivery only operators;⁶⁰ supply includes cultivators, distributors, manufacturers (volatile or non-volatile), and testing laboratories. **Between 2017 and 2018, cannabis retail sales increased by 38%; however, cannabis supply sales increased by only 7%.**⁶¹ Inversely, average payroll costs increased more sharply for supply operators (+57%) than for retail operators (+18%), indicating that increases in salary costs are outpacing the revenue growth for supply while retail locations in San Francisco are becoming more productive.

+38% Retail
+7% Supply

Percentage increase in revenue 2017 - 2018

Payroll costs as a percentage of total sales can indicate how productive a capital-intensive business or industry has become. If the industry is becoming more productive, labor costs will typically be a decreasing percentage of a business' sales. The Controller's Office reviewed data for those retailers that reported payroll and gross receipts figures in 2017 and 2018; these retail operators spent about 17% on payroll in both years. The non-cannabis retail industry standard is 12% with a range between 10% and 20%.⁶² Although the cannabis retail industry is slightly higher, it is not atypical for the retail industry in general.

For cannabis suppliers, payroll costs increased from 10% to 16%. It is not immediately clear what is causing this increase, but **supply operators' payroll costs are growing faster than their sales.**

⁵⁹ Sales revenue is derived from San Francisco sales tax data for the cannabis industry.

⁶⁰ Not all retail and supply-chain cannabis locations submitted payroll and/or gross receipts tax information for both 2017 and 2018. As such, gross receipts data includes eight retail and eight supply-chain operators. Payroll data includes 10 retail and 15 supply-chain operators.

⁶¹ 2019 Cannabis supply-specific sales tax data was not readily available. Source of San Francisco sales tax data is the San Francisco Controller's Office, Budget and Analysis Division.

⁶² "Benchmark Breakdown: Key Metrics on 25 Industries." Forbes, 6/29/10. https://www.forbes.com/2010/06/29/best-in-class-financial-metrics-entrepreneurs-finance-sageworks_slide.html#222b8a5fcfa0

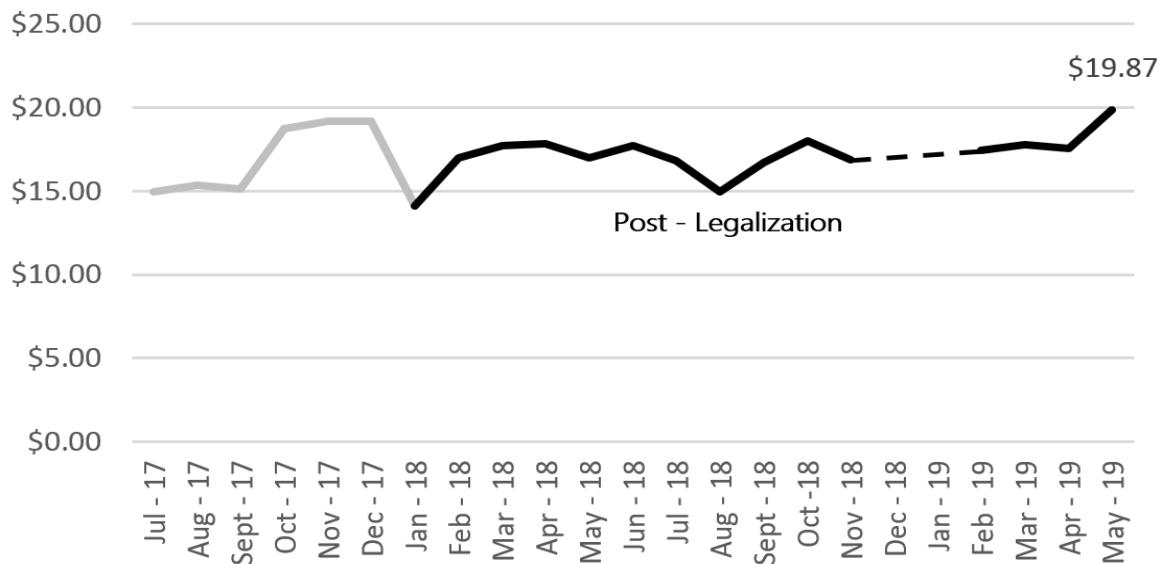
Cannabis Prices

The average price in San Francisco for one gram of cannabis as of May of 2019 was \$19.87 (Figure 4.4), an increase from \$14.11 in January 2018, representing a 41% increase since adult-use cannabis was legalized. Across all unit amounts of cannabis sold, there has been a 12% increase in prices since legalization.

For a breakdown of the San Francisco cannabis industry's tax structure (i.e., state and local taxes) and comparison of cannabis taxes by city, please see Appendix E, Cannabis Tax Rates.

Figure 4.4 Average Price Cannabis (One Gram)⁶³ in San Francisco

The San Francisco average price for cannabis has increased 41% since legalization.



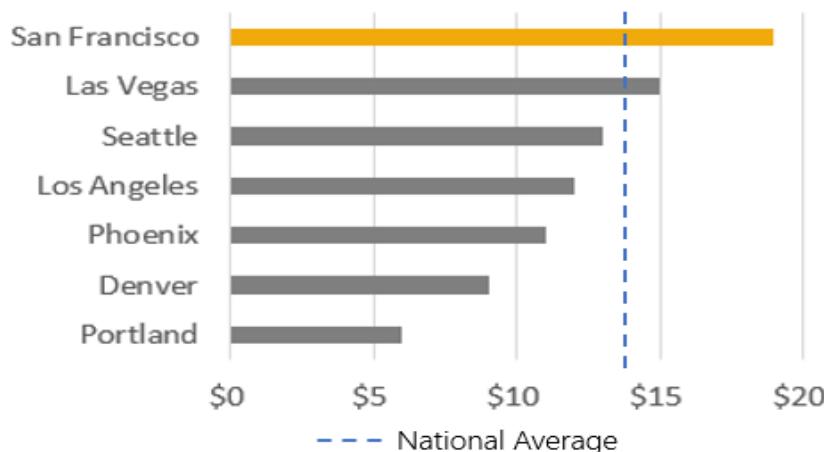
Note: An expanded table representing all available cannabis prices by weight in San Francisco is available in Appendix F, San Francisco Marijuana Pricing.

Source: www.MarijuanaRates.com

⁶³ MarijuanaRates.com provided average cannabis prices for San Francisco. A few months of data are missing at the end of 2018 due to the organization's data errors. Marijuana Rates surveys retail locations in San Francisco and other cities around the United States each month in order to get average costs for medical and adult-use cannabis.

Comparing San Francisco to other major cities with adult-use cannabis, as shown below in Figure 4.5, **San Francisco has the highest average price at almost \$20/gram with the cheapest in Portland at \$6/gram**. The national average for one gram of cannabis was \$14 as of May 2019.

Figure 4.5 Price Comparison by City (One Gram) as of May 2019



Source: www.MarijuanaRates.com

Increasing prices coinciding with decreasing sales could be a warning sign for this industry. It is possible that legal cannabis prices are increasing, not because demand is growing, but rather, because demand is falling, and operators need to maintain revenues. **Weaker sales and higher prices in San Francisco could also be attributed to the continued presence of the competing and less expensive illicit market.**

A 2019 audit, conducted by the United Cannabis Business Association, an industry trade organization, found approximately **2,835 unlicensed dispensaries and delivery services operating in California**. By comparison, only 873 cannabis sellers in the state are licensed, according to the Bureau of Cannabis Control.⁶⁴ This would mean that out of the total number of retail businesses, less than a quarter are licensed by the state.

The California Department of Food and Agriculture reported that close to 15.5 million pounds of cannabis is produced within the state per year.⁶⁵ However, only 2.5 million pounds remain legally in the

⁶⁴"California Marijuana black Market Dwarfs Legal Pot Industry." LA Times, 9/11/19.

<https://www.latimes.com/california/story/2019-09-11/california-marijuana-black-market-dwarfs-legal-pot-industry>

⁶⁵ "Economic Impact Analysis of CalCannabis Cultivation Licensing Program Regulations." Dept. of Finance, California, 12/5/2017.

http://www.dof.ca.gov/Forecasting/Economics/Major_Regulations/Major_Regulations_Table/documents/Cultivation_SRIA_CDFA_1-5-2018.pdf

state, with 85% to 90% of all cannabis grown in California entering the illicit market either locally or in other US states.⁶⁶

Cannabis Jobs

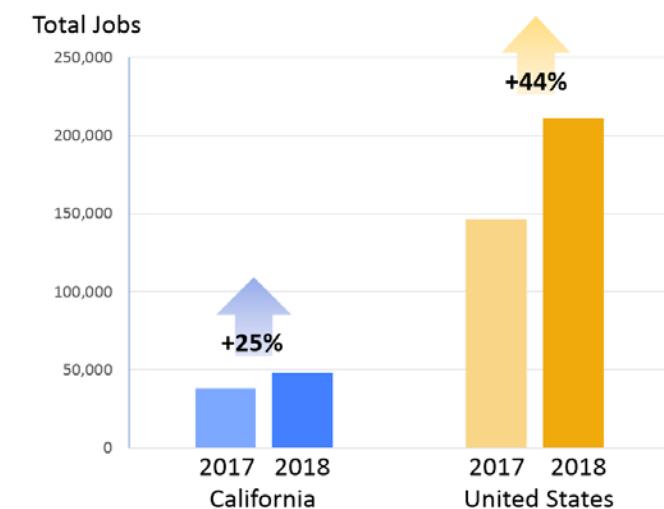
Nationwide, the legal cannabis industry has continued to increase full-time job numbers year-over-year, with approximately 211,000 people employed as of January 2019.⁶⁷ In 2018 alone, the national cannabis industry employment grew by 44% with the addition of 64,389 full-time positions (see Figure 4.6). Leafly, a cannabis industry trade organization, projects the national growth at 20% by the start of 2020.

In California, 47,822 people were employed in the legal cannabis industry at the end of 2018. This is a 25% increase from the end of 2017 at 38,233.⁶⁸

The San Francisco adult-use cannabis legislation requires all cannabis operators to enter into an agreement with the Office of Economic and Workforce Development's (OEWD) First Source Hiring Program.⁶⁹ The First Source program requires employers to utilize good faith efforts toward employing economically-disadvantaged San Franciscan residents for entry-level positions. In 2018, 38 cannabis businesses submitted requests for entry-level positions to the First Source program. From these 38 businesses, **176 cannabis industry entry-level positions were offered to First Source participants, and 44 participants (25%) were hired.** The average starting wage for the 44 entry-level positions was \$17.32, which is 15% higher than the city's current minimum wage.⁷⁰

Figure 4.6 Cannabis Job Growth

Cannabis jobs increased by 25% in California and by 44% in the United States between 2017 and 2018.



Source: Leafly.com

⁶⁶ "Buying Legal Weed in California." NY Times, 1/2/19. <https://www.nytimes.com/2019/01/02/us/buying-legal-weed-in-california.html>

⁶⁷ "Special Report: Cannabis Jobs Count." Leafly, 3/11/19. <https://d3atagt0rnqk7k.cloudfront.net/wp-content/uploads/2019/03/01141121/CANNABIS-JOBS-REPORT-FINAL-2.27.191.pdf>

⁶⁸ "Legal Marijuana Employs 200k People Across Country." Reno Gazette Journal, 4/20/18. <https://www.rgj.com/story/news/marijuana/2018/04/20/legal-marijuana-employs-200-000-people-across-country-heres-where-jobs/535542002/>

⁶⁹ San Francisco Police Code, Sec. 1618(g)

⁷⁰ Office of Economic and Workforce Development, First Source Hiring Program Data

<p>+15%</p> <p>Percentage higher than minimum wage offered to entry-level cannabis employees through First Source</p>	<p>As of September 2019, OEWD has been in the process of contracting with an economic research consultant to perform a San Francisco cannabis labor market analysis that will include a national and local industry impact analysis as well as local industry employment forecasting and employer surveys.⁷¹ The surveys will highlight current local labor demands given market conditions, average wages at various occupation levels, and skill level requirements for these positions.</p>
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KEY FINDINGS & RECOMMENDATIONS

Topic	Finding
Cannabis Industry Growth	<p>4.1 San Francisco cannabis taxable sales decreased from \$61 million in Q2 2018 to \$51 million in Q1 2019, a reduction of 16% in nine months. (Page 55)</p> <p>4.2 San Francisco accounts for nine percent of California's cannabis market in 2018. (Page 56)</p> <p>4.3 In 2015, the average cannabis retail operator had sales of \$6.3 million, but by 2018, given the 44 new retail operators in the market, those sales decreased by 45%, or to an average of \$3.4 million. (Page 57)</p> <p>4.4 There are 179 new retail equity permit applications submitted for review to the Office of Cannabis. Assuming consistent demand to 2018, the average annual revenue will decrease notably as new equity cannabis retailers become permitted. (Page 57)</p>
Cannabis Prices	<p>4.5 The average price for one gram of cannabis in San Francisco increased 41% to \$19.87 since adult-use cannabis was legalized. (Page 59)</p> <p>4.6 San Francisco has the highest average price per gram of legal cannabis. (Page 60)</p> <p>4.7 Weaker sales and higher prices in San Francisco could also be attributed to the continued presence of the competing illicit market. (Page 60)</p>
<p>Recommendation 4.A: The existing legal cannabis market will become increasingly competitive with the entry of equity applicants. The illicit cannabis market, by some estimates, is much larger than the legal market. The Board of Supervisors, Mayor, and departments should adopt strategies and investments, where required, to halt the illicit cannabis market.</p>	

⁷¹ The Bureau of Labor Statistics and other employment data agencies do not track jobs related to the federally illegal cannabis industry. As such, there is currently no local cannabis job count data.

5. Public Safety

The adult-use cannabis legalization ordinance in San Francisco, effective as of January 2018, contains language that the city shall ensure the safety of customers, employees, and the public at large. To understand potential safety concerns related to the cannabis industry as a possible input to a recommendation on limits to cannabis permits, this chapter analyzes recent trends in cannabis-related crimes in San Francisco, the prevalence of crime within 600 feet of known legal cannabis businesses, California Highway Patrol records of driving under the influence of cannabis, and San Francisco 311 service request data.

For more detailed information of the Controller's Office methodology to analyze San Francisco Police Department (SFPD) crime incident data, see Appendix G, SFPD Data Analysis Methodology.

CANNABIS LAWS

Since 1913, adult-use cannabis was prohibited in California until the state passed the Adult Use of Marijuana Act legalizing cannabis for those over 21 years old, in 2016. On the federal level, non-medicinal cannabis has been illegal since the Marijuana Tax Act of 1937.⁷² California was the first state to pass legislation to allow medical cannabis in 1996, and since then, 21 US states have legalized medical cannabis, and 11 states have legalized cannabis for adult use.

Chronology of Key Legislation

- 1913 – California amends the Poison Act of 1907 to criminalize the sell or use of cannabis
- 1937 – Federal government prohibits cannabis excluding industrial and medicinal uses
- 1996 – California becomes first state to legalize medical cannabis
- 2006 – San Francisco deprioritizes cannabis crimes
- 2016 – California passes the Adult Use of Marijuana Act legalizing cannabis for those over 21 years old

In 2006, the San Francisco Board of Supervisors voted to make cannabis offenses the lowest law enforcement priority.⁷³ Since then, the arrest rate from police incidents involving cannabis has continued to drop year-over-year; arrest data is further discussed in the *Cannabis Arrests* section of this chapter.

⁷² "Timeline Recreational Marijuana History." LA Times, 7/8/16. <https://www.latimes.com/politics/la-pol-ca-timeline-california-recreational-marijuana-history-20160708-snap-story.html>

⁷³ San Francisco Ordinance 297-06 https://sfgov.org/sfc/mooc/Modules/Ordinance0297-06_09a0.pdf?documentid=417

SAN FRANCISCO CANNABIS CRIMES

The Controller's Office reviewed SFPD cannabis summary incident report data for all cannabis-related crimes between 2013 to 2018 in San Francisco.⁷⁴ An incident report includes information such as location, time, and type(s) of crime. The following crime types, or SFPD "incodes", are used in this report to refer to cannabis-related crimes:

- Marijuana offense (16010)⁷⁵
- Marijuana – possession for sale (16030)
- Marijuana – sales (16040)
- Marijuana – transporting (16060)
- Marijuana – cultivating/planting (16020)
- Marijuana – furnishing (16050)
- Marijuana – encouraging minor to use (16070)

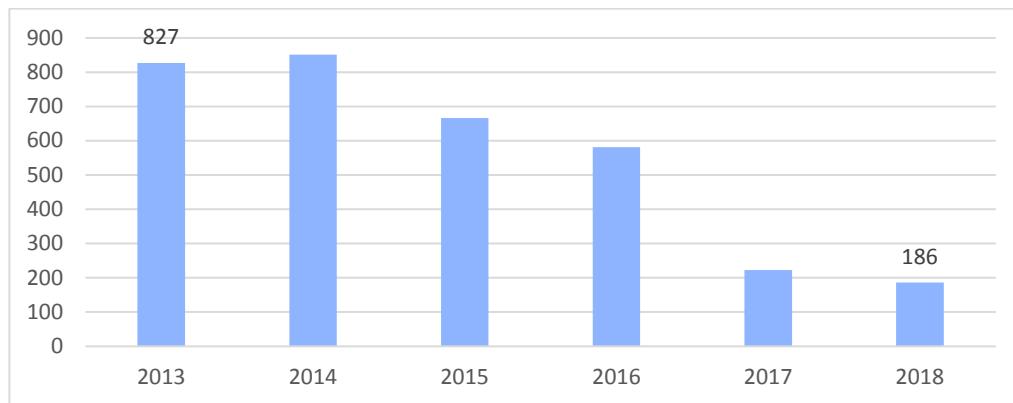
In 2018, cannabis-related crimes accounted for only one tenth of one percent of all crimes in San Francisco. Since 2013, San Francisco cannabis-related crimes **have decreased by 78%, down from 827 incidents to only 186 incidents in 2018** (Figure 5.1). There was a 17% decrease (or 37 incidents) in cannabis crimes between 2017 and 2018 after legalization of adult-use cannabis.

0.1%

The percentage of cannabis-related crimes of total crimes in San Francisco in 2018.

Figure 5.1 Cannabis-Related Crimes (2013-2018)

There was an average of 15.5 cannabis-related crimes per month in 2018.



Source: SFPD Crime Data Warehouse

⁷⁴ The Controller's Office was unable to obtain citation data related to cannabis specifically; however, infractions, misdemeanors, and felonies documented on an incident report were included in this analysis. For more information on the data methodology and limitations, please see Appendix G, SFPD Data Analysis Methodology.

⁷⁵ The "Marijuana offense (16010)" incode is commonly the first incode used when a police officer is responding to a non-specific cannabis-related incident. The officer may add additional incodes after arriving on-scene if necessary. For this reason, this cannabis crime type is the most frequent recorded for cannabis crimes.

Similarly, incident reports that include use of other drug substances other than cannabis (e.g., amphetamines, cocaine, hallucinogens, heroin, opiates) have also decreased by 33% between 2013 and 2018.⁷⁶ These non-cannabis drug crimes went from a high of 5,404 in 2013 to a low of 3,629 in 2018.

The majority of cannabis-related crimes (59%) have occurred in the Tenderloin, Park, and Mission police districts between 2013 and 2018, as detailed below in Figure 5.2. **The Tenderloin police district, despite being the smallest in total land size, has the most cannabis-related crimes** of any San Francisco police district at 29%. Only the Mission police district is both in the top three for cannabis-related crime and all crime in the city.

Figure 5.2 Cannabis-Related Crime Compared to All Crime by Police District (2013 - 2018)

Cannabis-Related Crime Locations		All Crime Locations	
Police District	Crime Location Percentage	Police District	Crime Location Percentage
Tenderloin	29%	Southern	19%
Park	17%	Northern	13%
Mission	13%	Mission	13%
Bayview	11%	Central	13%
Southern	7%	Bayview	9%
Ingleside	6%	Ingleside	8%
Northern	5%	Taraval	7%
Central	5%	Tenderloin	6%
Taraval	4%	Richmond	6%
Richmond	3%	Park	6%

Source: SFPD Crime Data Warehouse (Cannabis-Related Crime) and DataSF Open Data (All Crime)

SFPD incident reports can include multiple incodes or crime types in a single incident report. Between 2013 and 2018, the 2,808 incident reports with cannabis-related crime included an average of three additional crime types with a maximum of eleven. Eighty-three percent of these incident reports included at least one additional non-cannabis crime, and the remaining 17% included only cannabis-related crimes.

When analyzing the additional crime types contained in these cannabis-related incident reports, 46% encompassed other cannabis crimes (e.g., an incident report with a general “marijuana offense” could also include “marijuana – sales” as an additional crime type). The most common non-cannabis crime types involved warrant arrests (11%), a methamphetamine offense (5%), or a cocaine offense (3%). The

⁷⁶ The Controller’s Office analyzed the SFPD’s incident reports containing specific incodes to drugs other than cannabis between 2013 to 2018 from the city’s DataSF Open Data website. <https://data.sfgov.org/browse?category=Public+Safety>

following crime types are the most frequent additional crimes associated with cannabis-related incidents:⁷⁷

- Cannabis-related crimes (46%)
- Warrant arrests (11%)
- Methamphetamine offense (5%)
- Cocaine offense (3%)
- Traffic violation (3%)
- Probation search (3%)
- Resisting, delaying, or obstructing peace officer duties (2%)
- Firearm possession (2%)
- Controlled substance offense (2%)
- Narcotics paraphernalia (2%)

Cannabis Arrests

African-Americans are disproportionately arrested for cannabis-related crimes in San Francisco compared to all other recorded races on SFPD incident reports. **While African-Americans make up less than six percent of the total population of San Francisco,⁷⁸ they comprise almost half of all cannabis arrests between 2013 and 2018.** White individuals make up over 40% of those who live in the city, yet they comprise only 29% of the arrests in this time period. The U.S. Department of Health and Human Services national survey on drug use and health, however, indicates that all races use cannabis at similar rates.⁷⁹

Despite the total number of cannabis-related crimes decreasing year-over-year from 827 incidents in 2013 to 186 in 2018 (a decrease of 78%), the racial disparity of who is arrested has not changed. African-Americans have been disproportionately arrested at the highest percentage rate compared to all other races. In fact, African-Americans comprise between 41% and 52% of cannabis-related arrests since 2000.⁸⁰

This racial arrest disparity in San Francisco continues when examining arrest records for all felony drug types. Between 2010 and 2016, drug arrests fell for all races, yet even at

SF Cannabis Arrest Percentages by Race Compared to US Census Population Percentage (2013 – 2018)

	Arrest %	Census %
African American	49%	6%
White	29%	40%
Hispanic or Latin	14%	15%
Asian/Pacific Islander	5%	36%
American Indian & Alaskan Native	1%	1%

⁷⁷ The remaining cannabis crime types are each 1% or less of the total.

⁷⁸ US Census QuickFacts on San Francisco County, CA. <https://www.census.gov/quickfacts/sanfranciscocountycalifornia>

⁷⁹ "Results from 2016 National Survey on Drug use and health." SAMHSA, 9/7/17.

<https://www.samhsa.gov/data/sites/default/files/NSDUH-DetTabs-2016/NSDUH-DetTabs-2016.pdf>

⁸⁰ San Francisco Sheriff's Office Arrests Data (2000-2012), SFPD Arrest Data (2013-2018)

the lower levels, African-Americans in San Francisco experienced felony drug arrest rates ten times higher than San Franciscans of other races.⁸¹

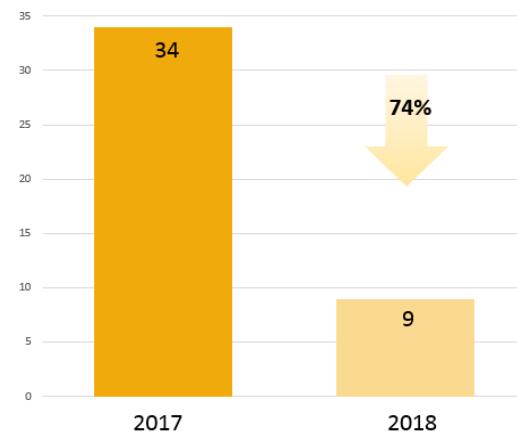
Cannabis-related arrests by sex is disproportionate as well. Males make up 51% of the population of San Francisco, but over 91% of all cannabis arrests in the city.

The average age of suspects in cannabis-related crimes is 31. The majority of all cannabis arrests include individuals between 20 to 40 years old.

The SFPD is unable to release individual or identifiable juvenile data without access granted by the courts, pursuant to state law.⁸² However, the SFPD provided summary annual statistics of juvenile arrest data. Before adult-use cannabis legalization, there were 34 juvenile individuals who were booked or cited for a cannabis-related crime (See Figure 5.3). **In 2018, after legalization, only nine juveniles were booked for cannabis-related crimes, a decrease of 74%.**

Figure 5.3 Juvenile Arrests for Cannabis

74% fewer juveniles were cited or booked in 2018 for cannabis-related crimes.



Source: SFPD Business Intelligence Team

⁸¹ "San Francisco's Drug Arrests Drop 90% through 2016; Disproportionate Arrests of African-Americans Persist." Center on Juvenile and Criminal Justice, 10/1/17.

https://officeofcannabis.sfgov.org/themes/custom/cannabis/pdf/11.19.2017_Equity_Report.pdf

⁸² California AB-2952 Juvenile Records.

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB2952

CRIMES WITHIN 600 FEET OF CANNABIS OPERATORS

Several studies have shown that when legal cannabis retailers open in a neighborhood, crime rates drop in the surrounding area. Peer-reviewed articles in the National Institute on Drug Abuse,⁸³ Journal of Economic Behavior and Organization,⁸⁴ and the Regional Science and Urban Economics⁸⁵ point to either a decrease in property and violent crime or no increase after the opening of a legal cannabis business in the area.

To determine if there were changes in crime trends post legalization of adult-use cannabis in January 2018, the Controller's Office analyzed SFPD crime data within a 600-foot radius of each retail storefront parcel between 2017 and 2018.⁸⁶ The crime types analyzed correspond to the Federal Bureau of Investigations Uniform Crime Reporting (UCR) program Part 1 property and violent types that all law enforcement agencies provide to demonstrate how crime patterns change over time. The following are the UCR crime types for property and violent crimes:⁸⁷

- Violent Crimes
 - Homicide
 - Rape
 - Robbery
 - Aggravated Assault
- Property Crimes
 - Burglary
 - Larceny-Theft
 - Motor Vehicle Theft
 - Arson

Cannabis Operator Zoning

Cannabis businesses are primarily located in commercial areas of the city. It is likely that the commercial areas themselves, not the cannabis businesses, drive the amount of crime near their locations. In Figure 5.4, the green, purple, and brown areas of the SF Planning Permitted Cannabis Location map (left) are areas in the city zoned for cannabis operations. The SF Planning Zoning map (right) shows the city's neighborhood commercial districts (purple) and downtown commercial districts (red) which roughly align with the permitted cannabis locations. These commercial districts typically experience more crime

⁸³ "Marijuana Dispensaries Make Neighborhoods Safer." CBS, 7/20/17.

<https://sacramento.cbslocal.com/2017/07/20/study-marijuana-dispensaries-make-neighborhoods-safer/>

⁸⁴ "Crime and the Legalization of Recreational Marijuana." Journal of Economic Behavior and Organization, 3/1/19.

<https://www.sciencedirect.com/science/article/pii/S0167268118300386>

⁸⁵ "Crime Rates Drop After Marijuana Dispensaries Open." Boston Globe, 8/29/19.

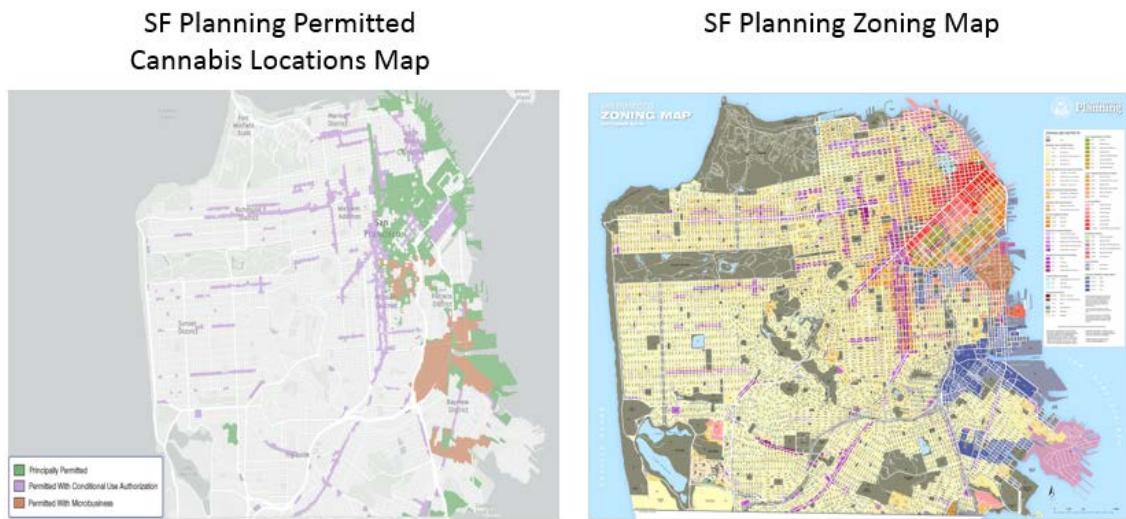
<https://www.bostonglobe.com/news/marijuana/2019/08/29/crime-rates-drop-after-marijuana-dispensaries-open-nearby-study-finds/mv4Ri4Bbc36OG8EaKXffXN/story.html>

⁸⁶ Due to limitations in the availability of accurate cannabis storefront retail opening dates, the Controller's Office studied crime trend changes pre and post adult-use cannabis legalization using the date of January 5, 2018 as opposed to when the retail storefront began operating. The majority of retail storefronts, medical cannabis dispensers (MCDs), were existing prior to the adult-use legalization. No citation data was available. See Appendix G, SFPD Data Analysis Methodology for more information.

⁸⁷ UCR crime types do not include all types of crime, but instead use four serious "Part 1" crime types each in the property and violent categories as indicators of overall crime trends.

than non-commercially zoned areas, which is likely driving the similar increase in crime around cannabis locations. Similarly, in Los Angeles, commercially-zoned city blocks have crime rates that are 45 percent higher than blocks zoned for residential use.⁸⁸

Figure 5.4 San Francisco Planning Zoning Maps



Source: San Francisco Planning Department

In the heat maps of SFPD crime data in Figure 5.5, the red and yellow areas show higher concentrations of property and violent crime while the light purple and grey areas show less concentration of crime. The high amount of violent and property crime within the whole city (left map) is most prevalent in the commercial and business districts of the Financial district, along Market street, South of Market, the Mission, and some of the Bayview. The highest density of crime within 600 feet of cannabis locations (right map) are also in high trafficked commercial districts which matches similar patterns of crime within the city at large. The citywide data includes residential areas which typically have less crime. The location of the cannabis businesses within a commercial district, and not the cannabis businesses themselves, is the driving factor for the amount of property and violent crime.

⁸⁸ "Land-Use Zoning Shown to Affect Crime Rates in LA." RAND, 3/5/13. <https://www.rand.org/news/press/2013/03/05.html>

Figure 5.5 Heat Map of San Francisco Property and Violent Crime (2013 - 2018)

The highest amount of crime around cannabis locations relates directly to the highest amount of crimes for the entire city.



Source: SFPD Crime Data Warehouse

In 2018, cannabis retailers saw a greater decrease in crime compared to the whole city. Between the first six months after adult-use cannabis was legalized in January 2018 and the last six months of 2018,⁸⁹ property and violent crime decreased by two percent within 600 feet of storefront locations while the city had an eight percent increase overall.⁹⁰

- 2%

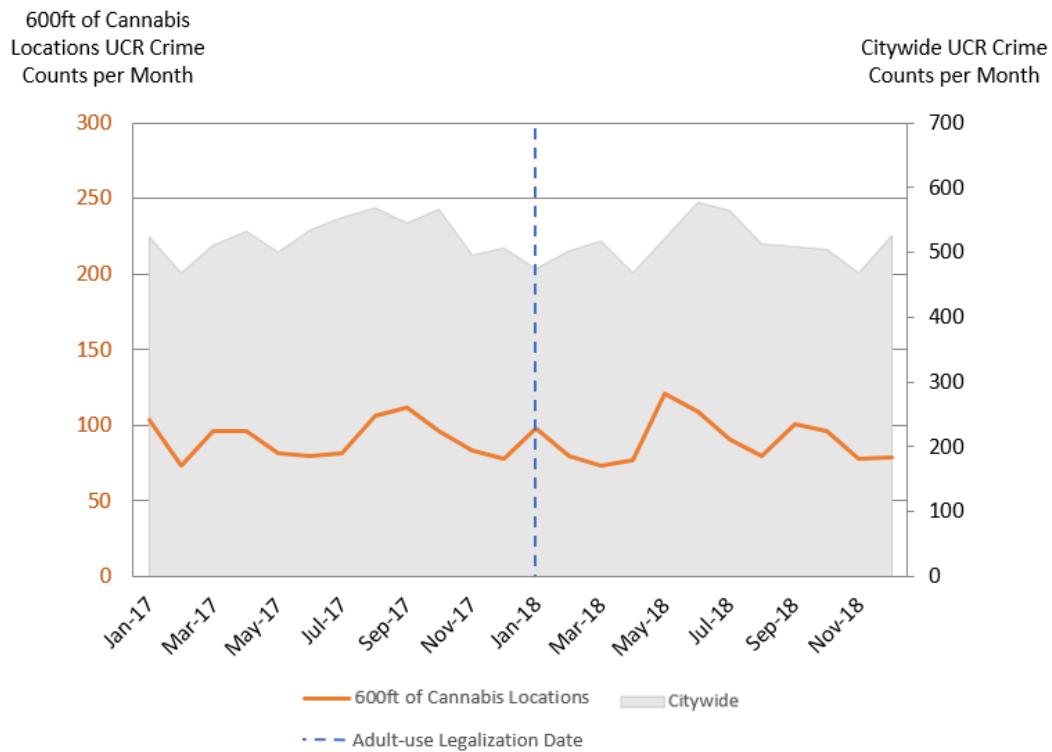
Amount property and violent crime decreased within 600 feet of cannabis retailers between the first and second half of 2018.

⁸⁹ The Controller's Office compared the average property and violent count of the first six months to the second six months of 2018.

⁹⁰ The counts of property and violent crime within 600 feet of known legal cannabis retail operators is a total count of crime within those radii. The counts of property and violent crime for the whole city is also measured by a total count.

Violent crimes near operators decreased by six percent compared to a less than one percent increase for the city in 2018. In Figure 5.6, there are several similar up and down fluctuations in both the operator and citywide data sets, which illustrates the likely correlation between crime in commercial districts and crime near operators. In 2018, UCR violent crime counts are relatively stable with a monthly average of 512 (citywide) and 90 (600 feet of cannabis operators).

Figure 5.6 Violent UCR Crime Count

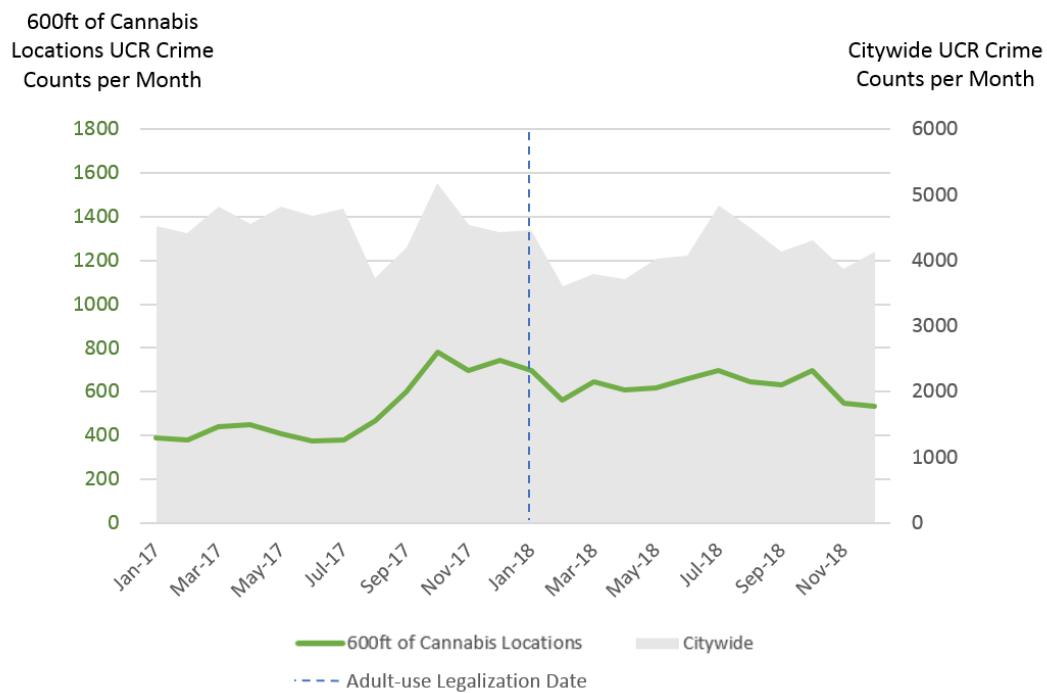


Source: SFPD Crime Data Warehouse (Near Cannabis Locations) and Controller's Office Performance Scorecards for Public Safety (Citywide)

In 2018, property crimes near operators decreased by one percent compared to a nine percent increase for the city (See Figure 5.7). However, in the second half of 2017, before legalization, there was a spike of property crime near cannabis locations. In 2018, the property crimes within 600 feet of cannabis operators had a monthly average of 629, whereas citywide, the monthly average was 4,125.

Figure 5.7 Property Crime Count

Property crime count decreased in 2018 after a significant spike prior to adult-use legalization.

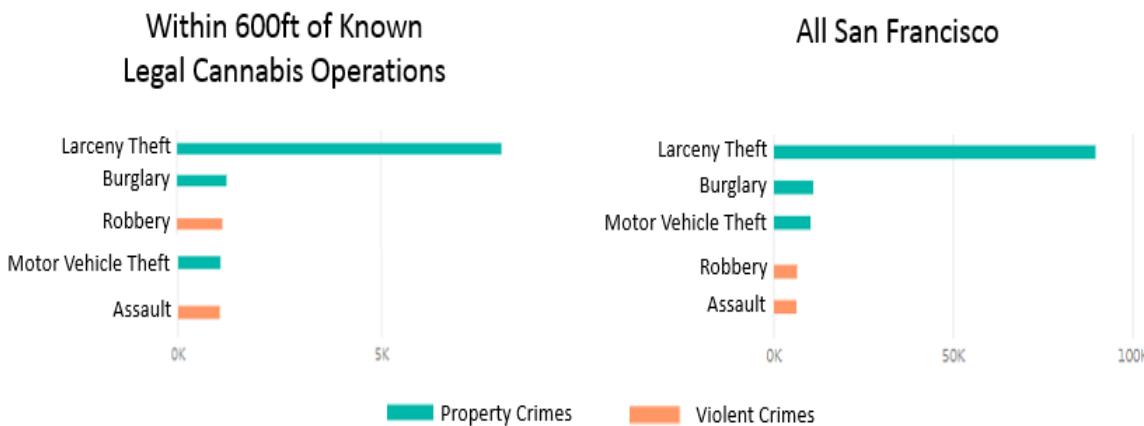


Source: SFPD Crime Data Warehouse and Controller's Office Performance Scorecards for Public Safety

As illustrated in Figure 5.8, **the top five property and violent crime types for both all of San Francisco and within 600 feet of cannabis retail operators are identical in 2018**. The first and second most frequently reported crime types, larceny theft and burglary, are nearly the same in percentage of total crime within 600 feet of retail operators and citywide. The data sets' identical crime types further support the notion that crime that occurs near cannabis locations is likely driven by the crime occurring in commercial districts, rather than a notion that cannabis operators attract more crime or certain crime types than other businesses.

Figure 5.8 Most Frequent Crime Types (2018)

Larceny theft and burglary are the two most common crimes both within 600ft of known legal cannabis operations and in all of San Francisco.⁹¹



Source: SFPD Crime Data Warehouse

⁹¹ Both graphs account for over 95% of all property and violent crime types.

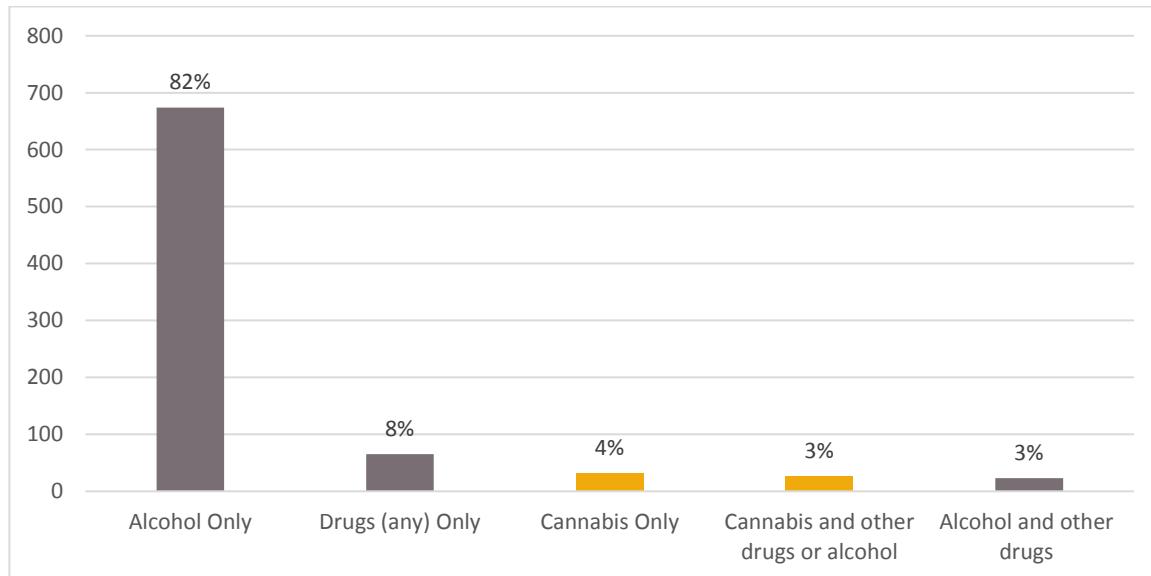
OTHER LAW ENFORCEMENT AND COMPLAINT DATA

California Highway Patrol DUIs

California Highway Patrol (CHP)-San Francisco is the primary law enforcement agency that makes driving under the influence (DUI) traffic stops and arrests in San Francisco, although the SFPD also may make stops on city roads. The DUI data received from CHP-San Francisco includes all stops within the city, all highways within, and includes the Golden Gate Bridge and Bay Bridge.⁹²

In January 2018, CHP-San Francisco began tracking the number cannabis-related DUIs by having officers self-report their findings at the end of each shift.⁹³ CHP-San Francisco records five types of DUI arrests: alcohol only, drugs (of any kind, including cannabis) only, cannabis only, cannabis combined with other drugs, and alcohol combined with other drugs (including cannabis). **Cannabis-only DUIs in San Francisco account for less than four percent of all DUIs (or 31) in 2018.** As illustrated in Figure 5.9, alcohol-only DUIs represents the most frequent reason for an arrest at 674 or 82% of all DUIs, and the remaining other drugs or combinations (including cannabis) account for a total of 18% of DUI arrests in 2018.

Figure 5.9 San Francisco DUIs by Arrest Type (2018)



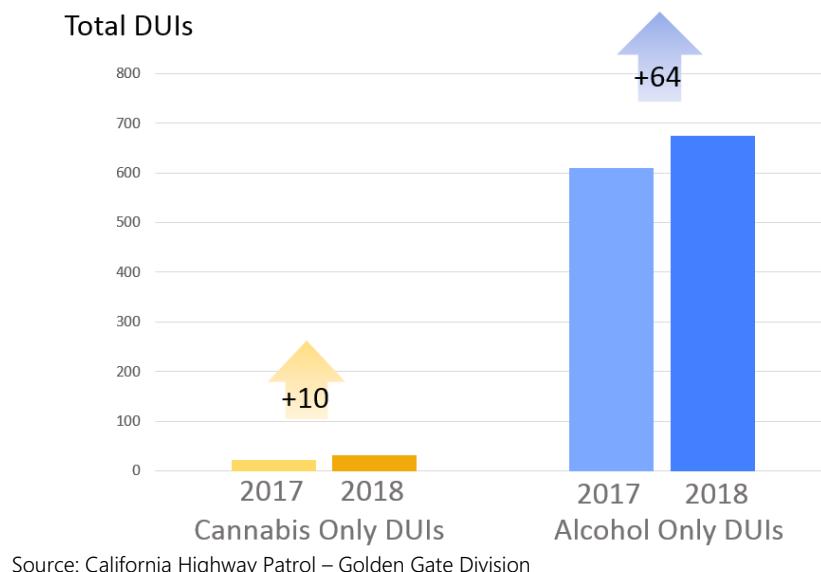
Source: California Highway Patrol – Golden Gate Division

⁹² The Controller's Office was unable to obtain search warrant data to study illegal cannabis operations. For more information on the data methodology and limitations, please see Appendix G, SFPD Data Analysis Methodology.

⁹³ All CHP officers are trained to detect signs of drug and/or alcohol impairment. If an officer detects signs of impairment (e.g., lethargy or certain smells) they may implement field sobriety tests to determine if the driver is not safe to operate the vehicle. If the driver fails the field sobriety test, they are arrested and taken to the CHP office for a trained drug recognition expert to conduct more sobriety physiological tests (e.g., blood pressure, pulse rate, pupil size). If the suspect fails the latest sobriety tests, a blood test is given, and the CHP-San Francisco officer records what type of impairment (cannabis, alcohol, other drugs) was involved.

In 2019, CHP-San Francisco also reexamined 2017 DUI data to determine the number of cannabis-related incidents. **In both years, alcohol is the greatest reason for drivers being arrested for driving under the influence in San Francisco.** Between 2017 and 2018, there were 64 more alcohol-only DUIs compared to 10 more cannabis-only DUIs, accounting for an 11% and 37% increase respectively (see Figure 5.10).

Figure 5.10 San Francisco DUI Counts (2017 - 2018)



Source: California Highway Patrol – Golden Gate Division

San Francisco 311 Service Requests

San Francisco 311 (SF311) is the primary customer service center for the city and is available 24 hours a day, seven days a week for anyone seeking general information or initiating a service request with the city's government agencies. The Controller's Office analyzed four years of service request data from 2015 through 2018 to understand how many complaints or requests were generated by the public regarding cannabis.

0.003%

The percent of cannabis-related SF311 complaints or requests in 2018.

SF311 received a total of 600,000 service requests in 2018, or on average 1,644 every day. This is an increase of over 74% since 2015. **Complaints from the public regarding cannabis accounted for 15 calls in 2018, or a negligible 0.003% of all SF311 calls.** This is a 46% decrease, from 28, of cannabis-related calls to SF311 in 2017.

Most cannabis-related calls to SF311 are regarding residents complaining that their neighbor may be using cannabis within the residence. The San Francisco

Department of Public Health (SFDPH) consistently responds that the health code allows residents to smoke inside their units and all outdoor areas attached to the unit.⁹⁴

Given the negligible proportion of SF311 complaints related to cannabis and that the subject matter is primarily related to smoke nuisance, this may imply that cannabis is not a primary SF311 concern for San Franciscans and/or that either more serious issues are handled by the SFPD.

The Controller's Office also compared cannabis calls to alcohol and any drug-related complaints or requests to SF311. Like cannabis, both alcohol and drug complaints and requests make up less than a tenth of one percent of all SF311 calls.

⁹⁴ SFDPH does inform the callers that property owners have the right to add a smoke-free addendum outlining where smoking cigarettes, tobacco, and/or cannabis is allowed (or not allowed) throughout the building to new leases and existing tenants who requests a change in their lease. There are currently no state or local laws requiring property owners to have smoke-free buildings.

KEY FINDINGS & RECOMMENDATIONS

Topic	Finding
Cannabis Crimes & Arrests	<p>5.1 In 2018, cannabis-related crimes accounted for only one tenth of one percent of all crimes in San Francisco (Page 64)</p> <p>5.2 Since 2013, cannabis-related crimes have decreased by 78%, down to only 186 incidents in 2018 (Page 64)</p> <p>5.3 The Tenderloin police district, despite being the smallest in total land size of all districts, has the most cannabis-related crimes of any San Francisco police district at 29%. (Page 65)</p> <p>5.4 African-Americans are disproportionately arrested for cannabis-related crimes in San Francisco compared to all other recorded races on SFPD incident reports. (Page 66)</p> <p>5.5 74% fewer juveniles were arrested for cannabis-related crimes in 2018 (9 arrests) than in 2017 (34 arrests). (Page 67)</p>
<p>Recommendation 5.A: Because cannabis-related crimes are decreasing and represent a small percentage of total crime in San Francisco, the Controller's Office does not recommend limits to the number of cannabis business permits to address public safety concerns at this time.</p>	
Crimes Within 600ft of Cannabis Operators	<p>5.6 Cannabis businesses are primarily permitted in commercial business areas of the city which may affect the amount of crime near their locations. (Page 68)</p> <p>5.7 In 2018, cannabis business locations saw a 6% decrease in violent crime compared to a less than 1% increase citywide. (Page 71)</p> <p>5.8 In 2018, cannabis business locations saw a 1% decrease in property crime compared to a 9% increase citywide. (Page 72)</p> <p>5.9 The top five property or violent crime types for both all of San Francisco and within 600 feet of known legal cannabis operations are the exact same. Crime that occurs near cannabis locations is likely driven by the crime occurring in commercial districts, rather than a notion that cannabis operators attract more crime or certain crime types. (Page 73)</p>
<p>Recommendation 5.B: Based on the decreasing amount of property and violent crime around legal cannabis locations in 2018, the Controller's Office does not recommend any limits to the number of cannabis operator permits to address public safety concerns at this time.</p>	
Other Law Enforcement and Complaint Data	<p>5.10 Cannabis-only DUIs in San Francisco account for less than four percent of all DUIs in 2018. (Page 74)</p> <p>5.11 In both 2017 and 2018, alcohol is the greatest reason for drivers in San Francisco to be arrested for driving under the influence. (Page 75)</p> <p>5.12 There were 15 SF311 complaints from the public regarding cannabis in 2018, or a negligible 0.003% of all SF311 calls. (Page 76)</p>

6. Public Health

Research surrounding cannabis and its health impacts is mixed and has been limited due to longstanding federal prohibitions. While the medical use of cannabis for specific conditions has been one of the major factors in advancing legalization, smoking is harmful to the lungs and cannabis use disorder is a recognized medical diagnosis. In its youth-targeted information campaign concerning cannabis use, the San Francisco Department of Public Health states "Like cigarettes, smoking cannabis can damage your lungs. If consumed by teens and those in their early 20s, cannabis can also affect brain development. (There is still a lot more to learn.) When weed is combined with other substances such as alcohol or tobacco, the health risks are higher."

With the passage of adult-use legalization, the San Francisco Board of Supervisors stated certain public health goals, including "minimiz[ing] the changes of social harm by protecting and promoting the health of all San Franciscans; limit[ing] youth access and exposure to cannabis and cannabis products; ensur[ing] safe consumption; [and maintaining] the city's progressive clean air policies for residents, business, and their employees."⁹⁵

Since adult-use legalization, there have been mixed trends regarding youth use, hospital admissions, and substance use treatment admissions, which are analyzed in this chapter.

YOUTH CANNABIS USE

The Centers for Disease Control and Prevention (CDC) monitors health-related behaviors among youth across the country in a program called the Youth Risk Behavior Surveillance System (YRBSS). The YRBSS includes a national school-based survey that asks students about behaviors including cannabis use, among other drugs. The survey is administered every two years in odd-numbered years, and the last available year is 2017. The survey was administered in 2019, but the data is not yet available.⁹⁶

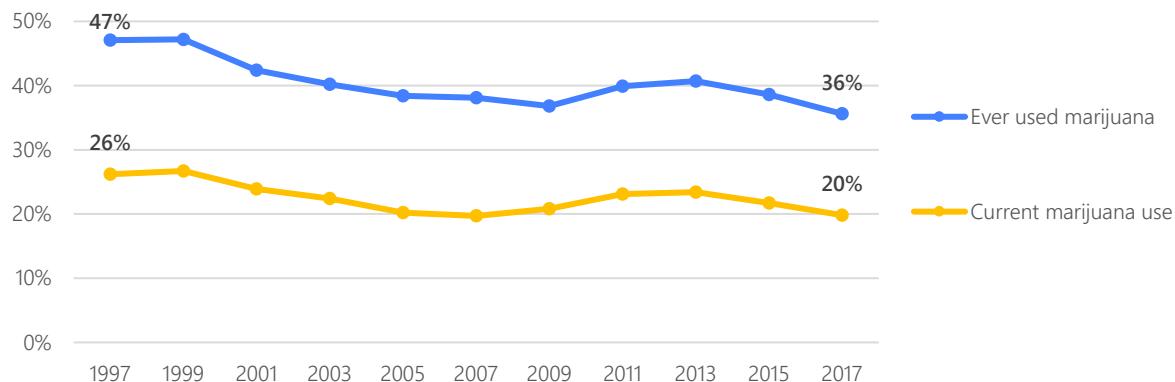
Going back to the late 1990s, national trends related to cannabis use among high schoolers show decreasing use, as shown in Figure 6.1.

⁹⁵ San Francisco Ordinance 230-17, §1600.

⁹⁶ Data may become available in October 2019.

Figure 6.1 National Trends of Marijuana Use Among 9th-12th Graders

The percentage of high school students who have ever tried marijuana, and who are currently using marijuana, have both fallen by approximately 24% since 1997.



Note: "Current marijuana use" is defined as using one or more times during the 30 days before the survey was administered.

Source: Trends in the Prevalence of Marijuana, Cocaine, and Other Illegal Drug Use National YRBS: 1991-2017. Centers for Disease Control and Prevention. <https://www.cdc.gov/healthyyouth/data/yrbs/pdf/trends/2017_us_drug_trend_yrbs.pdf>

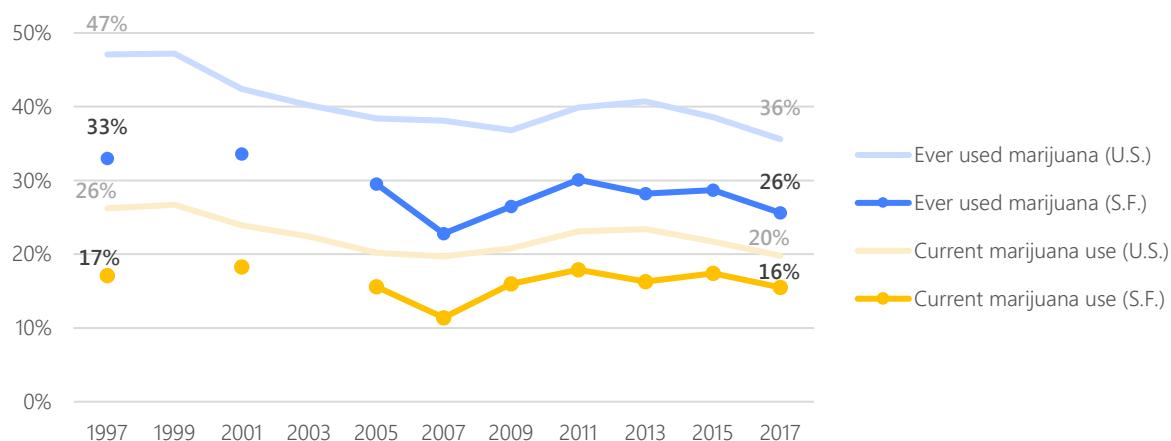
As shown in Figure 6.1, this trend of decreasing use among youth has fluctuated up and down, but overall, decreased over two decades. This would seem to contradict the notion that increasingly permissive attitudes towards cannabis increase youth use, as this decreasing trend has sustained while numerous states have legalized cannabis.

Similarly, local trends in cannabis use have followed the national trend. **Since the late 1990s, San Francisco high school students have reported overall decreasing levels of cannabis use.**

Importantly, San Francisco has lower reported levels of use than the national average.

Figure 6.2 Local Trends of Marijuana Use Among 9th-12th Graders

Cannabis use among San Francisco high school students has followed national decreasing trends, although the rate of use locally is lower than the national average.



Note: Data is not available for San Francisco in 1999 and 2003. "Current marijuana use" is defined as using one or more times during the 30 days before the survey was administered.

Source: Centers for Disease Control and Prevention: High School YRBS Online

<<https://nccd.cdc.gov/youthonline/App/Results.aspx?>>

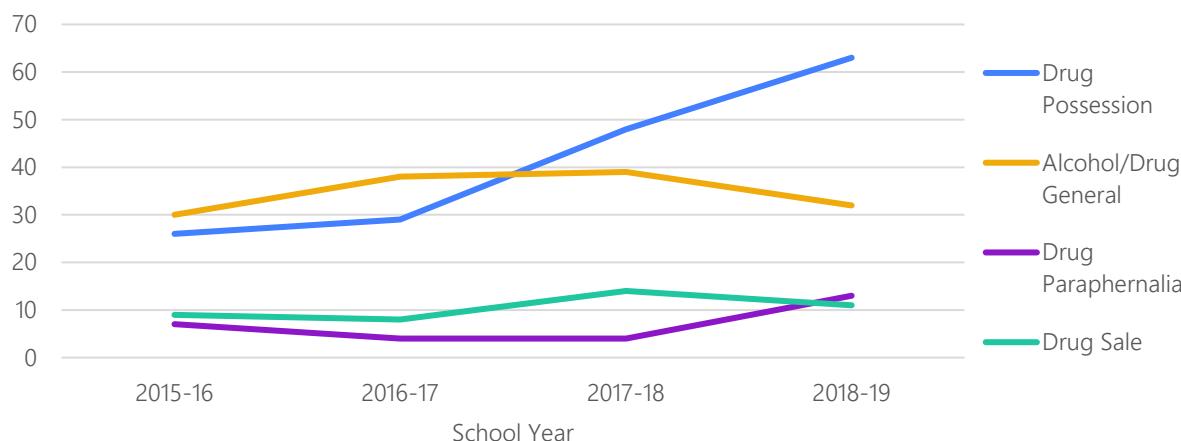
The multi-year trend of decreasing rates of use among youth is encouraging, but without 2019 data, it is not possible to analyze potential post-legalization trends locally. However, studies in the Journal of the American Medical Association⁹⁷ and from the Centers for Disease Control and Prevention⁹⁸ have indicated that youth use has remained steady or declined in states with adult-use cannabis legalization. In Colorado, where cannabis has been legalized for adult use since 2012, the Colorado Division of Criminal Justice released a 2018 report that found the “proportion of Colorado high school students reporting using marijuana ever in their lifetime remained statistically unchanged between 2005 and 2017.” And further, “there was no statistically significant difference between Colorado student responses compared to national data” despite legalization since 2012. From 2011 (pre-legalization) to 2017 (post-legalization), many of Colorado’s youth use indicators fell.⁹⁹

SFUSD Suspension Data

The San Francisco Unified School District (SFUSD) monitors suspensions in its schools by the violation/reason for the suspension, including drug use, possession, and sale. This data was analyzed over the last four completed school years, although the data is not broken down by exactly what drugs the student was suspended for possessing or using (e.g., cannabis or some other drug). Anecdotally, SFUSD reports that most drug possession cases involve cannabis, and almost all drug sale cases involve cannabis even when some other drugs are also involved. Figure 6.3 shows SFUSD suspension data by violation over the last four school years (see Appendix H, SFUSD Drug-Related Suspensions).

Figure 6.3 SFUSD Suspensions by Violation Category by School Year

Suspensions for drug possession increased in the 2017-18 and 2018-19 school years. Suspensions for other drug-related categories showed little change.



Source: SFUSD Student, Family & Community Support Division

⁹⁷ “Association of Marijuana Laws with Teen Marijuana.” *Jama Pediatrics*, 7/8/19.

<https://jamanetwork.com/journals/jamapediatrics/article-abstract/2737637>

⁹⁸ “Trends and Characteristics in Marijuana Use Among Public School Students – King County, Washington, 2004 – 2016.” CDC, 10/4/19. https://www.cdc.gov/mmwr/volumes/68/wr/mm6839a3.htm?s_cid=mm6839a3_w

⁹⁹ Lifetime (ever) use: 2011 – 39.5%, 2017 – 35.2%. Past 30-days use: 2011 – 22.0%, 2017 – 19.4%. Use before 13 years old: 2011 – 9.0%, 2017 – 6.5%. While these figures fell, some were not statistically significant. Colorado Division of Criminal Justice: Impacts of Marijuana Legalization in Colorado: A Report Pursuant to Senate Bill 13-283. October 2018. <http://cdpsdocs.state.co.us/ors/docs/reports/2018-SB13-283_Rpt.pdf>

Suspensions for drug possession have increased over the last two school years; however, the 2017-18 school year included both pre-legalization and post-legalization months. In order to further analyze if the legalization date of January 2018 impacted suspensions, Figure 6.4 presents suspension data according to the average number of suspensions per month in each violation category.

Figure 6.4 Average SFUSD Suspensions per Month by Calendar Year¹⁰⁰

Average suspensions per month for drug possession increase following legalization. Data post-legalization is shown in bold.

	2015	2016	2017	2018	2019
Drug Possession	3.6	1.3	4.4	5.7	7.0
Alcohol/Drug General	2.2	3.0	4.6	4.0	3.0
Drug Paraphernalia	0.6	0.7	0.3	1.0	1.2
Drug Sale	0.8	0.8	1.2	1.2	1.4

Source: SFUSD Student, Family & Community Support Division

Similar to the trend shown in Figure 6.3, suspensions related to drug possession do appear to increase, on average, following legalization in January 2018. This data is limited, however, by the limited sample size: in calendar year 2017 there were 44 suspensions for drug possession, and in calendar year 2018 there were 57 suspensions for drug possession. This is an increase of 13 suspensions across the entire school district of over 50,000 students. Further, without the ability to tie these possession suspensions specifically to cannabis, it is difficult to draw significant conclusions.

Anecdotally, SFUSD reports that the district has seen a significant increase in vaping, although it is often difficult to determine if students are vaping tobacco, cannabis, or both.¹⁰¹ While the district did have a notable scare related to cannabis edibles in February 2018, in which multiple students were sickened by consuming edibles on campus, the district has not experienced anything on the same scale since then. In all, this data should continue to be monitored, particularly if suspensions for possession continue to rise, but it is too early to determine if legalization has had a major impact on drug-related disciplinary actions at this time.

Youth Health Education

In response to cannabis legalization, the San Francisco Department of Public Health (SFDPH) undertook a youth-focused cannabis education campaign called "Truth or Nah". The campaign used a harm reduction approach and focused on providing education surrounding cannabis use and its possible impacts, as opposed to abstinence-focused messaging. The campaign provided empirically-based answers to questions such as "No one gets addicted to weed, right?" and "Are edibles safe than smoking or vaping weed?"

¹⁰⁰ As school years do not run all calendar year, averages were created by dividing the data within the year by the number of months included in that calendar year, which is slightly different for each year depending on the academic calendar: 2015 had five months (August-December); 2016 had nine months (January-May and September-December); 2017 and 2018 had ten months (January-May and August-December); and 2019 had five months (January-May).

¹⁰¹ In September 2019, Governor Newsom signed an Executive Order to combat youth vaping and launch a \$20 million statewide public awareness campaign about the health risks of vaping.

From November 2018 through May 2019, the campaign distributed 2,400 posters and 21,000 postcards to youth-serving clinics and middle/high school SFUSD health education and wellness staff. It also posted approximately 2,000 interior bus cards on Muni that ran for eight weeks. These materials were in English, Chinese, and Spanish. In addition, the campaign hosted a website (TruthorNah.org) that received almost 2,000 users between November 2018 to June 2019. Feedback sessions with youth found generally positive attitudes towards the campaign.

HOSPITAL ADMISSIONS

Cannabis-related emergency department visits have generally been increasing over the last decade, however, this increasing trend pre-dates legalization. According to a report studying drug use in San Francisco, the Sentinel Community Site Report (see Appendix I, San Francisco Sentinel Community Site Report), “emergency department visits involving marijuana have increased steadily since 2006.”¹⁰² This increase also coincides with increasingly permissive attitudes towards cannabis use, which could lead to increased *reporting* of use, rather than an actual increase in use.

Hospital admissions with cannabis diagnoses are tracked and primarily fall under two categories: (1) admissions for cannabis poisoning (which includes overconsumption) and (2) for cannabis use/abuse (which includes dependence).¹⁰³ These categories, however, are not always the primary reason for an individual’s hospital visit. For example, someone could visit the hospital presenting chest pain, and upon examination, also discuss their frequent cannabis use. In this case, the chest pain or its cause would be the primary diagnosis, and cannabis use or abuse would be a non-primary diagnosis. For this analysis, an admission with a cannabis diagnosis code is a “cannabis-indicated” admission, which is not the same as a “cannabis-caused” admission.

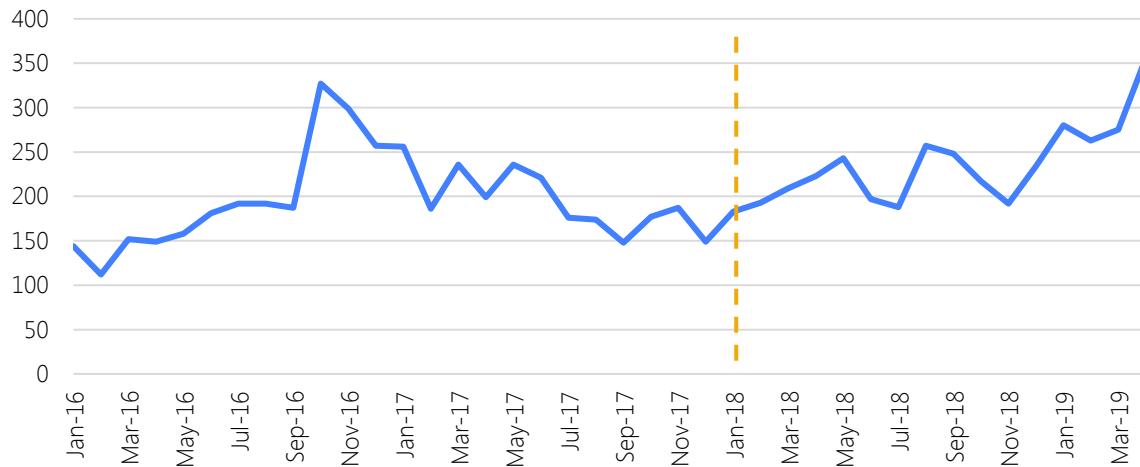
Regarding all cannabis-indicated admissions across primary and non-primary diagnoses to Zuckerberg San Francisco General Hospital & Trauma Center (ZSFG), there does appear to be an increase following legalization in January 2018. Figure 6.5 shows all cannabis-related admissions across all priorities, including poisoning and use/abuse, from January 2016 through April 2019.

¹⁰² “San Francisco Sentinel Community Site Report: Drug Use Patterns and Trends, 2018.” National Drug Early Warning System. <<https://ndews.umd.edu/sites/ndews.umd.edu/files/SCS-Report-2018-San-Francisco-FINAL.pdf>>

¹⁰³ Data related to admissions by age cohort is not available for hospital admissions.

Figure 6.5 Cannabis-Indicated Admissions to ZSFG

Admissions for cannabis-indicated diagnoses increase following legalization.



Source: SFDPH Business Intelligence Unit

Figure 6.5 shows an increase in cannabis-indicated admissions, however, on average, 95% of these admissions have cannabis use/abuse indicated as a non-primary diagnosis, meaning that the individual presented to the hospital with some other primary diagnosis. With the legalization of adult-use cannabis and increased acceptance of its use, individuals may feel more comfortable discussing their personal use when they visit the hospital for some other primary reason, and doctors may be more familiar with recognizing and reporting use. It is difficult to determine how much of this trend could be related to such increased reporting. It is also important to note that admissions with cannabis-indicated are relatively rare compared to the ZSFG total caseload: averaging less than one-third of one percent of total admissions.¹⁰⁴

It is possible to analyze only "cannabis-caused"¹⁰⁵ visits to the hospital. For this analysis, cannabis-caused visits are considered to be:

- Cannabis poisoning in primary or non-primary diagnosis: this indicates that regardless of the primary diagnosis, an acute over-consumption of cannabis was indicated. This would capture individuals who have consumed a lot of cannabis but may be presenting other symptoms.
 - Example: someone who is exhibiting hallucinations or psychosis (primary diagnosis) and over-consumed cannabis (secondary diagnosis).
- Cannabis use/abuse in only primary diagnosis: this indicates that the individual received a primary diagnosis of cannabis use/abuse/dependence. This excludes individuals who presented other primary diagnosis.

¹⁰⁴ Over the period January 2016 to April 2018, admissions with cannabis indicated averaged 211 per month, while total ZSFG admissions averaged 70,626 per month (0.3%).

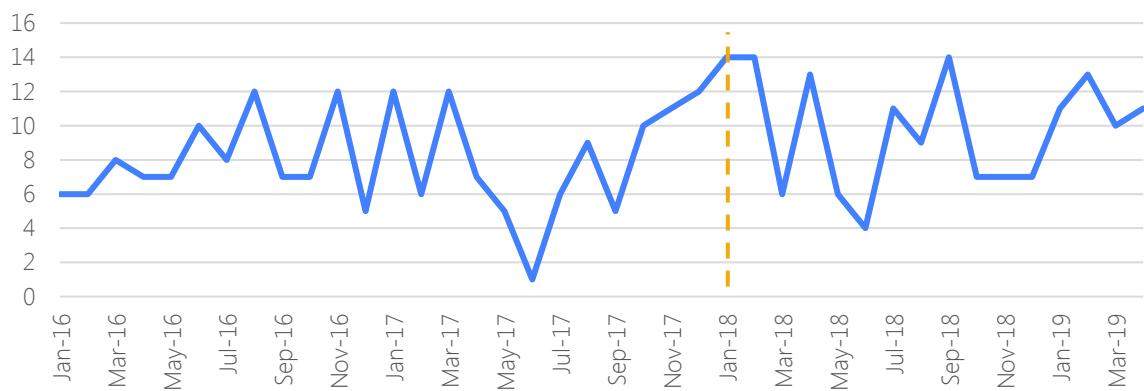
¹⁰⁵ It is not possible from the data to determine the true "cause" of an admission. This term applied here captures visits that are likely related to an individual's exposure to cannabis.

- Example: someone who came to the hospital to seek treatment for cannabis use; does not include individuals who came to the hospital for another reason but also may present cannabis use/abuse.

This analysis for cannabis-caused admissions mimics the analysis used by the San Francisco Sentinel Community Site Report (see Appendix I, San Francisco Sentinel Community Site Report). Figure 6.6 shows data for only cannabis-caused visits to ZSFG.

Figure 6.6 Cannabis-Caused Admissions to ZSFG

There are relatively few cannabis-caused admissions each month—the highest months have 14—and do not show a sustained increase following legalization.



Source: SFDPH Business Intelligence Unit

As shown in Figure 6.6, the number of cannabis-caused admissions each month to ZSFG are highly variable each month. This is related to their rarity—the average number of admissions per month is 9, while ZSFG averages 70,000 admissions each month. There may be a slight upward trend following legalization, as the five highest-admission months all occurred after legalization. Given the relatively low number of instances, however, it is difficult to state the significance of this increase.

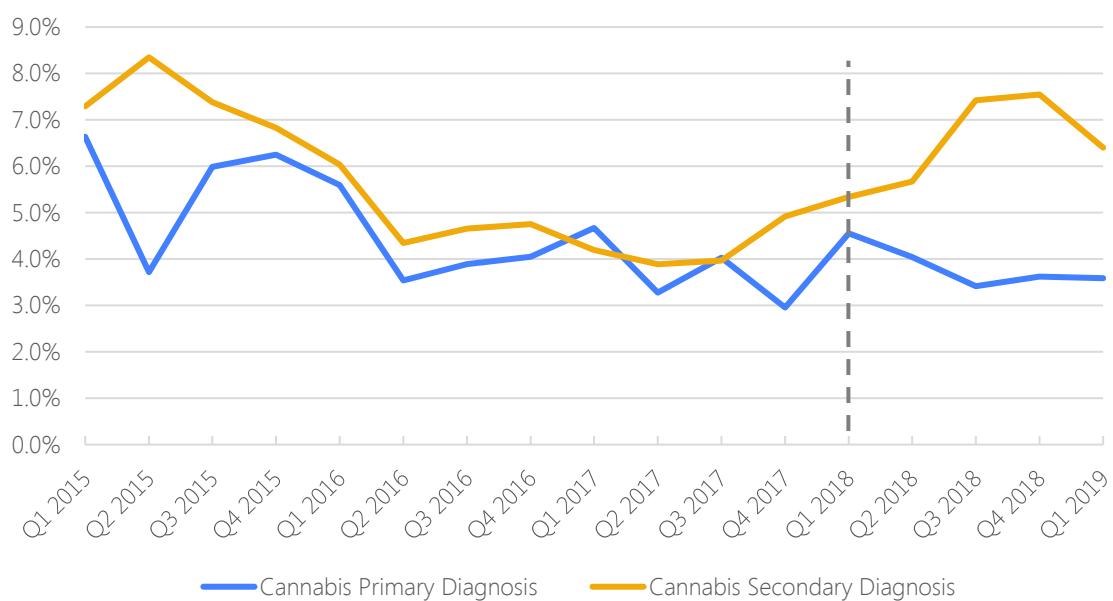
Overall, **there are low numbers of cannabis-caused admissions and admissions that indicate cannabis use, especially when compared to total admissions**. This data should continue to be monitored but does not currently signal a drastic increase in use that would require limiting cannabis business permits in San Francisco.

TREATMENT ADMISSIONS

SFDPH tracks admissions to the city's Behavioral Health substance use treatment programs. Similar to hospital admissions, individuals can be diagnosed with cannabis as primary or non-primary; if it is non-primary, it means that the individual was diagnosed with additional conditions, and cannabis use was not the primary diagnosis. Figure 6.7 shows admissions for substance use treatment from January 2015 through March 2019, by admissions for primary diagnosis and secondary diagnosis.

Figure 6.7 Cannabis Admissions as a Percentage of All Treatment Admissions

Admissions for cannabis as a primary diagnosis have decreased since 2015. Cannabis as a secondary diagnosis may be increasing, but the start of this increase pre-dates legalization.



Source: SFDPH Behavioral Health Services

As shown in Figure 6.7, treatment admissions for cannabis have generally decreased as a percentage of all treatment admissions for primary diagnosis since 2015. There is a slight increase in the percentage of cannabis as a secondary diagnosis, however, it is too early to demonstrate that this increase has been sustained. If it is sustained over the long term, it may indicate that individuals are seeking substance use treatment for drugs other than cannabis, but that cannabis use among this group is increasing.

Treatment data can also be segmented by age categories in order to analyze any possible age-related trends. For this analysis, the data is segmented into three categories of youth: ages 0-12, 13-18, and 18-21. Only primary diagnoses of cannabis use are included, as secondary diagnoses for cannabis are rare among the younger age cohorts.¹⁰⁶ This data is shown in Figure 6.8.

Encouragingly, treatment admissions related to cannabis among youth have consistently decreased each year across all age cohorts, with the notable exception of the Ages 0-12 cohort in 2018. This may be an outlier, as seven out of these ten admissions happened in a single month (March 2018).

Overall, treatment admissions related to cannabis use have been declining over multiple years, and treatment admissions specifically for youth have mostly followed the same declining trend. This data should continue to be monitored but does not currently signal the need for limiting cannabis business permits.

Figure 6.8 Youth Cannabis Treatment Admissions

Youth admissions with a primary diagnosis of cannabis have generally been decreasing.

Year	Ages 0-12	Ages 13-18	Ages 18-21	Total
2015	13	229	48	290
2016	4	130	42	176
2017	1	79	40	120
2018	10	63	19	92

Source: SFDPH Behavioral Health Services

ANECDOTAL TRENDS

As part of the research for this chapter, the Controller's Office interviewed a number of health researchers and doctors about cannabis use and trends in public health. While it is too early to show many of these trends in data, it is important to recognize their anecdotal experience in order to monitor trends in the future.

In particular, concerns were raised regarding the strength of edibles and the possibility for acute overconsumption that causes visits to the hospital. Edibles cause special concern because of their delayed onset and the possibility that users may be unfamiliar with dosing. Anecdotally, ZSFG reports an increase in acute overconsumption episodes among both adults and youth. In adults, the symptoms are usually mild and temporary, although nausea, vomiting, and injuring oneself while intoxicated are concerns. In youth, there is greater concern. Children who accidentally consume cannabis can have serious symptoms, and cannabis may be implicated in more severe impacts including death among very young children.¹⁰⁷

Most interviewees stressed the need for more time to analyze data. Public health-related trends often take years to develop, and much of the research into cannabis is still in its early stages following years of prohibition. In order to conclusively determine the health impacts, additional study is needed across all elements of health indicators.

¹⁰⁶ For ages 0-12, there were zero secondary diagnosis for cannabis between 2014 and 2018. For ages 13-18, there were a total of 74 between 2014 and 2018, but only 7 in 2017 and 5 in 2018.

¹⁰⁷ "Pediatric Death Due to Myocarditis After Exposure to Cannabis." Clinical Practice and Cases in Emergency Medicine, 1/20/17. <https://escholarship.org/uc/item/1n10w5pc#main>

KEY FINDINGS AND RECOMMENDATIONS

Topic	Finding
Youth Use	<p>6.1 Nationally, use of cannabis among high school students has been decreasing since the 1990s, according to the Youth Risk Behavior Surveillance System. (Page 79)</p> <p>6.2 Locally, use of cannabis among high school students has decreased along with national trends since the 1990s. Notably, San Francisco use rates are lower than national averages. (Page 79)</p> <p>6.3 Data on local use following legalization is not yet available. A study in Colorado found no impact on youth use rates following legalization in 2012. (Page 80)</p> <p>6.4 SFUSD suspensions for drug possession do appear to increase following the legalization of cannabis. The overall incidence of suspensions, however, is low, limiting the ability to draw significant conclusions from the data. (Page 80)</p> <p>6.5 The San Francisco Department of Public Health (SFDPH) has distributed 2,400 posters and 21,000 postcards and placed 2,000 interior bus cards educating youth on the potential impacts of cannabis use in its "Truth or Nah" campaign. (Page 82)</p>
Hospital Admissions	<p>6.6 Admissions to Zuckerberg San Francisco General Hospital (ZSFG) with cannabis indicated as a diagnosis increase following legalization, but 95% of these admissions indicate cannabis as a non-primary diagnosis (cannabis may not have been the main reason the individual sought treatment). (Page 83)</p> <p>6.7 "Cannabis-caused" admissions to ZSFG may have slightly increased following legalization, although the trend is very slight, and the number of cases is small (between 1 and 14 each month). (Page 84)</p> <p>6.8 Overall, admissions that indicate cannabis are relatively rare compared to overall admissions to ZSFG, making up less than one-third of one percent. (Page 83)</p> <p>6.9 It is difficult to separate trends related to increasing cannabis use from the impact of increased comfortability discussing and recognizing cannabis use, leading to increased reporting. (Page 84)</p>
Treatment Admissions	<p>6.10 Admissions to the SFDPH Behavioral Health Substance Use Treatment Programs for a primary diagnosis of cannabis have trended downwards since 2015. (Page 85)</p> <p>6.11 Admissions to SFDPH substance use program for a secondary diagnosis of cannabis increased slightly beginning in the end of 2017. (Page 85)</p> <p>6.12 As discussed in Finding 6.9, increased comfortability in reporting cannabis use makes it difficult to conclude that actual cannabis use is increasing among individuals seeking treatment. (Page 85)</p> <p>6.13 Cannabis treatment admissions for youth generally decrease from 2015 to 2018, although there is a notable increase among the 0-12 years age group in 2018 that should be monitored. (Page 86)</p>
Anecdotal Trends	<p>6.14 Anecdotally, health professionals in San Francisco reported concern over increasing episodes of overconsumption of cannabis, particularly of edibles, and particularly among youth who accidentally consume edibles. (Page 86)</p>

Topic	Finding
6.15	Public health impacts can take years to develop, and legalization is in its early stages. It is too early to conclusively determine health impacts related to legalization at this stage. (Page 86)
Recommendation 6.A:	Cannabis-related health indicators are mixed. It is too early to determine any recommendations regarding legalization and its public health impacts at this time.
Recommendation 6.B:	Cannabis-related health indicators should continue to be monitored, as significant and/or long-term changes may warrant further investment into public health education campaigns and/or programs.

Appendices

APPENDIX A: CONTROLLER'S OFFICE RECOMMENDATIONS

ID	Recommendations
REGULATION	
2.A	As there have been no permanent cannabis business permits issued and the current operator pool is primarily businesses that were operating prior to legalization, it would be premature for the Controller's Office to recommend numeric limits to the number of cannabis business permits at this time.
2.B	As there have been no permanent cannabis business permits issued and the current geographic distribution of cannabis operators largely predates legalization (operators were primarily pre-existing), it would be premature for the Controller's Office to recommend geographic limits to the number of cannabis business permits at this time.
2.C	The Board of Supervisors and the Mayor should consider a moratorium on new storefront retail applications. In addition, they should consider methods of reducing the number of current storefront retail applications in queue, such as incentives to change pending storefront retail applications to other business activities. <i>(See also Recommendation 3.A)</i>
2.D	The Board of Supervisors, Mayor, and departments should consider creating a priority permitting lane or expedited processing for equity applicants in departments other than the Office of Cannabis, including but not limited to: Planning, Police, and Building Inspection. <i>(See also Recommendation 3.D)</i>
2.E	The Board of Supervisors and Mayor should consider providing additional benefits to equity applicants to help them through the lengthy permitting process, including capital and technical assistance (e.g., a loan program, permit navigation).
2.F	In order to reach revenue-generation faster, the Office of Cannabis should consider temporary positions to reduce the backlog of equity applicants and expedite application processing.
EQUITY	
3.A	The Board of Supervisors and Mayor should consider methods to reduce the number of storefront retail applications in queue, such as a moratorium on new storefront retail applications and/or incentives to change pending storefront retail applications to other business activities. Incentives offered to equity applicants could also be offered to equity incubators. <i>(See also Recommendation 2.C)</i>
3.B	Numeric or geographic limits to cannabis business permits should apply to new applicants rather than to the existing applicant pipeline.
3.C	The Board of Supervisors, Mayor, and City Attorney's Office should consider methods to fund the Community Reinvestment Fund. Further, they should consider possible legislative or policy modifications that would allow the Fund to be used for capital and technical assistance to equity applicants.
3.D	The Board of Supervisors, Mayor, and departments should consider recommending a priority permitting lane or expedited processing for equity applicants in departments other than the Office of Cannabis, including but not limited to: Planning, Police, and Building Inspection. <i>(See also Recommendation 2.D)</i>
3.E	The Board of Supervisors, Mayor, and City Attorney's Office should consider utilizing the Community Reinvestment Fund to provide capital assistance to equity applicants, including no-interest loan funding or banking options.

ID	Recommendations
3.F	The Board of Supervisors, Mayor, and City Attorney's Office should consider utilizing the Community Reinvestment Fund to fund contractors to provide additional technical assistance to equity applicants.
ECONOMY	
4.A	The existing legal cannabis market will become increasingly competitive with the entry of equity applicants. The illicit cannabis market, by some estimates, is much larger than the legal market. The Board of Supervisors, Mayor, and departments should adopt strategies and investments, where required, to halt the illicit cannabis market.
PUBLIC SAFETY	
5.A	Because cannabis-related crimes are decreasing and represent a small percentage of total crime in San Francisco, the Controller's Office does not recommend limits to the number of cannabis business permits to address public safety concerns at this time.
5.B	Based on the decreasing amount of property and violent crime around legal cannabis locations in 2018, the Controller's Office does not recommend any limits to the number of cannabis operator permits to address public safety concerns at this time.
PUBLIC HEALTH	
6.A	Cannabis-related health indicators are mixed. It is too early to determine any recommendations regarding legalization and its public health impacts at this time.
6.B	Cannabis-related health indicators should continue to be monitored, as significant and/or long-term changes may warrant further investment into public health education campaigns and/or programs.

APPENDIX B: CONTROLLER'S OFFICE MEETINGS AND INTERVIEWS

The following table identifies each meeting the Controller's Office participated in during this project.

Figure B.1 Controller's Office Meetings

ID	Attendees	Organization	Meeting Date	Objective(s)	Meeting Type
1	Nicole Elliot Peg Stevenson Heather Littleton Cody Reneau	SF Office of Cannabis, SF Controller's Office	9/27/2017	• Review project request	Lead Dept Check-In
2	Nicole Elliott Heather Littleton Cody Reneau	SF Office of Cannabis, SF Controller's Office	11/16/2017	• Equity report finalization	Lead Dept Check-In
3	Nicole Elliott Heather Littleton Cody Reneau	SF Office of Cannabis, SF Controller's Office	01/18/2018	• Brainstorming data tracking	Lead Dept Check-In
4	Nicole Elliott Eugene Hillsman Ray Law Heather Littleton Cody Reneau	SF Office of Cannabis, SF Controller's Office	01/25/2018	• Data identification methodology	Lead Dept Check-In
5	Ted Egan Heather Littleton Cody Reneau Jeff Pomrenke	SF Controller's Office	03/07/2018	• Adult-use cannabis legislation implications on economy • Available tax data and information	Data Collection
6	Sari Ladin-Sienne Cat Packer Victoria Rodriguez Heather Littleton Cody Reneau Jeff Pomrenke	City of Los Angeles, SF Controller's Office	03/20/2018	• Los Angeles cannabis social equity program • San Francisco cannabis equity program	Peer City Interview
7	Amabel Akwa-Asare Ryan young Lowell Rice Katherine Daniels Heather Littleton Jeff Pomrenke Cody Reneau	SF Office of Economic Workforce Development, SF Controller's Office	04/05/2018	• First Source Hiring Program and the cannabis legislation	Data Collection
8	Cassandra Costello Elisabeth Wiesenthaler-Toelle Brett Allor Nicole Elliott Eugene Hillsman Ray Law Heather Littleton Cody Reneau Jeff Pomrenke	San Francisco Travel Association, SF Office of Cannabis, SF Controller's Office	04/07/2018	• Cannabis tourism data and methods of collection	Data Collection
9	Greg Minor Heather Littleton Cody Reneau	Oakland City Administrator's Office, SF Controller's Office	04/17/2018	• Oakland cannabis equity program	Peer City Interview

Figure B.1 Controller's Office Meetings

ID	Attendees	Organization	Meeting Date	Objective(s)	Meeting Type
	Jeff Pomrenke			<ul style="list-style-type: none"> • San Francisco cannabis equity program 	
10	Nicole Elliott Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	SF Office of Cannabis, SF Controller's Office	05/10/2018	<ul style="list-style-type: none"> • Project status update • Permitting data review 	Lead Dept Check-In
11	Joe Devlin Heather Littleton Cody Reneau Jeff Pomrenke	Sacramento Cannabis Policy and Enforcement, SF Controller's Office	05/15/2018	<ul style="list-style-type: none"> • Sacramento cannabis program • San Francisco cannabis program 	Peer City Interview
12	Elizabeth Greene Heather Littleton Cody Reneau Jeff Pomrenke	City of Berkeley, SF Controller's Office	05/25/2018	<ul style="list-style-type: none"> • Berkeley cannabis program • San Francisco cannabis program 	Peer City Interview
13	Deputy Chief Michael Redmond Heather Littleton Cody Reneau Jeff Pomrenke	SF Police Dept., SF Controller's Office	05/30/2018	<ul style="list-style-type: none"> • Adult-use cannabis data collection from SFPD 	Data Collection
14	Dan Sider Aaron Starr Heather Littleton Cody Reneau Jeff Pomrenke	SF Planning, SF Controller's Office	06/04/2018	<ul style="list-style-type: none"> • Article 33 planning and location restrictions • Current cannabis business planning and location restrictions • Planning and location restrictions on proxy industries 	Interview
15	Jeannie Balido Tomas Aragon Christine Siador Aragon Mohanned Malhi Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	SF Dept. of Public Health, SF Office of Cannabis, SF Controller's Office	06/06/2018	<ul style="list-style-type: none"> • DPH input on key health and social services measures • Information on type of available DPH data 	Interview
16	Deputy Chief Michael Redmond Captain Joe McFadden Josh Rafael Eugene Hillsman Heather Littleton Cody Reneau Jeff Pomrenke	SF Police Dept., SF Office of Cannabis, SF Controller's Office	06/07/2018	<ul style="list-style-type: none"> • Understanding SFPD crime data and collection methodology 	Data Collection
17	Nicole Elliott Eugene Hillsman Heather Littleton Jeff Pomrenke	SF Office of Cannabis, SF Controller's Office	07/20/2018	<ul style="list-style-type: none"> • Permitting data questions 	Lead Dept Check-In

Figure B.1 Controller's Office Meetings

ID	Attendees	Organization	Meeting Date	Objective(s)	Meeting Type
18	Cody Reneau Deputy Chief Michael Connolly Josh Raphael Jason Cunningham Eugene Hillsman Heather Littleton Cody Reneau Jeff Pomrenke Wane Enanoria Jeannie Balido Eugene Hillsman Heather Littleton Cody Reneau Jeff Pomrenke	SF Police Dept, SF Office of Cannabis, SF Controller's Office	07/31/2018	• Controller's Office request for SFPD data	Data Collection
19	Max Gara Heather Littleton Cody Reneau Jeff Pomrenke Nicole Elliott Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	SF Dept of Public Health, SF Office of Cannabis, SF Controller's Office	08/06/2018	• Data available in ARCHES system	Data Collection
20	Andre Jones Eugene Hillsman Heather Littleton Cody Reneau Jeff Pomrenke	SF Dept of Public Health, SF Controller's Office	09/24/2018	• Understanding Health Impact Assessments	Interview
21	Phillip Coffin Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	SF Office of Cannabis, SF Controller's Office	09/25/2018	• Report timeline • Permitting dashboards	Lead Dept Check-In
22	Lt. Christine Jacobs Ofc. Vu Williams Heather Littleton Jeff Pomrenke Nicole Elliott Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	California Bureau of Cannabis Control, SF Office of Cannabis, SF Controller's Office	10/01/2018	• CA-BCC cannabis data tracking and cannabis programs	Interview
23	Phillip Coffin Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	California Highway Patrol, SF Controller's Office	10/03/2018	• DUI data collection and CHP reporting on cannabis • San Francisco cannabis program	Data Collection
24	Nicole Elliott Eugene Hillsman Nicholas Mills Adam Nguyen HuiRan Shao Heather Littleton Cody Reneau	SF Dept of Public Health, SF Office of Cannabis, SF Controller's Office	10/09/2018	• Overview of CON report and structure • Availability of data from DPH	Interview
25	Maria McKee Cristine DeBerry Jeff Pomrenke	SF Office of Cannabis, SF Digital Services, SF Controller's Office	10/17/2018	• Permitting dashboards • Data tracking prioritization	Lead Dept Check-In
26	Maria McKee Cristine DeBerry Jeff Pomrenke	SF District Attorney's Office, SF Controller's Office	11/07/2018	• Criminal record expungements for	Interview

Figure B.1 Controller's Office Meetings

ID	Attendees	Organization	Meeting Date	Objective(s)	Meeting Type
	Cody Reneau			cannabis-related offenses	
27	Frances Yokata Ann Donlan Jeff Pomrenke	Superior Court of California - San Francisco, SF Controller's Office	11/30/2018	• Obtaining search warrant data	Data Collection
28	Jason Cunningham Josh Raphael Andrew Bley Heather Littleton Cody Reneau Jeff Pomrenke	SF Police Dept, SF Controller's Office	12/06/2018	• Data request	Data Collection
29	Tracey Packer Patricia Erwin Hanna Hjord Ana Validzic Julie Wong Kitty Thornton Jacque McCright Michaela Varisto Eugene Hillsman Heather Littleton Cody Reneau Jeff Pomrenke	SF Dept of Public Health, SF Office of Cannabis, SF Controller's Office	12/12/2018	• DPH strategy on public education	Interview
30	Nicole Elliott Eugene Hillsman HuiRan Shao Heather Littleton Jeff Pomrenke Cody Reneau	SF Office of Cannabis, SF Digital Services, SF Controller's Office	12/13/2018	• Permitting dashboards • Report chapters	Lead Dept Check-In
31	Netia Ingram Molly Duplechian Eric Escudero Christine Wyckoff Heather Littleton Jeff Pomrenke Cody Reneau	City of Denver, Excise and Licenses, SF Controller's Office	12/13/2018	• Denver adult-use cannabis program • San Francisco cannabis program	Peer City Interview
32	Nicole Elliott Eugene Hillsman Heather Littleton Jeff Pomrenke Cody Reneau	SF Office of Cannabis, SF Controller's Office	01/30/2019	• Dashboard status update • Sponsor input on data tracking	Lead Dept Check-In
33	Medical Cannabis Operator Heather Littleton Cody Reneau Jeff Pomrenke	Medical Cannabis Operator, SF Controller's Office	02/07/2019	• Cannabis operator interview session, medical cannabis dispensary	Interview
34	Supply-side Cannabis Operator Heather Littleton Cody Reneau	Supply-side Cannabis Operator, SF Controller's Office	02/19/2019	• Cannabis operator interview session, supply chain	Interview

Figure B.1 Controller's Office Meetings

ID	Attendees	Organization	Meeting Date	Objective(s)	Meeting Type
	Jeff Pomrenke				
35	Eugene Hillsman HuiRan Shao Heather Littleton Jeff Pomrenke Cody Reneau	SF Office of Cannabis, SF Digital Services, SF Controller's Office	02/27/2019	• Retail and consumer dashboards • Data mapping questions	Lead Dept Check-In
36	Equity Applicant Heather Littleton Cody Reneau Jeff Pomrenke	Cannabis Equity Applicant, SF Controller's Office	03/21/2019	• Cannabis operator interview session, equity applicant	Interview
37	Eugene Hillsman HuiRan Shao Rick Johnson Jeff Pomrenke Cody Reneau	SF Office of Cannabis, SF Digital Services, SF Controller's Office	03/27/2019	• Equity program data	Lead Dept Check-In
38	Equity Applicant Heather Littleton Cody Reneau Jeff Pomrenke	Cannabis Equity Applicant, SF Controller's Office	03/29/2019	• Cannabis operator interview session, equity applicant	Interview
39	Christopher Colwell Heather Littleton Jeff Pomrenke Cody Reneau	Dept of Public Health, SF Controller's Office	04/29/2019	• ZSFG and UCSF experience with cannabis legalization • Understanding red flags and potential data CON should consider for report	Interview
40	Marisa Rodriguez Eugene Hillsman HuRan Shao Rick Johnson Jeff Pomrenke Heather Littleton	SF Office of Cannabis, SF Digital Services, SF Controller's Office	05/01/2019	• Internal dashboards • Cannabis operators interviews	Lead Dept Check-In
41	Ted Egan Heather Littleton Cody Reneau Jeff Pomrenke	SF Controller's Office	05/06/2019	• Economic chapter review	Interview
42	Marisa Rodriguez Eugene Hillsman HuiRan Shao Rick Johnson Jeff Pomrenke Cody Reneau Heather Littleton	SF Office of Cannabis, SF Digital Services, SF Controller's Office	05/29/2019	• Internal dashboards • Cannabis operators interviews	Lead Dept Check-In
43	Equity Incubator Heather Littleton Cody Reneau	Cannabis Equity Incubator SF Controller's Office	06/05/2019	• Cannabis operator interview session, equity incubator	Interview
44	Marisa Rodriguez Eugene Hillsman HuiRan Shao	SF Office of Cannabis, SF Digital Services, SF Controller's Office	07/31/2019	• Equity applicant processing	Lead Dept Check-In

Figure B.1 Controller's Office Meetings

ID	Attendees	Organization	Meeting Date	Objective(s)	Meeting Type
	Rick Johnson Cody Reneau Heather Littleton			• Controller's Office report review	
45	Marisa Rodriguez Eugene Hillsman Ray Law Jeremy Schwartz Alexandra Sandoval Emlyn Bottomley Heather Littleton Cody Reneau	SF Office of Cannabis, SF Controller's Office	08/07/2019	• Equity applicant mapping • Controller's Office report review	Lead Dept Check-In
46	Eugene Hillsman Jeremy Schwartz Heather Littleton Cody Reneau	SF Office of Cannabis, SF Controller's Office	08/28/2019	• Controller's Office report review	Lead Dept Check-In
47	Marissa Rodriguez Eugene Hillsman Rick Johnson HuiRan Shao Heather Littleton Cody Reneau	SF Office of Cannabis, SF Digital Services, SF Controller's Office	09/25/2019	• Controller's Office report review • Equity Program	Lead Dept Check-In

APPENDIX C: CALIFORNIA RETAIL LICENSES BY CITY

The following table details the number of retail cannabis licenses for several California cities by multiple factors.

Figure C.1 Full Population and Land Area Table

City	Storefront Retail Licenses	Delivery-Only Retail Licenses	City Population (2017)	Storefront per 100,000 population	Any Retail per 100,000 Population	Land Area (Sq. Mi.)	Storefront per Sq. Mi.	Any Retail per Sq. Mi.
Sacramento	27	54	493,025	5.5	16.4	98	0.3	0.8
Long Beach	24	0	480,173	5.0	5.0	50	0.5	0.5
Oakland	15	142	426,074	3.5	36.8	56	0.3	2.8
San Francisco	30	28	874,228	3.4	6.6	47	0.6	1.2
Los Angeles	79	0	4,041,707	2.0	2.0	469	0.2	0.2
San Jose	16	1	1,046,079	1.5	1.6	177	0.1	0.1
San Diego	17	0	1,406,318	1.2	1.2	325	0.1	0.1

Sources: Number of retail operator licenses – California Bureau of Cannabis Control; Population – League of California Cities < <https://www.cacities.org/Resources-Documents/About-Us/Careers/2017-City-Population-Rank.aspx> >; Land Area – U.S. Census American FactFinder < <https://factfinder.census.gov> >

APPENDIX D: CITYWIDE ADULT-USE CANNABIS REGULATION AND ENFORCEMENT EXPENDITURES

The Controller's Office quantified the city's cost to regulate and enforce adult-use cannabis in calendar year 2018 by collecting full-time equivalent (FTE) hours worked information from 12 city departments that are assisting in the regulation and enforcement of adult-use cannabis. The Controller's office interviewed each department to identify what Department of Human Resources (DHR) job code classification and how many FTEs were involved in the implementation of adult-use cannabis regulation. The Controller's Office calculated the FTE count by the full salary and benefits associated with each job code. Figure D.1 includes the FTE count and total salary cost for each department.

Figure D.1 Citywide FTE Cost by Department

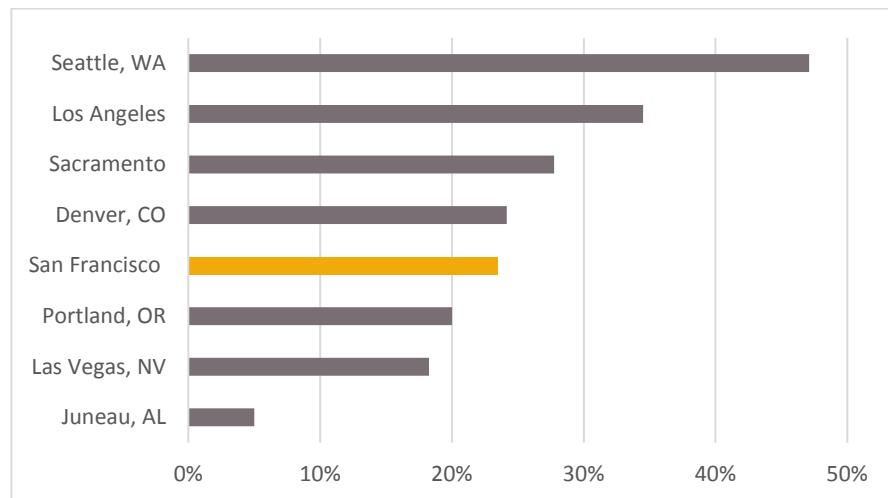
SF Department	FTE Count	Total Salary Amount
Digital Services	3.80	\$632,782
Department of Public Health	3.14	\$492,548
Office of Cannabis	3.00	\$465,761
Planning	1.45	\$216,008
Fire Department	1.00	\$161,319
Controller's Office	0.52	\$72,024
Department of Building Inspection	0.29	\$44,298
Treasurer and Tax Collector	0.1	\$35,435
Police Department	0.1	\$15,621
Office of Economic Workforce and Development	0.1	\$13,217
Mayor's Office on Disability	0.04	\$5,731
Environment	(No response)	(No response)
TOTAL	13.54	\$2,084,740

APPENDIX E: CANABIS TAX RATES

California cannabis operators pay state excise tax and sales tax to the California Department of Tax and Fee Administration (CDTFA).¹⁰⁸ The excise tax is set at 15% and paid by consumers to retailers for all cannabis and cannabis product purchases including medicinal cannabis. Sales tax in San Francisco is 8.5% of every retail transaction. The legalization of adult-use cannabis in San Francisco did not levy any additional cannabis-specific taxes.

Compared to other cities, San Francisco has a relatively moderate overall tax rate on adult-use cannabis sales as shown in Figures D.1 and D.2.

Figure E.1 Cannabis Taxes Comparison by City



Seattle, Washington has the highest overall tax rate on cannabis with a 10.1% general sales tax combined with a state excise tax of 37%. Juneau, Alaska has one of the lowest overall tax rates on cannabis; there is no state sales tax, only a local sales tax at 5%. However, there is a \$50 per ounce charge on cannabis growers which could eventually be passed down to the purchasers as a price increase.¹⁰⁹

¹⁰⁸ "Tax Guide for Cannabis Businesses" CDTFA <https://www.cdtfa.ca.gov/industry/cannabis.htm#Retailers>

¹⁰⁹ "Marijuana Tax" FAQ Alaska Dept of Revenue <http://tax.alaska.gov/programs/programs/help/faq.aspx?60000>

Figure E.2 Taxes on Cannabis

Adult-use cannabis taxes vary by US city.

	Seattle, WA ¹¹⁰	Los Angeles ¹¹¹	Sacramento ¹¹²	Denver, CO ¹¹³	San Francisco ¹¹⁴	Portland, OR ¹¹⁵	Las Vegas, NV ¹¹⁶	Juneau, AL
Sales Tax	10.1%	9.5%	8.75%	3.65%	8.5%	0%	8.25%	5%
Additional cannabis sales tax				5.5%		3%		
Cannabis- specific tax on gross receipts		10%	4%					
State Cannabis Tax	37%	15%	15%	15%	15%¹¹⁷	17%	10%	
Total Percentage	47.1%	34.5%	27.75%	24.15%	23.5%	20%	18.25%	5%

¹¹⁰ "Taxes due on Marijuana" Dept of Revenue Washington State. <https://dor.wa.gov/find-taxes-rates/taxes-due-marijuana>

¹¹¹ "Cannabis Tax Rate Table" Los Angeles Office of Finance. <https://finance.lacity.org/files/cannabis-tax-rate-tablepng>

¹¹² "Cannabis Business Operation Tax" City of Sacramento. <https://www.cityofsacramento.org/Finance/Revenue/Business-Operation-Tax/Cannabis-Business-Tax>

¹¹³ "Annual Report 2018" Denver, Colorado.

https://www.denvergov.org/content/dam/denvergov/Portals/782/documents/Annual_Report_2018.pdf

¹¹⁴ "Tax Guide for Cannabis Businesses." CDTFA. <https://www.cdtfa.ca.gov/industry/cannabis.htm#Retailers>

¹¹⁵ "Portland Marijuana Tax" Revenue Division, City of Portland, Oregon. <https://www.portlandoregon.gov/revenue/article/620894>

¹¹⁶ <http://marijuana.nv.gov/Businesses/Taxes/>

¹¹⁷ Effective January 1, 2018, a 15% excise tax is imposed upon retail purchasers of all cannabis and cannabis products including medicinal cannabis in California. The tax is administered by the California Department of Tax and Fee Administration.

APPENDIX F: SAN FRANCISCO MARIJUANA PRICING

The following table shows the average prices for cannabis in San Francisco between 2017 and 2019 provided by www.marijuanarates.com, an industry trade organization. A few months of data are missing due to the organization's data errors.

Average prices for Cannabis in San Francisco based by weight (Jan 2017 – May 2019).					
Date	Gram	Eighth	Quarter	Half	Ounce
Jan - 17	\$10.70	N/A	N/A	N/A	N/A
Feb - 17	N/A	N/A	N/A	N/A	N/A
Mar - 17	N/A	N/A	N/A	N/A	N/A
April - 17	\$14.00	\$40.46	\$79.27	\$147.38	\$245.89
May - 17	\$15.40	\$43.47	\$82.71	\$137.08	\$255.80
Jun - 17	N/A	N/A	N/A	N/A	N/A
Jul - 17	\$14.94	\$43.00	\$80.42	\$142.54	\$268.07
Aug - 17	\$15.38	\$43.85	\$82.84	\$156.56	\$277.53
Sept - 17	\$15.16	\$43.43	\$81.63	\$149.55	\$272.80
Oct - 17	\$18.72	\$43.82	\$83.22	\$152.95	\$279.59
Nov - 17	\$19.17	\$44.67	\$84.05	\$154.50	\$290.43
Dec - 17	\$19.17	\$44.88	\$84.16	\$154.36	\$281.15
Jan - 18	\$14.11	\$43.89	\$80.53	\$155.45	\$294.36
Feb - 18	\$17.00	\$47.14	\$84.42	\$156.85	\$262.14
Mar - 18	\$17.71	\$47.14	\$84.42	\$161.00	\$304.85
Apr - 18	\$17.85	\$47.14	\$84.42	\$163.71	\$315.71
May - 18	\$17.00	\$47.14	\$84.42	\$161.33	\$305.20
Jun - 18	\$17.71	\$45.85	\$84.14	\$165.14	\$304.14
Jul - 18	\$16.85	\$45.00	\$84.42	\$159.71	\$291.28
Aug - 18	\$14.96	\$44.03	\$76.60	\$144.00	\$272.04
Sept - 18	\$16.70	\$46.81	\$83.22	\$165.75	\$309.67
Oct - 18	\$18	\$45.38	\$82.67	\$163.29	\$301.00
Nov - 18	\$16.91	\$44.95	\$83.00	\$164.29	\$301.50
Dec - 18	N/A	N/A	N/A	N/A	N/A
Jan - 19	N/A	N/A	N/A	N/A	N/A
Feb - 19	\$17.43	\$44.33	\$82.00	\$161.89	\$325.40
Mar - 19	\$17.76	\$43.67	\$78.36	\$153.30	\$316.00
Apr - 19	\$17.55	\$44.55	\$83.00	\$164.29	\$272.00
May - 19	\$19.87	\$45.50	\$86.63	\$155.90	\$310.76
Average - ALL	\$17.14	\$45.06	\$82.79	\$157.44	\$293.12

Methodology: Marijuanarate.com surveyed dispensaries in San Francisco to get a combined average cost for medical and recreational flower; it averaged the combined cost of medical and recreational flower at each dispensary, and then averaged the cost of each weight of flower across all dispensaries to get an overall average for the area. Both medical and recreational and all marijuana types (Sativa, Indica, Hybrid) are combined in these averages.

APPENDIX G: SFPD DATA ANALYSIS METHODOLOGY

The Controller's Office worked with the San Francisco Police Department (SFPD) through a memorandum of understanding to collect and store police incident summary data from the SFPD Crime Data Warehouse to understand any changes in crime trends and general impacts on public safety before and after the legalization of adult-use cannabis (January 2018) in San Francisco. The data collected was between 2013 to 2018.

There are two categories of police incident information obtained for this report: cannabis incidents and SFPD incidents within 600 feet of a known cannabis operator. Cannabis incidents include any incident report that includes cannabis-related crimes or incodes. The type of crime in an incident report is called the incode type, and the following incode types were used for this analysis of cannabis-related crimes:

- Marijuana offense (16010)
- Marijuana – possession for sale (16030)
- Marijuana – sales (16040)
- Marijuana – transporting (16060)
- Marijuana – cultivating/planting (16020)
- Marijuana – furnishing (16050)
- Marijuana – encouraging minor to use (16070)

The marijuana offense (16010) incode type is typically used by the SFPD when an officer is responding to a complaint of a non-specific marijuana offense. The SFPD may include additional incident incodes to describe the report such as marijuana sales or transporting to indicate the specific crime.

The second category of crime in this report is SFPD incidents within 600-feet of a known cannabis operators. This dataset was extracted by the SFPD's Business Intelligence Unit who developed a 600-foot radius search for all possible crime types around known legal cannabis retail operators' addresses. A 600-foot radius was used because it aligns with zoning requirements that prevent cannabis retailers from locating within 600 feet of a school or another cannabis dispensary. The SFPD mapped all crime within the 600-foot radiiuses to federal UCR reporting categories of Part 1 property or violent crimes. The Controller's Office used this mapping to determine the amount of property and violent crime near cannabis locations.

The Controller's Office also obtained police data for all non-cannabis crime types through the [City's DataSF Open Data](#) online resource. All SFPD information obtained for this report through Open Data originated from the SFPD Crime Data Warehouse. The SFPD adds a disclaimer stating that they, "do not guarantee the accuracy, completeness, timeliness, or correct sequencing of the information as the data is subject to change as modifications and updates are completed. This publicly available data was used in the *San Francisco Cannabis Crimes* section of Chapter 5, Public Safety and illustrated in Figure 5.2 Cannabis-Related Crime Compared to All Crime by Police District. The following Open Data datasets were used in the report:

- Police Department Incident Reports: Historical 2003 to May 2018
- Police Department Incident Reports: 2018 to Present

The Controller's Office also leveraged SFPD citywide crime data available from the [Controller's Office Performance Scorecard website](#). This data includes specific property and violent crime types reported from the SFPD to the federal Uniform Crime Reporting (UCR) program and was analyzed to understand property and violent crime trends through the entire city and to compare those data and trends with crimes within 600 feet of cannabis operators.

The Controller's Office analyzed the 2017 to 2018 percent change in UCR crime types by calculating the monthly average property or violent crime count for a given year and comparing that to the monthly average for the following year. When comparing the percent change within 2018, the Controller's Office analyzed the percent change between the monthly average of property or violent crime counts for the first six months compared to the last six months of 2018.

Data Limitations

Infractions (e.g., most citations), misdemeanors, and felonies are the three types of crime categories or levels used in SFPD incident reports. Only misdemeanors and felonies are included in this review as citation data was not readily available from the SFPD. At the time of the development of this report, historical citation data was only available on paper records and would have required a manual review by incode. The SFPD's current electronic database for citations, eCitations, went partially online in 2018 without previous years' data.

Warrants for cannabis-related crimes were also not included. Warrants are either active, meaning law enforcement is currently seeking a person for arrest, or the warrant is closed, and the active investigation is over. Active warrants were not available given the need to keep this information confidential. Closed warrants are obtainable either through the Criminal Records Division at the Superior Court of California or from the acting law enforcement agency who requested the warrant. The Superior Court of California retains warrant data in paper format with limited searchable methods for research. The Controller's Office also reached out to the US Department of Justice, Drug Enforcement Administration, and the Federal Bureau of Investigations; these agencies denied the Controller's Office Freedom of Information Act request or never responded.

The SFPD is unable to release individual or identifiable juvenile data due to California Assembly Bill 2952 without access granted by the courts. However, the SFPD provided summary annual statistics of juvenile arrest data.

The Controller's Office aimed to study crime data similar to often cited peer-reviewed articles regarding a decrease in crime or no increase at all following the opening of a legal cannabis business in the surrounding area. Due to limitations in the availability of accurate cannabis storefront retail opening dates, the Controller's Office studied crime trend changes pre and post adult-use cannabis legalization on January 5, 2018 as opposed to when the retail storefront began operating. The January 5, 2018 date nonetheless allows the Controller's Office to understand if there were any notable public safety impacts as a result of adult-use legalization. The majority of retail storefronts, MCDs, were existing prior to the adult-use legalization.

APPENDIX H: SFUSD DRUG-RELATED SUSPENSIONS

Drug-related suspensions are coded into specific violations, as shown in the first column, below. There are no violations specific to cannabis use, but rather include all types of drugs and intoxicants. These violations have been categorized as shown in the second column; these categories are what are displayed in the graphs in Chapter 6, Public Health.

Figure H.1 SFUSD Drug Related Suspension Table

SFUSD Violation	Violation Category	2015	2016	2017	2018	2019	Grand Total
0 - Drug/Alcohol	Alcohol/Drug General	0	0	0	1	0	1
15 - Drug - Sale	Drug Sale	4	7	12	12	7	42
39 - Alcohol, Intoxicants - Offer, arrange, negotiate sale	Alcohol/Drug General	6	1	2	0	3	12
42 - Drug Paraphernalia - Offer, arrange, negotiate sale	Drug Paraphernalia	3	6	3	10	6	28
45 - Alcohol, Intoxicants - Use, sale, furnish	Alcohol/Drug General	5	26	44	39	12	126
96 - Drug - Possession	Drug Possession	1	0	0	1	0	2
99 - Drug - Possession	Drug Possession	17	12	44	56	35	164
Grand Total		36	52	105	119	63	375

APPENDIX I: SAN FRANCISCO SENTINEL COMMUNITY SITE REPORT

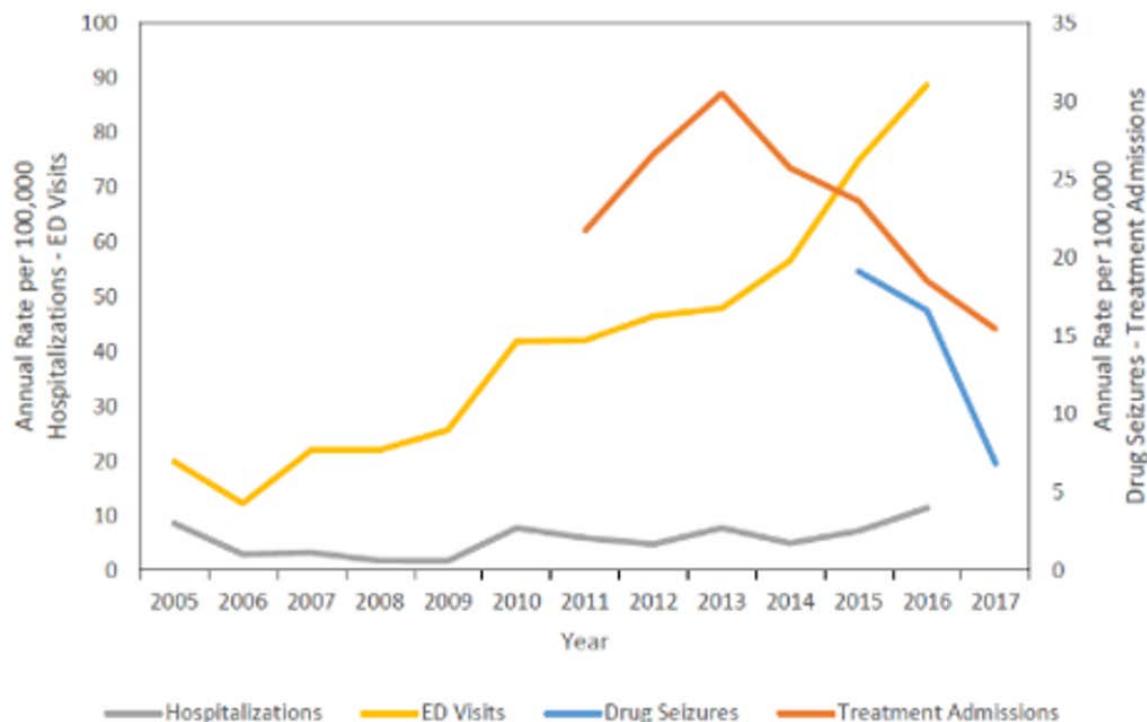
The National Drug Early Warning System (NDEWS) is designed to monitor drug use trends nationally. It is funded by the National Institute on Drug Abuse (NIDA) at the Center for Substance Abuse Research (CESAR) at the University of Maryland, College Park. San Francisco is one of twelve “sentinel community sites” that release an annual report on drug use trends and patterns. Reproduced below is the section of the San Francisco Sentinel Community Site Report related to cannabis use.

Marijuana

Key Findings

Local indicators for Marijuana use and related morbidity and mortality in CCSF are mixed (Figure 9). SUD treatment admissions for marijuana have declined since 2013, and drug seizures have declined since at least 2015. However, emergency department visits involving marijuana have increased steadily since 2006.

Figure 9: San Francisco Cannabis Indicators, 2005 – 2017



SOURCES: See the Sources section for details. Emergency department visits and hospitalization include primary or nonprimary ICD 9 codes: E854.1 (poisoning), 969.6 (poisoning) and ICD 10 code: T40.7 (poisoning); primary only ICD 9 codes: 304.3 (dependence), 305.2 (abuse) and ICD 10 codes: F12 (dependence/abuse/use).

Additional Findings

In 2016, California voters passed Proposition 64, which legalized the sale and distribution of cannabis products beginning in 2018. Tracking cannabis-related health and safety indicators since legalization is a priority for CCSF.

NDEWS, (2018). *San Francisco SCS Drug Use Patterns and Trends*

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: FY19 Annual Report from the Board of Appeals
Date: Monday, December 9, 2019 3:21:00 PM
Attachments: [BOARD OF APPEALS Annual Report FY19 \(Final\).pdf](#)

From: Rosenberg, Julie (BOA) <julie.rosenberg@sfgov.org>
Sent: Monday, December 9, 2019 3:18 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Breed, Mayor London (MYR) <mayorlondonbreed@sfgov.org>
Cc: Karunaratne, Kanishka (MYR) <kanishka.cheng@sfgov.org>; Mchugh, Eileen (BOS) <eileen.e.mchugh@sfgov.org>
Subject: FY19 Annual Report from the Board of Appeals

Good Afternoon:

Pursuant to San Francisco Charter Section 4.103, I am transmitting the Board of Appeals' FY19 Annual Report to your office.

I understand (from my submission last year) that the Board of Supervisors would also like a hard-copy delivered to its office. A hard copy will be delivered this week.

Thank you,

Julie

Julie Rosenberg
Executive Director
San Francisco Board of Appeals
1650 Mission Street, Suite 304
Phone: 415-575-6881
Email: julie.rosenberg@sfgov.org



San Francisco BOARD OF APPEALS

ANNUAL REPORT FY19



MISSION

To provide an efficient, fair and expeditious public hearing and decision-making process before an impartial panel.

- Created in 1932 under the San Francisco Charter
- Quasi-judicial body
- Provides the final administrative review for a wide range of City determinations
- Appeals may be taken on decisions to grant, deny, suspend, revoke or modify permits, licenses, and other use entitlements issued by most of the departments, Commissions and other entities of the City and County of San Francisco



BOARD MEETINGS



- Open to the public and broadcast on the City's government television channel and website¹
- Held on most Wednesdays starting at 5:00 p.m. in City Hall
- Conducted in accordance with the Rules of the Board of Appeals
- Closed-captioned in the hearing room and on TV

Meeting agendas, minutes, and appellants' and respondents' briefs and other materials associated with the cases heard are posted on the Board's website.²

¹SFGovTV: http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=6

²www.sfgov.org/boa

BOARD MEMBERSHIP

The five-member Board is comprised of three members appointed by the Mayor and two by the President of the Board of Supervisors. All appointments are to staggered, four-year terms and require approval by the Board of Supervisors.

<i>Commissioner</i>	<i>Appointing Authority</i>	<i>Appointment Date</i>	<i>Term Expires</i>
<i>President Frank Fung³</i>	Mayor	October 19, 2004	July 1, 2020
<i>Vice President Rick Swig</i>	Board of Supervisors	April 2, 2015	July 1, 2020
<i>Ann Lazarus</i>	Mayor	July 25, 2012	July 1, 2022
<i>Darryl Honda</i>	Mayor	December 4, 2012	July 1, 2020
<i>Rachael Tanner</i>	Board of Supervisors	October 30, 2018	July 1, 2022



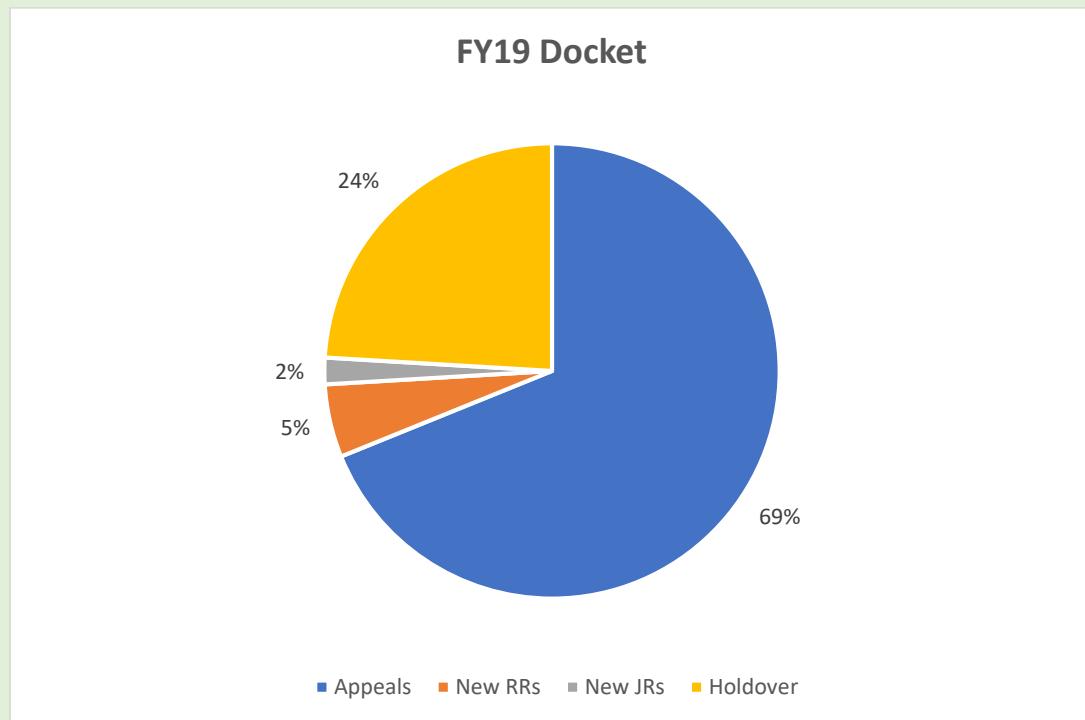
(L to R) President Frank Fung, Commissioner Ann Lazarus, Vice President Rick Swig, Commissioner Rachael Tanner and Commissioner Darryl Honda.

³ President Fung resigned on May 1, 2019 as he was appointed by Mayor Breed to the Planning Commission. Commissioner Swig became Acting President for the remainder of FY19. Mayor Breed appointed Commissioner Eduardo Santacana on July 31, 2019 to complete Frank Fung's term. President Fung also served on the Board of Appeals from January 1986 to June 1988.

APPEAL EXPERIENCE

212 matters were on the Board's docket during the year:

- 161 new matters filed
 - 146 appeals
 - 11 rehearing requests (RRs)
 - 4 jurisdiction requests (JRs)
- 51 pending or continued matters carried forward from prior years (48 appeals, 1 RR and 2 JRs)

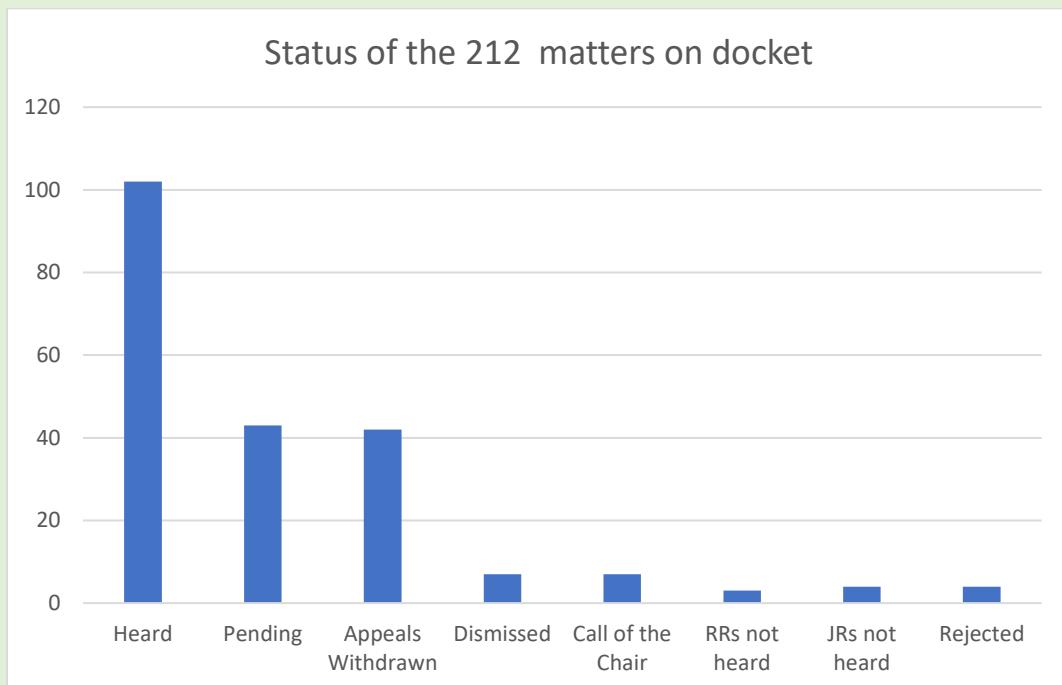


102 matters were decided by the Board:

- 91 appeals
- 9 rehearing requests
- 2 jurisdiction requests

110 matters were not heard:

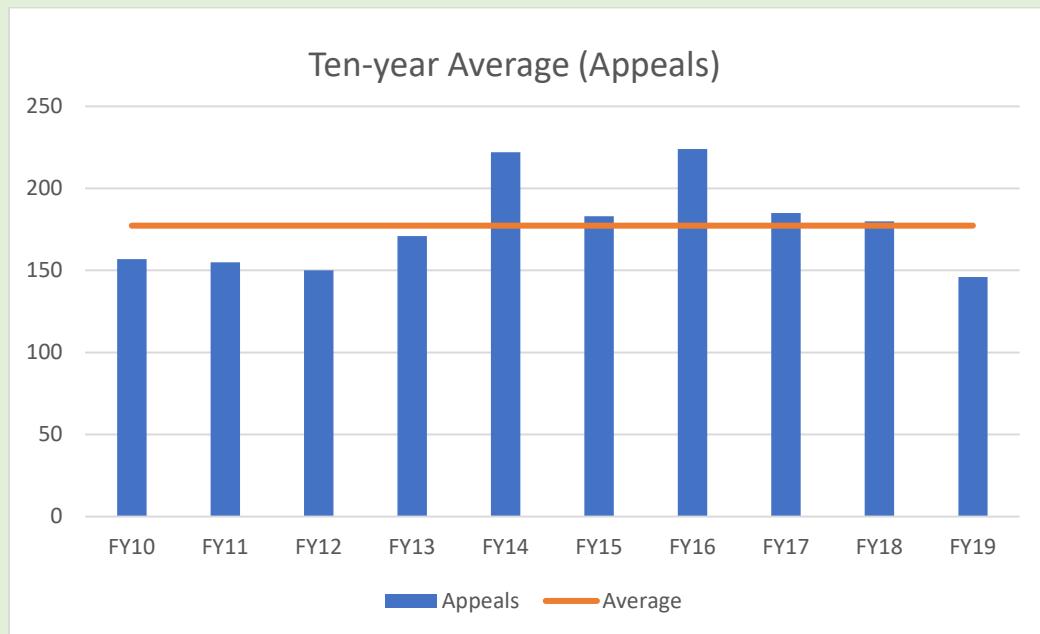
- 43 pending appeals
- 42 appeals withdrawn
- 7 appeals remained or were placed on Call of the Chair
- 7 appeals were dismissed (the appeal was moot because a permit was canceled or suspension released)
- 3 RRs (2 withdrawn and 1 heard in FY20)
- 4 JRs not heard (3 withdrawn and 1 heard in FY20)
- 4 appeals rejected



Appeal Volume

146 new appeals

Below the ten-year average of 177 appeals per fiscal year



10-year average = 177 appeals

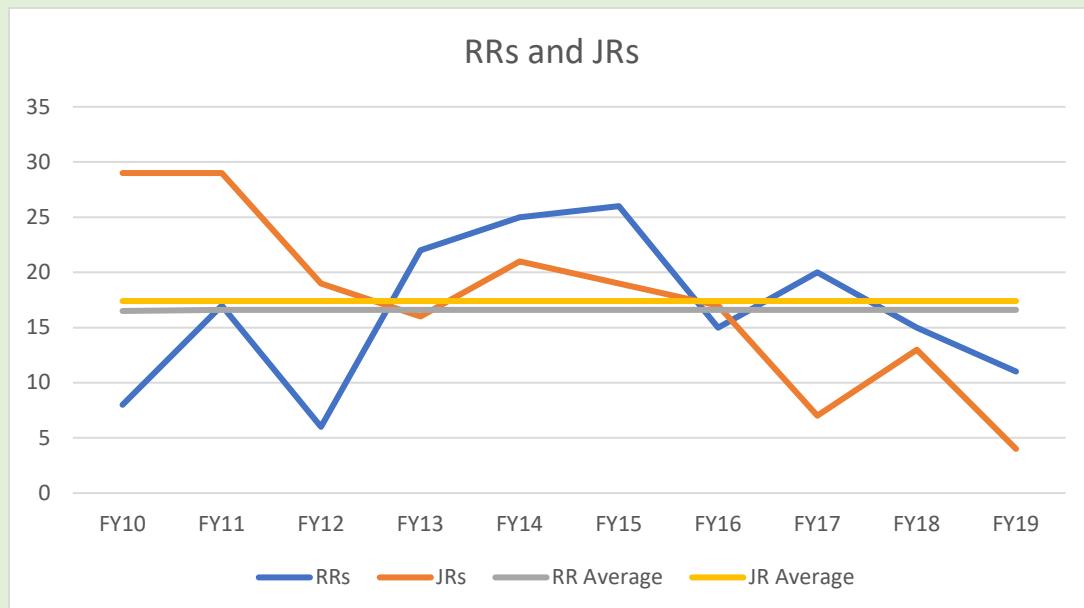
Changes in appeal volume from year to year can be attributed to a variety of causes, such as fluctuations in the health of the City's economy, new permitting legislation or business trends that trigger a spike or drop in a particular type of appeal, and specific enforcement efforts by the City that result in appealable penalties.

Rehearing & Jurisdiction Requests Volume

Rehearing Requests (RRs) ask the Board for a new hearing to reconsider a hearing decision. The Board may grant a Rehearing Request only upon a showing that there is new evidence that could have affected the outcome of the original hearing or to prevent manifest injustice.

Jurisdiction Requests (JRs) ask the Board to allow an appeal to be filed late on the basis that the City intentionally or inadvertently caused the requestor to be late in filing an appeal.

11 new Rehearing Requests **4** new Jurisdiction Requests



The volume of rehearing requests and jurisdiction requests has remained relatively low each year.

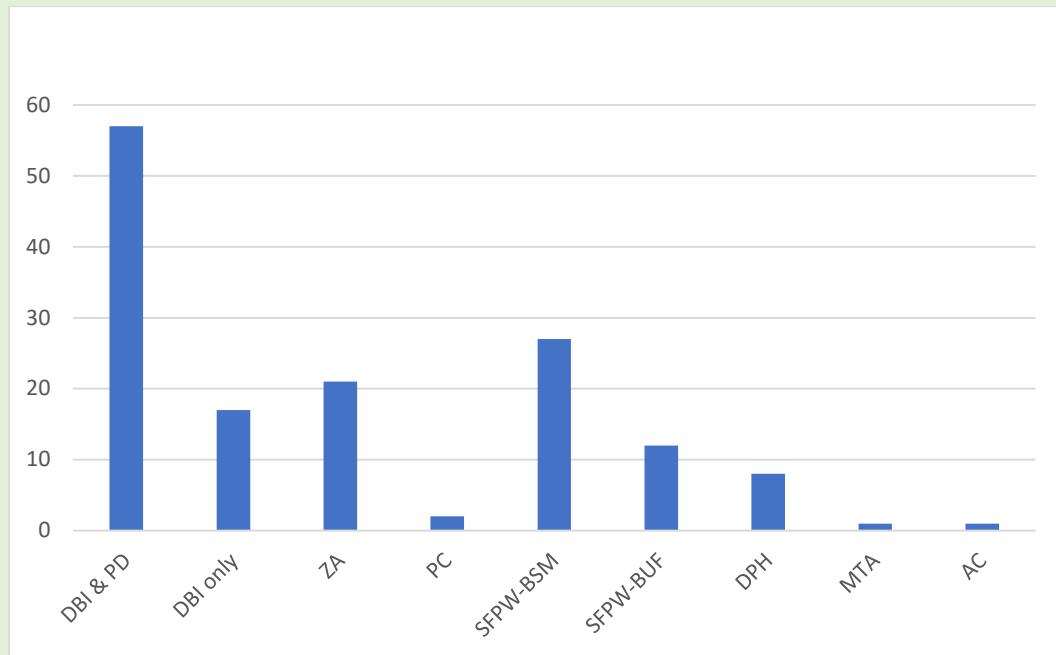
- The ten-year average for rehearing requests: **17**
- The ten-year average for jurisdiction requests: **17**

Subject Matter

66% of appeals filed were of land-use decisions made by the Department of Building Inspection (DBI), the Planning Department (PD) the Planning Commission (PC) and Zoning Administrator (ZA).

Other permit appeals came from:

- San Francisco Public Works (SFPW): 33%
- Department of Public Health (DPH): 1%
- Arts Commission (AC): <1%
- Municipal Transportation Agency (MTA): <1%





Typical land use cases involve:

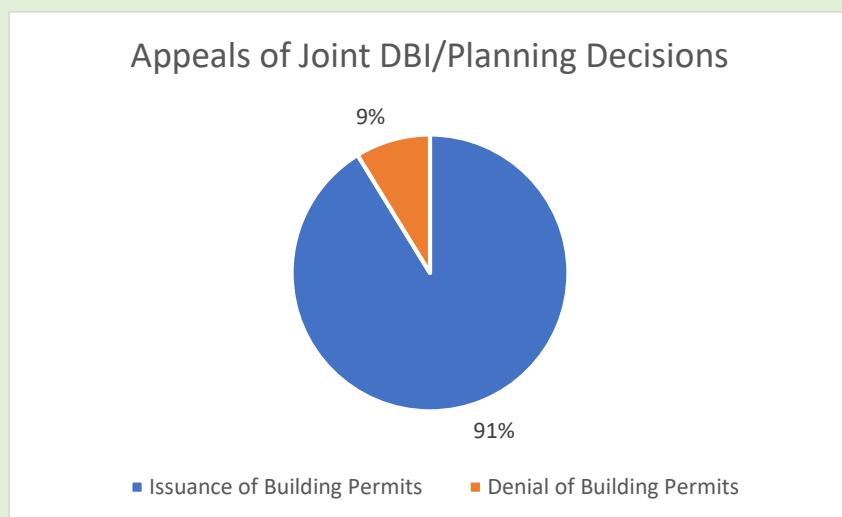
- Building Permits (site and alteration permits)
- Accessory Dwelling Units
- Zoning Administrator Decisions:
 - Variances
 - Letters of Determination regarding permitted uses
 - Notices of Violations and Penalties
- Planning Commission Actions



San Francisco
Planning

57 appeals filed were of decisions made jointly by DBI and the Planning Department:

- 52 appeals protested the issuance of building permits; these appeals are typically filed by individuals or groups of neighbors concerned that proposed construction will negatively impact their property or neighborhood
- 5 appeals protested the denial of building permits

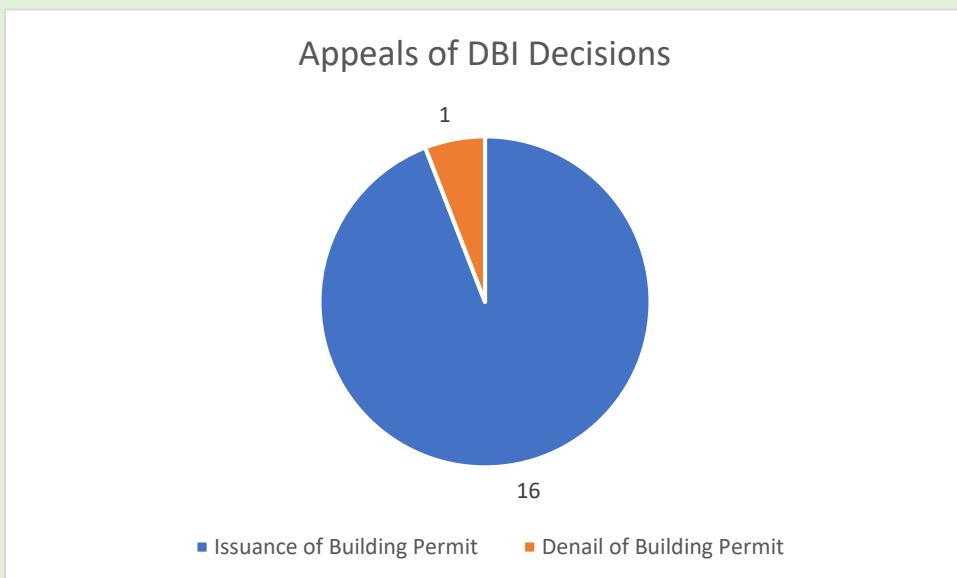


Joseph Duffy, Senior Building Inspector, DBI



17 appeals filed were of decisions made **solely** by DBI:

- 16 appeals protested the issuance of alteration permits
- 1 appeal protested the denial of an alteration permit



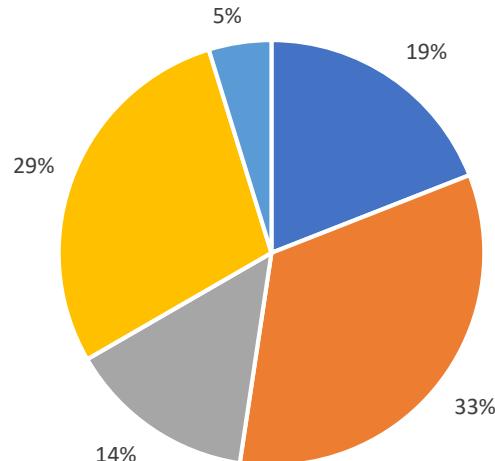
21 appeals filed were of Zoning Adminstrator decisions:

- 7 appeals protested Letters of Determination
- 6 appeals protested the ZA's Requests to Suspend or Revoke building permits
- 4 appeals protested the issuance of Variance decisions
- 3 appeals protested Notices of Violation and Penalty
- 1 protested the ZA's issuance of a Rear Yard Modification

Scott Sanchez, Acting Deputy Zoning Administrator, San Francisco Planning Department



Appeal of ZA Decisions



- Variances
- Letters of Determination
- Notice of Violation and Penalty
- ZA Suspension/Revocation Requests (building permits)
- Rear Yard Modification



SAN FRANCISCO PLANNING DEPARTMENT

BOARD OF APPEALS

MAY 14 2019

APPEAL # 19-053

Letter of Determination

May 2, 2019

Lilia Scott

San Francisco, CA 94112

Record Number: 2019-001789ZAD
 Site Address: 2 Foerster Street
 Assessor's Block/Lot: 3157/026
 Zoning District: RH-1 (Residential-House, One-Family)
 Staff Contact: Gabriela Pantoja, (415) 575 - 8741 or Gabriela.Pantoja@sfgov.org

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

2 appeals were of Planning Commission decisions:

- o Section 329 Large Project Authorizations

(0) APPEAL NO. 19-003

MARY CLAIRE SALMINGO AMABLE, Appellant(s) vs. PLANNING COMMISSION, Respondent	1052-1060 Folsom Street & 190-194 Russ Street. Protesting the ISSUANCE on December 20, 2018, to Golden Properties LLC, of a Planning Code Section 329 Large Project Authorization (to allow exceptions to the rear yard requirement under Planning Code Section 134 and the dwelling unit exposure requirement under Planning Code Section 140, for the project involving the demolition of five existing buildings containing 10,349 square feet of commercial use and 4,656 square feet of residential use, the merger of three lots, and the new construction of a seven-story, 64-feet and 6-inch tall, approximately 58,719 square feet mixed-use building containing 2,832 square feet of ground floor commercial retail use and 55,887 square feet of residential use for 63 dwelling units, 6,991 square feet of private and common open space, and a 3,572 square feet ground floor garage with access from a new driveway on Russ Street for 16 off-street automobile parking spaces and 63 Class 1 bicycle parking spaces). CASE NO. 2016-004905ENX FOR HEARING TODAY.
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(9) APPEAL NO. 18-119

OUR MISSION NO EVICTION Appellant(s) vs. PLANNING COMMISSION, Respondent	2750 19 th Street. Protesting the ISSUANCE on August 23, 2018, to <u>Willin</u> Properties LLC, of a Planning Code Section 329, Large Project Authorization (to allow construction of new six-story, 68-foot tall residential building with 60 dwelling units, approx. 10,000 sq. ft. of ground floor Production, Distribution and Repair (PDR) space, and 24 off-street parking spaces; requires exceptions to the Planning Code for Rear Yard size requirements set forth in Section 134 and Dwelling Unit Exposure requirements in Section 140). CASE NO. 2014-001400ENX. MOTION NO. 20264 FOR HEARING TODAY.
--	--

Special Note Regarding Improved Notice to Tenants Regarding
Proposed Accessory Dwelling Units (ADUs)

In FY19, the Board heard testimony from residential tenants who stated that they never received notice of proposed conversions of building spaces into ADUs. These tenants were either directly (through the removal or reduction of housing services such as a garage, laundry, or storage space) or indirectly (by the nature of construction work) adversely affected. Consequently, on May 8, 2019, the Board of Appeals adopted a Resolution encouraging the establishment of notice requirements to all tenants of a residential building when permits are issued to add ADUs.

Subsequent to the adoption of this Resolution, the Board of Supervisors passed Ordinance No. 116-19 which amended the City's implementation of the state ADU program in order to bring it into compliance with recent changes in state law. The state ADU program applies to ADUs within single-family homes or in accessory buildings on the same lot as the single-family home. The ordinance added notice requirements for this type of ADU, including posting at the property, written notice to tenants of the home, and online posting.

There is a separate ordinance still pending at the Board of Supervisors that may add notice requirements for the addition of ADUs in multi-unit buildings.



Typical Cases from San Francisco Public Works (SFPW)

SFPW Bureau of Street Use and Mapping:

Wireless Facility Permits



Mobile Facility Permits

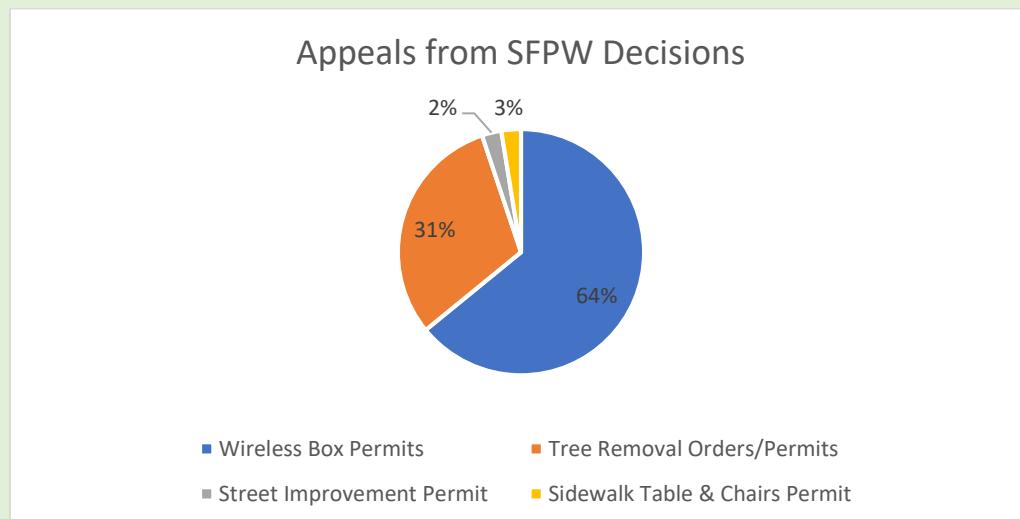


Food

SFPW Bureau of Urban Forestry: Tree Removal Permits

39 appeals filed were of decisions made by San Francisco Public Works:

- 25 appeals protested the issuance of Wireless Box Permits for the installation of cellphone equipment in the public right-of-way
- 12 appeals protested the issuance or denial of orders or permits related to tree removal
- 1 appeal protested the issuance of a Street Improvement Permit
- 1 appeal protested a Sidewalk Table and Chairs Permit
- No new appeals of Mobile Food Truck Permits in FY19



Chris Buck, Urban Forester, SFPW-BUF



Developments Related to Wireless Facility Permits

New Legislation Regarding Wireless Facility Permits

- Article 25 of the San Francisco Public Works Code sets forth the local regulations governing wireless facility permits.
- On June 30, 2019, in Ordinance No. 19-019, the Board of Supervisors amended Article 25 and made significant changes (effective September 9, 2019):
 - Carriers are no longer required to get a permit from Public Works to install wireless facilities on SFPUC and SFMTA poles. The use of these poles will be through a license which is not appealable to the Board of Appeals.
 - Public Works will only issue permits for facilities on PG&E poles. Appeals of these permits must be made directly to the Board of Appeals as Public Works is no longer required to hold a public hearing for these wireless permits.
- Public works, the Planning Department and the Recreation and Parks Department must work together to develop objective standards that satisfy Article 25's aesthetic criteria.
- It is not yet clear how these legislative changes will affect the volume of hearings at the Board of Appeals. Although there will no longer be appeals related to city-owned poles, appeals of permits issued to PG&E poles will be made directly to the Board of Appeals, which could result in an increased volume of hearings.

Request by the Board of Appeals to the Department of Public Health regarding the Health Effects and Regulation of Wireless Communications Networks

- Under Article 25, the Department of Public Health must approve a wireless service facility site permit prior to issuance. More specifically, DPH must determine, in part, whether the facility is within the FCC guidelines which set forth the safe limit for exposure to radio frequency radiation.
- In FY19, the Board frequently heard from concerned appellants that the FCC Guidelines, adopted in 1996, were outdated given the significant advancements in technology that have been made over the last two decades. These appellants expressed concerns about the health effects of the wireless facilities.
- Given the foregoing, the Board formally requested that DPH review and update its Memorandum, drafted by Dr. Rajiv Bhatia⁴ and dated June 14, 2010, regarding the health effects and regulation of wireless communication networks.

⁴ Dr. Bhatia was the Director of Occupational and Environmental Health at DPH.

- It is anticipated that DPH will provide an update to the Board by December 2019.

Appeals from Determinations of Other City Departments:

Department of Public Health

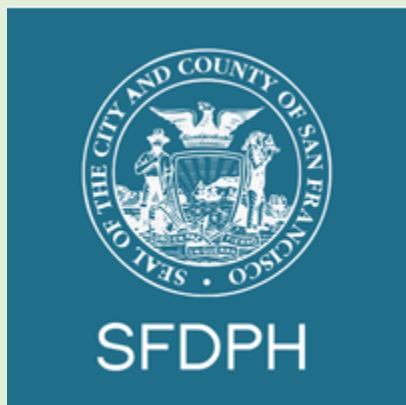
- 4 appeals related to Tobacco Sales Establishment Permits (3 denials and one suspension by DPH)
- 1 appeal of a suspension of a Permit to Operate a Swimming Pool/Spa
- 1 appeal related to the revocation of a Permit to Operate a Restaurant
- 1 appeal related to the denial of a Medical Cannabis Dispensary Permit (appeal withdrawn)
- 1 appeal related to the issuance of an order to an establishment for operating without a massage business permit (appeal rejected for lack of subject matter jurisdiction)

Arts Commission

- 1 appeal regarding the revocation of a Street Artist Certificate

SFMTA

- 1 appeal of a Memorandum Regarding Taxi Medallion Rules at SFO (Rejected for lack of subject matter jurisdiction)



Outcome: 91 Appeals Decided

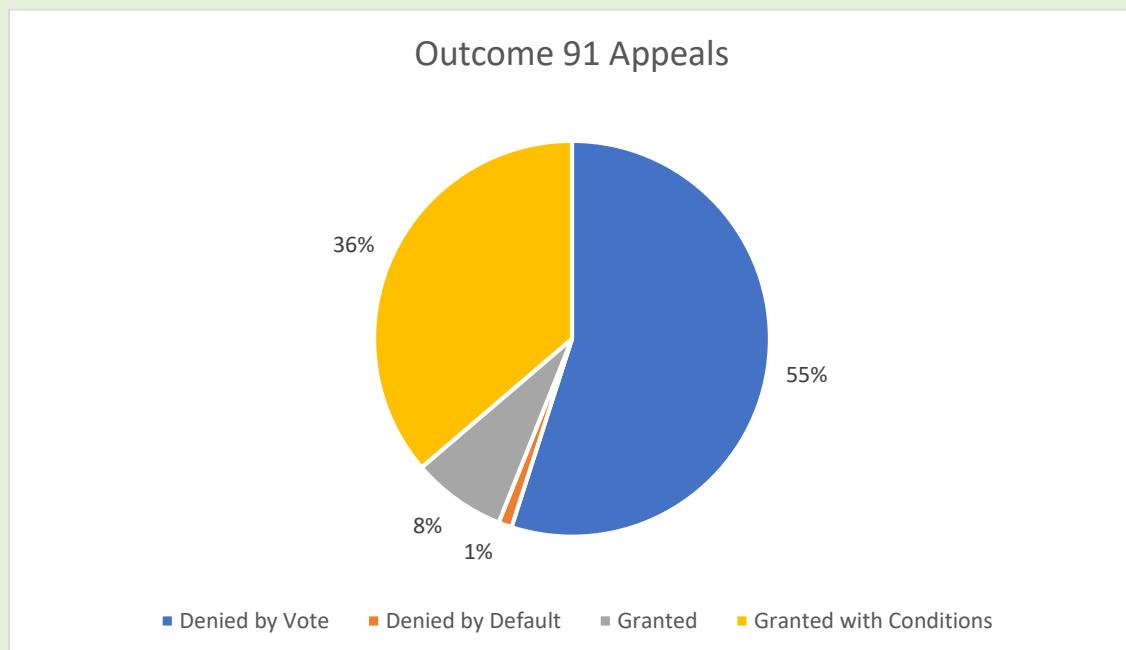
Given the supermajority vote required to grant an appeal, the Board typically denies more appeals than it grants.

50 appeals were denied by vote resulting in the underlying departmental decision being upheld

33 appeals were granted with conditions by the Board: The underlying departmental decision was conditioned or modified in some way

7 appeals were granted by the Board with the underlying departmental decision completely overturned

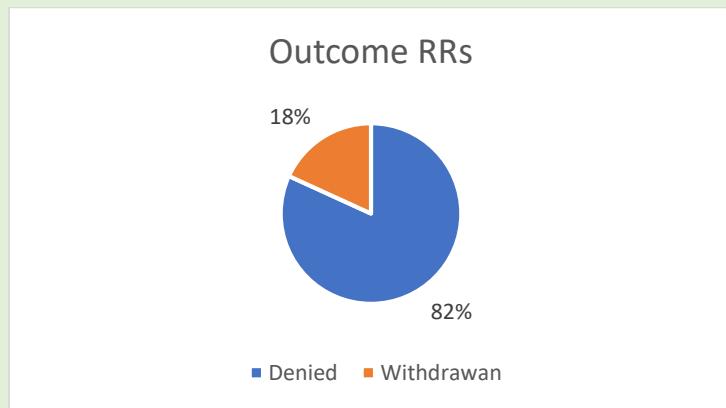
1 appeal was denied by default when the Board was unable to muster sufficient votes to pass a motion that would grant or deny the appeal (underlying departmental decision upheld by operation of law)



Outcome: Rehearing & Jurisdiction Requests

11 Rehearing Requests were on the Board's docket in FY19:

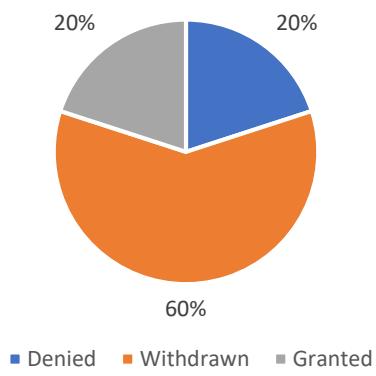
- 9 denied
- 2 withdrawn



5 Jurisdiction Requests were on the Board's docket in FY19

- 1 denied
- 1 granted
- 3 withdrawn

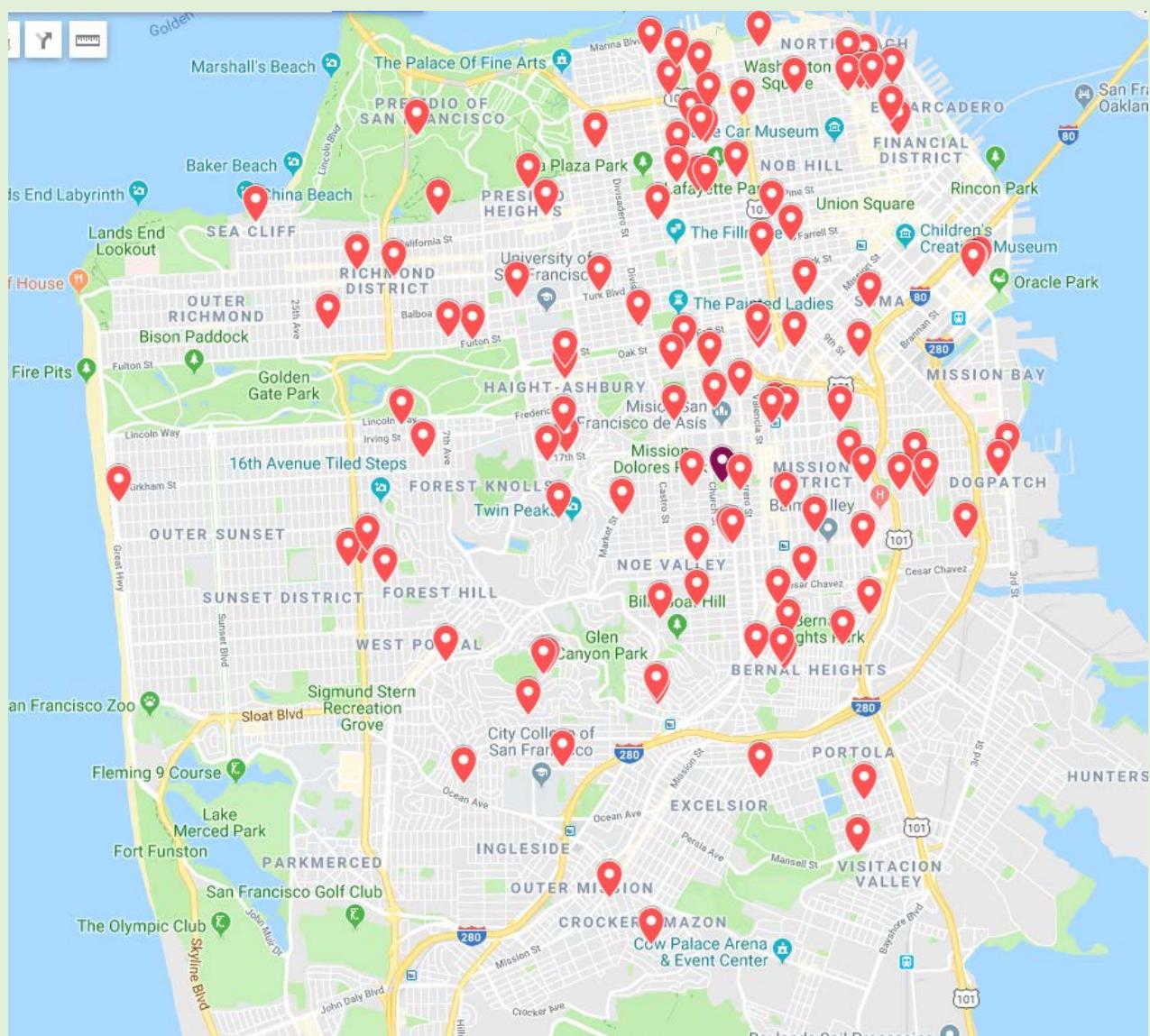
Outcome JRs



Geographic Distribution

The appeals heard by the Board during the year involve properties located in most of San Francisco's neighborhoods. As is typical for the Board, the highest concentration of appeals is seen in the northeast quadrant, and the lowest is in the southern portion of the City.

Geographic Distribution of Appeals Filed in FY19



Appeals Management System

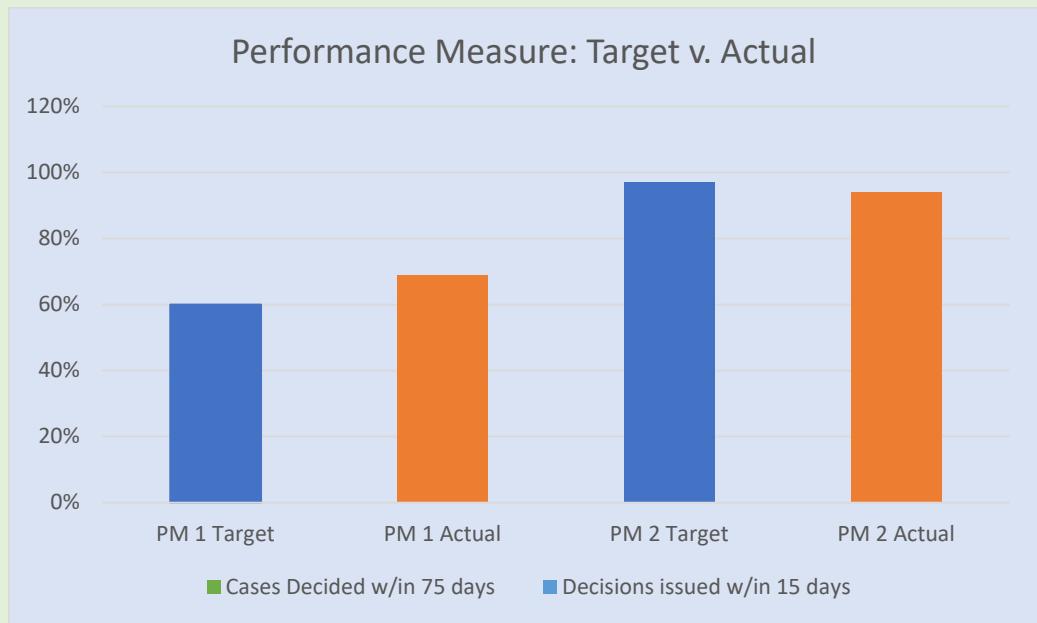
- The Board Office replaced its outdated appeals management system with a new system that runs on the Salesforce platform⁵
- The developer built custom features to meet the needs of the Board of Appeals
- Benefits of the new system:
 - Significantly improved reporting capabilities and efficiencies; provides more accurate data for the Annual Report and facilitates information requests for public records
 - All documents related to an appeal can be uploaded to one central location
 - A user has the ability to add notes with date and time stamp which helps the office keep track of issues related to an appeal
 - Creates agendas and vote sheets and keeps track of all cases for the various calendars (the old system did not keep track of agendas or hearing dates and therefore was prone to human error because cases that were rescheduled or continued had to be manually moved)
 - Increased efficiencies create customer convenience
- One goal is to enable payments (including payments by credit card) to be made on the internet or at kiosks/cashiers in the new Permit Center, thereby eliminating the need of Board staff to handle payments (currently the Board office only accepts cash or check and must make weekly deposits to the Treasurer's Office in City Hall)

⁵ The previous appeals management system had to be replaced because it was no longer being supported by the Department of Technology.

PERFORMANCE MEASURES

City departments are required to report on specific statistical measures as a way of assessing and documenting performance. The two measures unique to the Board look at how long it takes the Board to decide cases and how quickly written decisions are published.

- Measure One: Percentage of appeals that are decided within 75 days of filing (cases decided in FY19).
 - The Board decided 91 appeals in FY19
 - The FY19 target was to decide 60% of the cases within 75 days of filing.
 - The Board exceeded this target by deciding 69% of the cases (63 cases) within 75 days of the appeal being filed.
 - With respect to the 28 cases that were decided more than 75 days after an appeal was filed:
 - 10 were delayed due to an increase in appeal volume during a particular time period
 - 11 were delayed due to rescheduling requests by the parties
 - Six were continued by the Board for additional information or to give the parties an opportunity to negotiate a settlement
 - One was delayed due to putting the matter on the Call of the Chair because the case had unique circumstances
 - If we excluded rescheduled cases, then 78% percent of the cases would have been decided within 75 days of filing
- Measure Two: How often written decisions are issued within 15 days of final Board action.
 - The FY19 target was to issue 97% of the written decisions within 15 days of final action.
 - The Board issued 94% of the written decisions within 15 days of final action.
 - For four out of the five cases that were issued more than 15 days after the final Board action, it was necessary to delay the decisions because they had an associated appeal in which an appellant requested a rehearing
 - For the fifth appeal decided more than 15 days after the final action, the decision was issued within 16 days of final action



BUDGET

REVENUE OVERVIEW

The Board has two sources of revenue:

- (1) Surcharges placed on permits which are designed to generate the revenue needed to cover operating expenses (95% of the budget)
 - a. Surcharges are collected on new and renewed permits.
 - b. The rates are based on the percentage of cases originating from each underlying department and anticipated permit application volume. These rates are analyzed annually and adjusted if needed.
- (2) Filing fees which are collected when new appeals are filed (5% of the budget)

PROJECTED REVENUE

\$1,072,300 was the projected revenue budget:

- \$1,026,263 in projected surcharge revenue collected by permit issuing departments on new permit applications
- \$46,037 in projected filing fee revenue collected by the Board when new appeals are filed

ACTUAL REVENUE

\$972,093 in actual revenue was collected:

- \$933,956 in surcharges
- \$38,137 in filing fees

-\$100,207 shortfall from projected revenue (% less than projected)

EXPENDITURES OVERVIEW

PROJECTED EXPENDITURES

\$1,072,300

ACTUAL EXPENDITURES

\$1,030,439 was spent by the Board

Expenditures		
Fund 10000	Projected	1,072,300
	Actual	992,439
	Savings	79,861
Fund 10020 (Reserve used for new appeal management system)	Actual	38,000
	Total Expenditures	1,030,439

Breakdown of Expenditures:

- \$757,584 for salaries and fringe benefits
- \$190,191 for the services of other City departments, such as the City Attorney, Department of Technology, SFGovTV, and Real Estate (rent)
- \$38,466 for specialized services such as: neighborhood notification, data production, interpreters, and infrastructure costs such as, photocopier, telephones, and postage
- \$38,000 partial payment for new Appeal Management System
- \$6,198 for materials and supplies

Reserve Account

- Given that actual revenue did not meet projections and actual expenditures exceeded actual revenue, the shortfall was covered by a transfer from the Reserve Account

FY19 Use of Reserve	
Actual Revenue	\$ 972,093
Actual Expenditures	\$ 1,030,439
Shortfall which necessitated use of the reserve	(\$58,346)

Surcharges

- The surcharges imposed on appealable permits are intended to recover costs for the Board's expenses
- Given the surplus in the Reserve Account, some surcharge fees were lowered in FY18 with the intent to rebalance the Board's cost recovery
- A reduction in the Reserve Account is consistent with our goal of rebalancing our cost recovery
- After conducting an analysis, the Controller's Office only authorized minor increases in certain surcharge amounts for FY20.

Surcharges

Department	Surcharge FY17	Surcharge FY18	Surcharge FY19	Surcharge FY20
Planning	\$25.00	\$18.50	\$18.50	\$19.00
DBI	\$25.00	\$18.50	\$18.50	\$19.00
DPH	\$52.00	\$43.00	\$43.00	\$44.50
SFMTA (TAXI)	\$7.00	\$2.00	\$2.00	\$2.00
PUBLIC WORKS	\$6.50	\$6.50	\$6.50	\$6.50
SFPD	\$26.50	\$6.00	\$6.00	\$6.00
ENTERTAINMENT COMMISSION	\$4.00	\$4.00	\$4.00	\$4.00

LITIGATION

Parties dissatisfied with a Board determination may seek further review and relief in court. Set forth below is a description of the lawsuits that were filed, pending or resolved during the year, in which the Board is named as a party.

New: Cort v. CCSF

Petitioner filed this case alleging the City improperly suspended or revoked permits at 2551 Mission Street. The property is an old theater that has been empty since 1987. The owner obtained permits to convert the property to a gym with a climbing wall. When concrete from the façade fell on the Mission Street sidewalk, the owner removed the remaining loose concrete, exceeding the scope of the issued permits. The Zoning Administrator requested that the Department of Building Inspection revoke the building permits, and that decision was appealed to and upheld by the Board. The parties have met to discuss the administrative record, and alternatives to litigation.

New: San Francisco Care Center v. CCSF

The petitioners in this case allege that the City improperly denied a building permit. In 2000, petitioners entered into a development agreement with the City to build an assisted living facility with 112 units. In 2007 after the project was complete, petitioners made unpermitted improvements to remove several assisted living units and create two master administrator suites. The Department of Building Inspection issued a Notice of Violation in 2017. Petitioners sought a permit to legalize the work. The Planning Commission disapproved the permit, and the Board of Appeals upheld that determination in 2018. The petitioners have requested that the City prepare the administrative record. On February 2, 2019, the City demanded that petitioners provide a deposit for the preparation of the record. Petitioners have not responded.

New: Michael J. Turon v. SF Board of Appeals et al.

Petitioner sought a permit from the Department of Building Inspection to document the legal use of 2722-2724 Folsom Street as a two-unit residential building. The Department of Building Inspection denied the permit, on the basis that the building contains three residential units. The Board upheld the denial of the permit. Petitioner filed a writ on February 4, 2019 seeking to overturn the denial of the permit.

New: Frear Schmid v. CCSF

The Historic Preservation Commission granted a Certificate of Appropriateness finding the Arts Commission's proposal to remove a statue entitled "Early Days" from the Pioneer Monument, located in the Fulton Street right of way between the Main Library and the Asian Art Museum, complied with the Planning Code, the Secretary of Interior's Standards for Rehabilitation, and the General Plan. Petitioner appealed the Certificate of Appropriateness to the Board, and the Board denied the appeal and upheld the Historic Preservation Commission's decision. Petitioner filed suit challenging the City's decision to remove the statue on a variety of grounds, including challenging the Board's decision on the appeal of the Certificate of Appropriateness. The Superior Court sustained the City's demurrer to the complaint, finding that the Board did not act in excess of its jurisdiction nor did it abuse its discretion in affirming the Certificate of Appropriateness. The Superior Court entered judgment against Petitioner, and Petitioner filed an appeal, which is currently pending before the Court of Appeal.

Pending: Marc A. Bruno, et al. v. City and County of San Francisco, et al.

This is a petition challenging CEQA categorical exemption for a building permit authorizing façade restoration and garage removal at 20 Nobles Alley in North Beach. The pro per petitioner alleges that the City used an incorrect CEQA baseline and failed to adequately analyze impacts to historic resources. The petitioner also alleges violations of the Sunshine Ordinance and conflict-of-interest rules. The petitioner elected to prepare the administrative record. After missing numerous stipulated and Court-ordered deadlines to provide the complete record to the City, the petitioner has provided the City with funds to complete preparation of the record. On September 18, 2019, the Court ruled that the petitioner failed to state any valid causes of action, but gave the petitioner thirty days to amend the petition to support the CEQA cause of action only. The City will wait to complete the administrative record until the petitioner has amended the petition.

Contest Promotions, LLC v. City & County of San Francisco, et al.

PENDING. In July 2014, the Board of Supervisors approved a settlement of Contest Promotions' previous lawsuit challenging the constitutionality of Planning Code section 602.3, which defines onsite business signs. The Board of Supervisors then amended section 602.3, which clarified that Contest Promotions' signs in San Francisco do not qualify as business signs, but are prohibited general advertising signs. On January 20, 2016, the Board upheld the Planning Department's denial of 35 sign permit applications. Contest Promotions contends that San Francisco breached the settlement agreement

when it amended section 602.3 and when it denied Contest Promotions' sign permit applications. Federal and state courts have dismissed all of Contest Promotions constitutional claims against the amended section 602.3. On March 26, 2019, the Superior Court granted summary judgment to San Francisco on Contest Promotions' remaining claims for breach of contract. Contest Promotions has appealed the merits to the Court of Appeal. The parties agreed that San Francisco's compensable attorneys' fees through entry of judgment was \$500,000.

Pending: Robert E. Gonzales v. San Francisco Board of Appeals

A lawsuit was filed in Superior Court by an adjacent property owner challenging the Board's August 26, 2015 decision to uphold a permit to erect a building at 333 Pennsylvania Avenue. On January 6, 2016, the Court denied the petitioner's motion for immediate relief, stating it failed to establish that the Planning Code or Residential Design Guidelines were violated. The petitioner has made no further effort to pursue this matter. After the case has been pending 5 years, San Francisco will move to dismiss the case for failure to prosecute.

Pending: 1049 Market Street, LLC v. City & County of San Francisco, et al.

Six lawsuits were filed by the owners of a six-story building challenging, among other things, the Board's April 8, 2015 decision to grant an appeal filed by residential tenants protesting the Zoning Administrator's (ZA) Release of Suspension Request on a permit to convert live-work units to commercial space, and the Board's April 5, 2017 decisions related to the revocation of that permit. One case was filed in federal court and the others were filed in state court.

The state cases assert claims under CEQA, a vested rights theory and several constitutional claims. The federal case focuses on federal constitutional claims. Because the state and federal suits challenge the same conduct and seek the same damages, the federal court agreed to have the state court resolve the issues of local land use law before it determines whether any federal constitutional issues remain. On this basis, the federal lawsuit has been stayed pending the outcome in state court.

In April 2016, the City won the first of the five state court cases on all issues except the jurisdictional issue relating to whether the Board had properly considered the validity of the permit. The court remanded the matter to the Board for reconsideration of whether the ZA erred or abused his discretion in determining that the property's principally permitted use as an office had not been abandoned, but left the Board the option to apply recently adopted legislation requiring a Conditional Use Authorization. The City has since prevailed in the appeal of this case, and that ruling is now final.

Another of the state court cases, which challenges on CEQA grounds the permanent zoning controls adopted by the Board of Supervisors, is before the Court of Appeal but

has not yet briefed. In August 2017, another of the state court cases was rejected based on the petitioner's failure to timely serve. The two most recently filed cases, stemming from the Board's 2017 decisions, are still before the trial court.

The parties have reached a settlement and the execution of the settlement is ongoing.

Resolved Sullivan v. CCSF

This was a petition filed in FY18 challenging a building permit which authorized an exterior stairwell at 407A 30th Street. The petitioners alleged that the stairwell would encroach on petitioners' properties at 1716 and 1720 Sanchez Street. The petitioners and real party reached a settlement and the petitioner dismissed the matter with prejudice on August 14, 2019.

BOS-11

Commissioners
Eric Sklar, President
Saint Helena
Jacque Hostler-Carmesin, Vice President
McKinleyville
Russell E. Burns, Member
Napa
Peter S. Silva, Member
Jamul
Samantha Murray, Member
Del Mar

STATE OF CALIFORNIA
Gavin Newsom, Governor

Melissa Miller-Henson
Executive Director
P.O. Box 944209
Sacramento, CA 94244-2090
(916) 653-4899
fgc@fgc.ca.gov
www.fgc.ca.gov

Fish and Game Commission



RECEIVED
BOARD OF SUPERVISORS
SACRAMENTO
2019 DEC -2 PM 3:35
[Signature]

Wildlife Heritage and Conservation
Since 1870

**CALIFORNIA FISH AND GAME COMMISSION
NOTICE OF RECEIPT OF PETITION**

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Section 2073.3 of the Fish and Game Code, the California Fish and Game Commission (Commission), on October 21, 2019, received a petition from the Center for Biological Diversity to list western Joshua tree (*Yucca brevifolia*) as a threatened species under the California Endangered Species Act.

Joshua tree occurs in desert grasslands and shrublands in hot, dry sites on flats, mesas, bajadas, and gentle slopes in the Mojave Desert. Soils in Joshua tree habitats are silts, loams, and/or sands and variously described as fine, loose, well drained, and/or gravelly, while the plants can reportedly tolerate alkaline and saline soils. Populations are discontinuous and reach their highest densities on well-drained sandy to gravelly alluvial fans adjacent to desert mountain ranges.

Pursuant to Section 2073 of the Fish and Game Code, on November 1, 2019, Commission staff transmitted the petition to the California Department of Fish and Wildlife (Department) for review pursuant to Section 2073.5 of said code. The Commission will receive the petition at its December 11-12, 2019 meeting in the Natural Resources Building Auditorium, First Floor, 1416 Ninth Street, Sacramento, California. It is anticipated that the Department's evaluation and recommendation relating to the petition will be received by the Commission at its February 5-6, 2020, meeting in Sacramento.

Interested parties may contact Richard Macedo, Habitat Conservation Planning Branch Chief, California Department of Fish and Wildlife, P.O. Box 944209, Sacramento, CA 94244-2090, telephone (916) 653-3861, or email Richard.Macedo@wildlife.ca.gov for information on the petition or to submit information to the Department relating to the petitioned species.

November 12, 2019

Fish and Game Commission

Melissa Miller-Henson
Executive Director

BOS-11

Commissioners
Eric Sklar, President
Saint Helena
Jacque Hostler-Carmesin, Vice President
McKinleyville
Russell E. Burns, Member
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Jamul
Samantha Murray, Member
Del Mar

STATE OF CALIFORNIA
Gavin Newsom, Governor

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www.fgc.ca.gov

Fish and Game Commission



2019 DEC -2 PM 4:48
BY *OP*

Wildlife Heritage and Conservation
Since 1870

CALIFORNIA FISH AND GAME COMMISSION NOTICE OF RECEIPT OF PETITION

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Section 2073.3 of the Fish and Game Code, the California Fish and Game Commission (Commission), on September 30, 2019, received a petition from Kathleen S. Roche to list Shasta snow-wreath (*Neviusia cliftonii*) as endangered under the California Endangered Species Act.

Shasta snow-wreath occurs in riparian sites within the yellow pine forest community around Shasta Lake north of Redding, California.

Pursuant to Section 2073 of the Fish and Game Code, on October 10, 2019, Commission staff transmitted the petition to the California Department of Fish and Wildlife (Department) for review pursuant to Section 2073.5 of said code. The Commission will receive the petition at its December 11-12, 2019 meeting in the Natural Resources Building Auditorium, First Floor, 1416 Ninth Street, Sacramento, California. It is anticipated that the Department's evaluation and recommendation relating to the petition will be received by the Commission at its February 5-6, 2020, meeting in Sacramento.

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November 12, 2019

Fish and Game Commission

Melissa Miller-Henson
Executive Director

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Major, Erica \(BOS\)](#)
Subject: 15 emails regarding File No. 190973 - Health Code - Approving a New Location for a Permittee's Medical Cannabis Dispensary Permit
Date: Tuesday, December 10, 2019 10:24:00 AM
Attachments: [RE Letter in Support of File 190973.msg](#)
[RE Support for Releaf Dispensary \(file 190973\).msg](#)
[RE ReLeaf Letter of Support - File 190973.msg](#)
[RE File #190973.msg](#)
[RE 190973.msg](#)
[RE With enthusiastic support of File 190973.msg](#)
[File # 190973 in support.msg](#)
[With enthusiastic support of File 190973.msg](#)
[190973.msg](#)
[File #190973.msg](#)
[ReLeaf Letter of Support - File 190973.msg](#)
[Support for Releaf Dispensary \(file 190973\).msg](#)
[Letter in Support of File 190973.msg](#)
[RE File 190973.msg](#)
[File #190973.msg](#)

Hello,

The Office of the Clerk of the Board is in receipt of the attached 15 emails regarding File No. 190973 - Health Code - Approving a New Location for a Permittee's Medical Cannabis Dispensary Permit.

Thank you,

Eileen McHugh
Executive Assistant
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244
San Francisco, CA 94102-4689
Phone: (415) 554-7703 | Fax: (415) 554-5163
eileen.e.mchugh@sfgov.org | www.sfbos.org

From: [Gina Alvarez](#)
To: [Major, Erica \(BOS\)](#); [Board of Supervisors, \(BOS\)](#)
Cc: heidi@releafherbal.com
Subject: 190973
Date: Sunday, December 8, 2019 9:57:26 PM

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To whom this may concern-

It has been a wonderful delight working with the team at Releaf Herbal cooperative on mission st. Moving there license would be great for the city and then impact on the community. They have been healing many people for many years and Heidi has played a Positive tremendous role in the cannabis community as a woman influencer.

I believe relocating there license is a great idea & lets them have a beautiful new start as business owners. Hoping for the best. Always putting the community first.

Gina Alvarez
The Goodfellas Group
8152607632

From: lincicomy826@gmail.com
To: [Board of Supervisors, \(BOS\)](#)
Subject: File # 190973 in support
Date: Monday, December 9, 2019 11:35:17 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I am a US Navy Veteran [1971 -1978](#) for 5 years Relief dispensary has been a welcome shelter from lifes challenges of PTSD. The weekly drop in session s to speak with other soldiers, finding strength in peer support, easings the battle wounds thru meditation, medication, and community. Relief helped build this house of saving grace by sponsoring our meetings, greeting us with honor and respect no matter our outward state. This is what COMPASSIONATE CARE looks like. I stand with renewal of permit asap to return this beloved leader back to service their community. You have the power to keep the pathway to suppprt our Veterans with your vote. We have not lost one soldier to suicide in 5 years of work- do not dismantle a winning project against the over 20 daily deaths that is every Vets reality today. Please do all you can to smooth the way for this unique leader in Dispensary services.

Sent from my MetroPCS 4G LTE Android device

From: [Kala Salazar](#)
To: [Major, Erica \(BOS\)](#); [Board of Supervisors, \(BOS\)](#)
Cc: [heidi@releafherbal.com](#); [oskar@releafherbal.com](#)
Subject: File #190973
Date: Sunday, December 8, 2019 11:08:35 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To The City of San Francisco,

Releaf Herbal Cooperative File #190973

My name is Kala` Salazar and I am with Left Coast Ventures/Sol Distro and am now a San Francisco resident. I would like to send a letter of support, in regards to Releaf Herbal Cooperative.

I am in full support of their new Cannabis Dispensary that they are trying to open up in the City. This team has done wonderful things for the patients of San Francisco and I would love to see the approval to port their BCC License to their new location. Releaf Herbal is a staple in the Cannabis Community with good hearted people constantly looking at ways to give back. I support them wholeheartedly and hope to see a positive outcome for them.

I appreciate your time.

Thank you,

Kala` Salazar
Left Coast Ventures
M - 916.880.0857
E - kala@leftcoastventures.us

From: [Clifford Meurer](#)
To: [Board of Supervisors, \(BOS\)](#)
Cc: heidi@releafherbal.com
Subject: File #190973
Date: Thursday, December 5, 2019 9:19:05 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

I have worked with the owners and staff at Releaf Herbal Dispensary for the last two years. They have always been both professional and personable. From the time I first met the owners, they help me to feel like family. As a sales manager in this cannabis business, that was a real gift, and I am grateful.

They have always honored all commitments which we made. Our business relationship on of my favorites.

I also have been very aware of ways they show up for the local community.

I am certain that wherever they land in this beautiful city will be a beneficial effect on the community as well.

In Gratitude,

Clifford Meurer
Sales Manager
Pacific Reserve Brands
408-499-1243

Pacific Reserve Links

Also, check out our website to learn more about each of these products.
<https://www.pacificreservebrands.com>

We are also featured in <https://www.cannabisbusinesstimes.com/article/pacific-reserve-california-cannabis-greenhouse/>

Other links

<https://www.leafly.com/brands/pacific-reserve-brands>
<https://weedmaps.com/brands/pacific-reserve-brands>
<https://instagram.com/pacificreserve>

From: [L Murphy](#)
To: [Major, Erica \(BOS\)](#); [Board of Supervisors, \(BOS\)](#)
Subject: Letter in Support of File 190973
Date: Friday, December 6, 2019 4:18:39 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To Whom This May Concern:

I am writing this letter in support of File 190973 - Approving a new location for permitter's medical cannabis dispensary. I have had the pleasure of meeting Heidi this past Summer. She is a tremendously strong individual with an incredible work ethic. In the short time I have known Heidi, I have witnessed her dedication to always take care of her employees and truly treat them with the utmost respect. The efforts Heidi puts towards operating her business and making sure her employees have a healthy work environment, translates into how they operate the day to day operations. All team members that work with Heidi are very professional and personable to every visitor that's checked in. Heidi is also highly respected by the local community and other licensed business owners in the cannabis industry.

She is a leader in the cannabis industry and a trailblazer pathing the way for others wanting to understand how to operate compliantly and effectively. She is very much deserving of an approval on a new location and can really help improve any community she operates within. Please vote yes, the decision will be one that allows a business and community to prosper.

Kindest Regards,

lauren murphy
president

480 442 6205

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From: [Matthew Hoeger](#)
To: [Major, Erica \(BOS\)](#)
Cc: [Board of Supervisors, \(BOS\)](#); heidi@releafherbal.com
Subject: ReLeaf Letter of Support - File 190973
Date: Sunday, December 8, 2019 10:07:51 AM
Attachments: [ReLeaf letter of support.pdf](#)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello,

Please find attached my letter of support for the approval of a new location for ReLeaf Herbal Collective for File Case 190973.

Thank you,
Matthew Hoeger

--
Matthew Hoeger
Sales Manager
619-806-0400
Happysticks.com



To whom it may concern,

I am writing on behalf of ReLeaf Herbal Collective and their approval of a new cannabis dispensary location. I have worked closely with the ReLeaf staff, management and ownership for several years and have always experienced a high level of professionalism and reliability in all my dealings with them. As consolidation begins to occur amongst the various dispensaries throughout the industry, it is important that long term members of the community such as ReLeaf continue to survive and operate, maintaining diversity in an industry that has always prided itself on diversity and inclusion. ReLeaf has always catered to a lower income, needs based clientele, some whom otherwise may be intimidated or out priced by the larger dispensary chains. ReLeaf has also played an integral part in the Social Equity program, offering a special educational class on the third Friday of every month, geared towards educating equity applicants and brands looking to understand and navigate the complex cannabis licensing process and enter into the new recreational market. Giving back to the community has always been at the forefront of ReLeaf's mission and now that their time of need has come it is the responsibility of the community to give back to them and repay the support that they have shown so many before. I strongly urge that ReLeaf be approved for a new location in a timely fashion so they can continue to serve their community and so the wonderful staff can maintain their livelihood with as little interruption as possible.

Sincerely,

Matthew Hoeger

Matthew Hoeger
Happy Sticks

From: [Craig HGD](#)
To: [Major, Erica \(BOS\)](#); [Board of Supervisors, \(BOS\)](#)
Cc: [heidi@releafherbal.com](#); [Obe Goodman](#)
Subject: Support for Releaf Dispensary (file 190973)
Date: Friday, December 6, 2019 5:43:55 PM
Attachments: [Letter of Recommendation for Releaf Cannabis Dispensary.docx](#)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To Whom it May Concern,

Please see attached letter

Thanks

Craig Nejedly

--

[www.satorimovement.com](#)
[www.satoriwellness.org](#)
[www.talkingtreesfarms.com](#)
[www.highgradedistribution.com](#)

Letter of Recommendation for Releaf Cannabis Dispensary (File 190973)

High Grade Distribution(HGD) is a product vendor for Releaf Dispensary in San Francisco distributing our compliant, branded cannabis products to Releaf for retail sales. HGD has worked with Releaf for nearly two years since the Adult Use Cannabis Act of Prop 64 was implemented in January of 2018.

As a licensed dispensary, HGD began contact and sales to Releaf in early 2018. Releaf has become a valued retail partner for our business. Releaf operates a very professional business and is well organized. They are a great pleasure to work with. We greatly value their partnership and ability to sell products to a customer base that values their professionalism and product selection.

HGD delivers products to Releaf on a weekly basis, and the stores staff has always made our delivery drivers feel secure and comfortable as they have done a considerable volume of business with HGD.

We greatly value Releaf as a partner for our brands as much as the thousands of retail consumers value their establishment. It is our great hope that Releaf is able to secure a new location and keep their doors open to service the community and the craft manufactures they support.

All the best,

Craig Nejedly, CEO

High Grade Distribution

High Grade Distribution : 1551 Nursery Way Mckinleyville, CA 95519 : 707-839-4399

From: [Ryan Miller](#)
To: [Major, Erica \(BOS\)](#); [Board of Supervisors, \(BOS\)](#)
Cc: [Operation EVAC](#)
Subject: With enthusiastic support of File 190973
Date: Monday, December 9, 2019 1:45:50 AM
Attachments: [File 190973.pdf](#)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Thank you for inviting public comment toward the relocation application of Releaf Herbal Cooperative.

Please accept the attachment for the record on behalf of Operation EVAC (Educating Veterans About Cannabis)

In gratitude,
Ryan Miller

December 9, 2019

Good afternoon Erica Major and honorable members of the Board of Supervisors,

Thank you for your work to create policies that benefit the citizens in the city of my birth, San Francisco. I'm an honorably discharged Marine Corps veteran, certified in mental health first-aid and as a veteran peer-support specialist. I founded Operation EVAC, an organization to prevent veteran-suicide and opiate overdose with recurring social support groups in partnership with cannabis dispensaries. Our mission is to promote the growth and healing of veterans through mutual assistance, personal development, and community service. When we launched on Memorial Day, 2016, Releaf Herbal Cooperative was our first dispensary client and it's not only an honor, but my moral obligation to advocate on their behalf.

Our work in service to welcome home warriors is only possible with the support of our generous dispensary hosts, of which Releaf has led the way to ensure San Francisco's veterans won't be left behind. The veteran population that we serve in SoMa is among the most vulnerable (and arguably most deserving) portions of our populations. Our members are mostly poverty-class elders and veterans of color. Many of us are formerly incarcerated, have experience with housing insecurity, and are recovering from substance abuse. It's my privilege to report to you that we're experiencing transformative results in the community that Releaf has curated. Members are revealing that HUD VASH is helping us get off the streets, we're choosing cannabis instead of opiates and street drugs, we're abstaining from alcohol, and we're finding hope while sharing space in our safe container of camaraderie.

Releaf is not only integral to our origin story, but with your vote, can also support San Francisco's veterans in the future. Said differently, we humbly request that the supervisors of San Francisco support ethical operators like Releaf and expedite their relocation process. We're in the veteran-suicide prevention business and the veterans of Operation EVAC are depending on you.

Thank you for being open to comments from the public to influence your decision.

In service,



Ryan Miller, USMC
Founder
Operation EVAC

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Major, Erica \(BOS\)](#)
Subject: FW: Support for File 190973
Date: Monday, December 9, 2019 3:08:00 PM

From: Mark Jeffrey <jeffreyvisualarts@gmail.com>
Sent: Monday, December 9, 2019 2:20 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Support for File 190973

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello, I am a 57 year old Army Veteran, voicing support for Releaf Cannabis dispensary. They support us Veterans, caring enough to let us hold weekly meetings, to gather, make friends, and help each other. Releaf Rangers is the program that I enjoy. I have Major Depression and Anxiety, and the Rangers has helped me. I've made new friends, improved in my health, and would like to continue on my upward path, health-wise. Please approve a new location for Releaf, they are good people, not just in it to gouge consumers with high prices. Us veterans don't always get help from the VA, for various reasons. We need to look out for each other, and Releaf has been a positive force in our neighborhood. Thank you. Mark Jeffrey US Army.

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: File #190973
Date: Monday, December 9, 2019 6:36:00 PM
Attachments: [Outlook-cid_image0.png](#)

From: Luke Frances <lfrances@herbl.com>
Sent: Monday, December 9, 2019 12:26 PM
To: Major, Erica (BOS) <erica.major@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: heidi@releafherbal.com
Subject: File #190973

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Good Morning,

I am writing today to file a letter of support for approval of moving the cannabis license for Releaf Herbal Cooperative within the city of San Francisco.

Releaf has been an excellent retail partner to HERBL Distribution over the course of the past year. They are an compliant cannabis business that has been in good standing with the city for many years, they always maintain payments, and are a model participant in the cannabis industry.

I believe it would be in service to the city of San Francisco to allow them to move there license and continue to transact as they are an outstanding actor in the industry.

Best Regards,

Luke Frances

Account Manager

Office: 805-420-1000

Cell: 707-326-6971

[Shop HERBL on Leaf Link](#)



From: [Daniel Cohen](#)
To: [Board of Supervisors \(BOS\)](#); [Stefani, Catherine \(BOS\)](#); [StefaniStaff \(BOS\)](#); [Fewer, Sandra \(BOS\)](#); [FewerStaff \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [PeskinStaff \(BOS\)](#); [Mar, Gordon \(BOS\)](#); [MarStaff \(BOS\)](#); [Brown, Valle \(BOS\)](#); [BrownStaff \(BOS\)](#); [Haney, Matt \(BOS\)](#); [HaneyStaff \(BOS\)](#); [Yee, Norman \(BOS\)](#); [YeeStaff \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#); [MandelmanStaff \(BOS\)](#); [Ronen, Hillary \(BOS\)](#); [RonenStaff \(BOS\)](#); [Walton, Shannan \(BOS\)](#); [WaltonStaff \(BOS\)](#); [Safai, Ahsha \(BOS\)](#); [SafaiStaff \(BOS\)](#); [Laura from YIMBY Action](#)
Subject: Please do not oppose SB 50. We need more homes.
Date: Tuesday, December 3, 2019 1:30:06 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

To the Board of Supervisors,

I am contacting you regarding the fact that the Board of Supervisors is considering a resolution to oppose SB 50. Please do not oppose SB 50. Please support it.

I am a renter living in San Francisco, and I am being squeezed by the housing crisis. Here in San Francisco, **we have the most severe housing shortage on the continent**. We need more homes, and SB 50 promises to do that. I am constantly hearing you politicians moaning about a lack of "local control", but local control is exactly how we got into this situation. Local control has failed. Local control is the reason I pay \$1500 a month for a tiny room in a five-bedroom apartment. **I am so done with "local control"**. If you love local control so much, then *prove that it works and allow some goddamn housing for once*. Otherwise, I am going to keep on contacting my state representatives and asking them to get rid of local control because this local control has strangled our housing market to the brink of death.

In short, please either prove that local control works and allow more homes, or support SB 50 and stop bemoaning the loss of local control, because this local control is causing my rent to skyrocket and I really don't appreciate that.

Thank you,
Daniel Cohen

From: [Brittany Shoot](#)
To: [Board of Supervisors, \(BOS\)](#)
Cc: [PeskinStaff \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [Fewer, Sandra \(BOS\)](#); [Stefani, Catherine \(BOS\)](#); [Mar, Gordon \(BOS\)](#); [Brown, Vallie \(BOS\)](#); [Haney, Matt \(BOS\)](#); [Yee, Norman \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#); [Ronen, Hillary](#); [Walton, Shamann \(BOS\)](#); [Safai, Ahsha \(BOS\)](#)
Subject: From a longtime San Francisco resident, renter, and voter: Please support SB50
Date: Tuesday, December 3, 2019 3:48:57 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Board of Supervisors,

My name is Brittany Shoot. I am a decade-long resident of District 3, a renter and a person self-employed in the city of San Francisco. I am involved in many aspects of my community, from serving as a neighborhood coordinator for the SFFD's NERT program to acting as a poll worker this past Election Day. I plan to live in San Francisco for the rest of my life—in fact, I love this specific area so much, I hope to always live in D3.

I am desperate for your leadership to make the dream of living here longterm a possibility for more of our existing community members, and those who will join us here in the future. The Board of Supervisors could legalize apartment buildings tomorrow, thereby overthrowing a legacy of racist downzoning in our city—two extraordinary opportunities in one!—but you have not. That is why I support Senator Wiener's bill, SB50. And so I was dismayed to hear that the Board of Supervisors is considering a resolution to oppose SB50, which I believe is the most realistic way to add the massive amount of new housing we urgently need, and I hope you will reconsider. If some of us are to have a future in the city, then your leadership is needed to support housing, not diminish efforts to create more.

I don't need to tell you that valuable members of our community are forced to leave all the time because there are not enough places to live in the city, let alone affordable housing options. A lack of housing is the reason one of my closest friends, also a longtime D3 resident, recently moved out of the city and state after living and working here for more than 15 years. Despite being a budget-minded, hardworking person without pets or children, she and her spouse, a state employee, could not afford the rent increase to move into an even smaller studio apartment elsewhere when their landlord refused to fix untenable habitability issues. They should not have been forced to stay in an unhealthy unit for so long, but they could not afford to sue, and they were desperate to stay here, in their community, in the city that we all love.

They are not alone. Many of my friends have moved out of SF and even as some of them work to stay in the Bay Area in general, they all say the same thing: "Once you leave the city, you can never afford to come back."

This is an unconscionable reality for too many. We all suffer when we lose engaged longtime residents who would stay in our community if only they could. Our community is suffering, and you have the power to help heal it.

If you oppose SB50 because you believe you can craft and implement something more effective, then please do it. Please tell us what you will do, and what you will be for, rather than what you are senselessly against, because we desperately need leadership on this issue. Since the Board has been unwilling to propose meaningful action to alleviate the housing crisis, supporting SB50 seems like the very least you can do.

And honestly, it is frustrating beyond explanation to ask you to just passively support worthy legislation, but many of us are desperate for anything that isn't further obstruction and unnecessary logjams added to an already difficult process.

I have written to many of you individually in the past, begging for you to do the work you were elected to do. I am often completely ignored, and frankly, when I am not, I am pleasantly surprised to receive acknowledgment from a staffer working for a supervisor in another district. It should not be the standard that constituents must beg, without any acknowledgement, that city leaders actively and in good faith work to solve our most urgent crises.

Respectfully, there is almost nothing more basic than creating more physical structures where San Franciscans can live.

Please do not spend your time on an unnecessary resolution opposing SB50. Please support measures that alleviate, rather than exacerbate, this ongoing housing crisis.

Sincerely,
Brittany Shoot in D3

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: lease postpone a decision on PDA's until there can be a robust public process in each district.
Date: Monday, December 9, 2019 6:35:00 PM

From: zrants <zrants@gmail.com>
Sent: Monday, December 9, 2019 12:39 PM
To: Ronen, Hillary <hillary.ronen@sfgov.org>; MandelmanStaff, [BOS] <mandelmanstaff@sfgov.org>
Cc: Beinart, Amy (BOS) <amy.beinart@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Fewer, Sandra (BOS) <sandra.fewer@sfgov.org>; Stefani, Catherine (BOS) <catherine.stefani@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Brown, Vallie (BOS) <vallie.brown@sfgov.org>; Haney, Matt (BOS) <matt.haney@sfgov.org>; Yee, Norman (BOS) <norman.yee@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: lease postpone a decision on PDA's until there can be a robust public process in each district.

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

December 9, 2019

Board of Supervisors:

RE: Please postpone a decision on PDA's until there can be a robust public process in each district.

Supervisors:

Please postpone any votes on Priority Development Areas (PDA's) until the residents of San Francisco have the opportunity to learn about and give input on PDA's during a robust public process. Please hold meetings in your district, so that the public can not only learn about PDA's but also ask questions directly to the Planning Department about PDA's. For example, why should San Francisco establish even more PDA's? What is the goal of PDA's? Where will PDA's be located? How will PDA's affect each neighborhood?

According to MTC/ABAG planning documents, the PDA Planning Program provides financial support for planning processes that seek to intensify land uses. The PDA Planning processes supports plans that have the greatest potential for resulting in land use zoning and policy changes leading to new development.

Although the Planning Department is characterizing these new designations as areas set aside only

for planning purposes, the ultimate outcome from these designations has been very different.

At the November 21st Planning Commission hearing, many housing, tenant, and community leaders expressed concern that PDA's would be used as a signal to developers that those areas are now "open for business." In fact, some speakers suggested that it is time to remove the PDA designation from some areas, not to add new ones.

Neighborhoods need to know what PDA's will mean for them. I have watched San Francisco neighborhoods rich in diversity and character be crushed under the forces of big money real estate development with the cooperation of City government. I am very concerned that PDA's are a first step in furthering this process and in finishing off the neighborhoods that are left.

The Planning Department has stated that PDA's are community based. If the community has not decided on their location, then PDA's are not community based. The public has had only a short time to review this proposal. In addition, it is being brought to a vote during the winter holidays, a time when people are more focused on family than on civic issues. Why weren't PDA's brought to the neighborhoods before boundaries were drawn, and the neighborhoods asked how, why, where, and if they want intensive development?

Therefore, I am asking that there not be a vote on these new PDA's until there can be community outreach and a robust discussion held in each district about PDA's.

Planning can be done without signing on to the PDA process. Let's find out what is in this pill before we swallow it.

Sincerely,

Mari Eliza, concerned citizen

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Press Release -- Board of Supervisors -- Please deliver ASAP -- Re: Meeting, December 10, 2019
Date: Monday, December 9, 2019 7:17:00 PM
Attachments: [Press Release Reparations.docx](#)

From: Rev. Portia Osborne <revportia@thirdbaptist.org>
Sent: Monday, December 9, 2019 5:00 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Dr. Amos C. Brown <dramoscbrown@thirdbaptist.org>; revportia@thirdbaptist.org; jamie@thirdbaptist.org
Subject: Press Release -- Board of Supervisors -- Please deliver ASAP -- Re: Meeting, December 10, 2019

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

December 9, 2019

Dear Clerk of the Board of Supervisors,

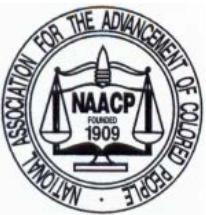
Please see the attached press release from the office of Dr. Amos C. Brown, President, NAACP San Francisco Branch.

Would you be so kind as to forward this release to the supervisors as soon as possible.

Thank you,

Rev. Portia Osborne
415-346-4426 ext. 210

Jamie Muntner
415-346-4426 ext. 212



FOR IMMEDIATE RELEASE

Press Conference December 10, 2019

San Francisco City Hall

1 Dr. Carlton B. Goodlett Place (Polk Street)

San Francisco, CA 94102

Dr. William Barber, II

Dr. Alvin Jackson

Leaders of the Poor People's Campaign

Contact: Rev. Dr. Amos C. Brown

dramoscbrown@thirdbaptist.org

Office: (415)346-4426 ext. 213

Cell: (415) 559-2978

San Francisco and National African American Leaders Demand S.F. Create Reparations Fund with Hotel and Marijuana Taxes

City Must Make Amends for Past Injustice with Support for Education, Housing, and Economic Opportunity

SAN FRANCISCO, December 10, 2019 -- African-American religious and community leaders in San Francisco today called on the Board of Supervisors to use its hotel and marijuana tax income to establish a reparations fund that makes amends for the city's historic injustices to its black citizens.

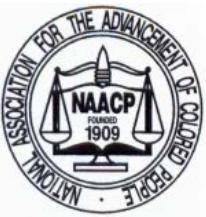
The leaders called on San Francisco, one of the wealthiest cities in the nation, to create the fund in acknowledgement of the ongoing failure of the city to provide equal opportunity and rights to its black citizens since the days of the Gold Rush.

African-American residents have been systematically driven out of the community by discriminatory practices, "urban renewal" programs that devastated historic black neighborhoods, substandard public education, and economic inequality fueled by gentrification. Blacks represented 13% of the city's population in 1970; today they account for less than 5% of a city whose population has grown steadily for four decades.

"Here we are at the end of 2019, and in San Francisco blacks are still suffering from the fallout of the human degradation of slavery and the treatment of their ancestors as tools and not human beings," said the Rev. Amos Brown, President, S.F. NAACP and Pastor of Third Baptist Church. "We are here to give the San Francisco Board of Supervisors, as the policy makers of this city, the opportunity to make amends with reparations to our community."

Leaders say the fund should be used to support four major initiatives in the community:

-over-



- **Education:** Black students in the city's public school system face challenges their peers do not, and need wrap-around services that address issues of mental health and depression, the results of exposure to violence in their community, the need for competent and culturally sensitive law enforcement to stem that violence, and for tutoring and mentoring programs to ensure students have the opportunity to succeed. The fund should pay for these programs, and the Board of Supervisors and community groups must demand accountability.
- **Support for the San Francisco Black Diaspora:** Thousands of black San Franciscans were pushed out of the city to neighboring counties, beginning with the era of urban renewal and continuing through gentrification today. "For that diaspora", said Bishop Yvette Flunder, Pastor of City of Refuge congregation, "the city should create a relationship with those neighboring counties in order to direct funds that ensure these former residents enjoy opportunities for economic empowerment, public safety and education."
- **Housing:** The fund must be used to correct the ills of the current housing lottery system that consistently fails black San Franciscans struggling to find a place to live in their own community. A new system must be created that gives those blacks who were pushed out preference for housing in non-profit developments, in public housing, and for all affordable housing in the city.
- **Creating a Vibrant Black Community in the Fillmore:** Urban renewal and other city policies devastated the Fillmore neighborhood, once known as the "Harlem of the West." The reparations fund should be directed to rebuild that community and afford African Americans the opportunity, through both private and public sector investments, to re-establish an excellent and thriving cultural and business hub at the Heritage Building in the Fillmore.

Black leaders noted that the Board of Aldermen in Evanston, IL voted late last month to direct the proceeds from the city's hotel and marijuana tax into a reparations fund for its African-American residents, and called on the Board of Supervisors to follow that lead.

"For this generation who are still suffering the fallout of that evil system of slavery, it should be the political will of San Francisco to emulate the city of Evanston, whose leaders knew how to do the right thing," Rev. Brown said.

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#); [BOS Legislation, \(BOS\)](#)
Subject: FW: Letter for the San Francisco Board of Supervisors
Date: Monday, December 9, 2019 7:20:00 PM
Attachments: [Board of Supervisors Letter - 12_03_19.pdf](#)

From: CCL San Francisco <sfcitizensclimatelobby@gmail.com>
Sent: Tuesday, December 3, 2019 6:39 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Letter for the San Francisco Board of Supervisors

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Good evening,

In the attached, please find our letter in support of and with further consideration to the recent introduction of Resolution 191188. Please feel free to respond to this email for questions or to find the contact information for any one of us individually.

Thank you very much, and have a wonderful day!

--

Citizens Climate Lobby - San Francisco
Stuart Collins ~ Whitney Larsen ~ Candice Wold

sfcitizensclimatelobby@gmail.com

Dear Members of the San Francisco Board of Supervisors,



We are the co-leaders of the San Francisco chapter of Citizens' Climate Lobby (CCL). CCL is a national, non-profit, non-partisan grassroots advocacy organization focused on federal policies to address climate change. We write to you today on behalf of our members and volunteers here in San Francisco as well as throughout the country and the world to ask for your support of resolution 191188. This resolution endorses the Energy Innovation and Carbon Dividend Act (EICDA), a bill currently being considered by the U.S. House of Representatives.

The EICDA aims to drive down climate change-causing carbon emissions using a mechanism known as Carbon Fee and Dividend (CF&D). CF&D works by placing a fee on fossil fuels like coal, oil, and gas. That fee then increases each year. The money collected from the fee is allocated in equal shares every month to the American people to spend as they see fit. The net effect is that both producers and consumers are incentivized to move to non-emitting (and therefore cheaper) products. The dividend insulates consumers from general price increases in the products they use today while they transition to climate friendlier options.

We appreciate and support your commitment to protecting our most vulnerable communities, and the EICDA does just that by putting dividend money directly into their pockets. Research shows that 72% of households break even or come out ahead, with a progressive distribution that greatly benefits lower income households.¹ This policy is beneficial for the economy, creating an anticipated 2.1 million new jobs over 10 years by driving local investment in renewable energy.²

Independent research shows that the EICDA is effective in reducing carbon emissions in the United States, bringing them 40% below 2016 levels in the first 12 years.³ Looking more locally, the EICDA aligns wonderfully with the strategic climate priorities that we have set for ourselves in San Francisco in the Focus 2030 report. The economic incentive provided by the EICDA would ease the path towards reaching goals like powering buildings with 100% renewable electricity and getting 25% of private cars to be electric by 2030. Opting for non-emitting energy would become the financially prudent thing to do.

We believe that this bill is the most powerful single thing we can do to fight climate change, and explicit local and municipal support signals to our congressional representatives that the political will exists in their constituencies. San Francisco is often an 'early mover' in the nation - and by endorsing this resolution, other municipalities will join in support. That is why we ask for your endorsement. We welcome any questions you might have about the bill. Please reach out to us and we would be happy to answer them for you over the phone, email, or in an in-person meeting should you desire.

Thank you for all that you do to address this climate emergency.

Sincerely,

Stuart Collins / Whitney Larsen / Candice Wold

¹ *Impact of CCL's Proposed Carbon Fee and Dividend Policy*, p. 26, bit.ly/2rKCTR.

² The Economic, Climate, Fiscal, Power, and Demographic Impact of a National Fee-and-Dividend Carbon Tax, pp. 27 & 117, <https://bit.ly/2OJxVN>

³ The Economic, Climate, Fiscal, Power, and Demographic Impact of a National Fee-and-Dividend Carbon Tax, p. 30, <https://bit.ly/2OJxVN>

From: [Kate Haug](#)
To: [Board of Supervisors. \(BOS\)](#)
Cc: [Fewer, Sandra \(BOS\)](#); [Stefani, Catherine \(BOS\)](#); [Peskin, Aaron \(BOS\)](#); [Mar, Gordon \(BOS\)](#); [Brown, Vallie \(BOS\)](#); [Yee, Norman \(BOS\)](#); [Haney, Matt \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#); [Ronen, Hillary](#); [Walton, Shamann \(BOS\)](#); [Safai, Ahsha \(BOS\)](#); [Breed, Mayor London \(MYR\)](#); [mrocha@ccsf.edu](#); [alexandolph@ccsf.edu](#); [ttemprano@ccsf.edu](#); [bdavila@ccsf.edu](#); [ivylee@ccsf.edu](#); [jrizzo@ccsf.edu](#); [tselby@ccsf.edu](#); [swilliams@ccsf.edu](#); [studenttrustee@mail.ccsf.edu](#)
Subject: Support the Community Higher Education Fund
Date: Tuesday, December 10, 2019 8:12:15 PM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Board of Supervisors,

I am writing to ask you to create a Community Higher Education Fund to support CCSF. Community College is a vital resource for students of all ages and provides a wonderful point of exchange between people of different ages, cultures and social demographics. I taught at Bay Area community colleges for many years and it was one of the most rewarding teaching environments of my professional careers. The accessibility of Community College to young and old, married and single, immigrants and locals made for an exceptionally vibrant learning community where students were able to see and experience the minds of people with whom they might not typically interact. It's a very powerful environment for supporting democratic ideals, creating empathy and breaking down stereo-types. Please support the breadth and depth of classes at community college to provide space for all learners - elders, youth, curiosity seekers, mothers, and those simply looking to enrich their lives.

San Francisco is a wealthy city that values community and education. Please support CHEF and make our democratic ideals a reality.

Best regards,

Kate Haug
260 Day Street
SF CA 94131

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: What Can You Do to Help Restore Older Adult Classes at CCSF?
Date: Thursday, December 12, 2019 3:39:00 PM
Attachments: [pw-EFOS-letter-Age-Discrimination-at-CCSF--Equity-For-Older-Students--12-3-19.doc](#)

From: EquityForOlderStudents <EquityForOlderStudents@protonmail.com>

Sent: Wednesday, December 4, 2019 4:49 PM

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

Subject: What Can You Do to Help Restore Older Adult Classes at CCSF?

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Please see attached regarding our serious concerns regarding the sudden, discriminatory, almost-90 percent, cut in City College of SF classes for Older Adults, starting immediately with registration for next semester.

We ask: What can you do to help restore all class cuts, but especially those affecting Older Adults.

We note these cuts represent an almost complete destruction of this long-standing program.

Thank you!

EFOS - Equity for Older Students
EquityForOlderStudents@Protonmail.com

Should you have difficulty opening the attached document, we provide the text below, with likely format anomalies:

EQUITY FOR OLDER STUDENTS

EFOS

December 4, 2019

Age discrimination at City College of San Francisco? That's what recent class cuts look like to us.

On the Friday before Thanksgiving, many ‘older adult’ students came as usual to their heavily-attended sculpture and drawing classes at Fort Mason – only to learn that neither class would be given this Spring and, in fact, 90 percent of the entire Older Adult (OLAD) program’s classes had been cut.

This represents a *fait accompli* with no notice to students ahead of the decision, and with only three more weeks of classes remaining.

The effective date was given as the start of Spring registration, which was just a few days earlier. A letter from the OLAD program head, Kelvin M. Young said,

“I don’t know if the classes selected for cancellation are based on any logical criteria, but they don’t seem to correlate to instructor seniority or class productivity from what I can see. The Office of Instruction has already removed all cancelled classes from the online schedule and registration system.”

Mr. Young said that 50 of 58 OLAD classes have been cut. That’s almost 90 percent!

A message from the union, AFT2121, said the decision “sidestep[ed] the department chairs and shared governance process” in an ‘emergency’ effort ... to solve a ‘crisis’ we all saw coming.” The union message also said, “presenting the shortfall as unexpected “is a classic ‘shock doctrine’ tactic designed to create panic and complicity with a specific agenda.”

City College’s Chancellor, Dr. Mark Rocha, was well aware of the discriminatory impact on older adults. He wrote in a November 21 memo, “Non-credit subject areas most impacted were offerings for older adults.”

Well, hello! “Offerings for older adults” are not subject areas, but a hit against a category of students.

If this were a hit demolishing 90 percent of a Women’s program, or one for African-Americans, or Latinx or LGBTQ, does anyone doubt that this would have rightfully caused an uproar?

The suddenness of this cut totaling 288 classes overall also raises questions of administrative competence, or concealment, or both. Equity for Older Students is working toward full restoration of classes for all, but especially for the disproportionately devastated Older Adults program.

(Signed) EQUITY FOR OLDER STUDENTS (EFOS) –

EquityForOlderStudents@protonmail.com

Sent with [ProtonMail](#) Secure Email.

EQUITY FOR OLDER STUDENTS

EFOS

December 3, 2019

Age discrimination at City College of San Francisco? That's what recent class cuts look like to us.

On the Friday before Thanksgiving, many 'older adult' students came as usual to their heavily-attended sculpture and drawing classes at Fort Mason – only to learn that neither class would be given this Spring and, in fact, 90 percent of the entire Older Adult (OLAD) program's classes had been cut.

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(Signed) EQUITY FOR OLDER STUDENTS (EFOS) –

EquityForOlderStudents@protonmail.com

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Consider Legislation to protect installed solar rooftop systems
Date: Monday, December 9, 2019 6:35:00 PM

From: zrants <zrants@gmail.com>
Sent: Monday, December 9, 2019 12:40 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Fwd: Consider Legislation to protect installed solar rooftop systems

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

December 9, 2019

Supervisors:

re: Consider Legislation to protect installed solar rooftop systems

Please consider legislation to protect installed solar rooftop systems as you move forward legislation to required them.

As we celebrate the record number of solar panel installations in California, we need to consider what can be done legislatively to protect the installed systems and keep them functioning at the most efficient levels possible.

Solar works in the fog and the rain and cold but it doesn't work in shade. We understand their are newer systems function better under partial shade conditions than the traditional ones, but the ones in operation now do not.

Please consider the importance of keeping the solar systems functioning as you work on legislation to require installations. We have done some investigations and discovered legislation written and in use for years by the city of Santa Cruz. We can share our findings with you if that will help move San Francisco legislation forward.

Please share message with your colleagues and staff. Expanding solar installations and local energy grid systems should be considered as a primary method to remove the threat of wildfires and cut the use of non-renewable fuels.

Sincerely,

Mari Eliza, concerned citizen and long-time solar panel owner



Join Governor Schwarzenegger to Celebrate One Million Solar Roofs!

This Thursday, December 12th 1:30 PM

Event will be approximately one hour

Buchanan High School

Clovis, CA

I'LL BE THERE!

Hi Mari,

In 2006, California passed the Million Solar Roofs Initiative and set a goal of building a million solar energy systems across the state. The Million Solar Roofs Initiative was the catalyst for bringing down the price of solar. After 13 years, we have finally reached this milestone. So, it's time to celebrate and push for a new goal that brings battery storage and solar to millions more Californians.

Join former Gov. Arnold Schwarzenegger this Thursday to officially celebrate hitting California's Million Solar Roofs milestone. **As a solar**

user, you are a critical part of this story. I'd love you to have a chance to celebrate with the other folks instrumental in making this happen.

I am sending this invitation wide and far, including to people far from Clovis. I understand if you cannot attend due to distance or existing commitments. My intention is to ensure you know about this event and have the chance to attend.

Yes, I will attend!

The event will be held at a high school in Clovis powered by solar and battery storage. It also runs a Clean Energy Academy, educating the next generation of solar installers and designers. [Hope to see you there this Thursday!](#) Thank you for everything you do.

-- Dave Rosenfeld, Executive Director

Solar Rights Alliance
302 Washington St
150-5062
San Diego, CA 92103
United States
[unsubscribe](#)

Please consider a [donation to Solar Rights Alliance.](#)



From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Major, Erica \(BOS\)](#)
Subject: FW: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project
Date: Thursday, December 12, 2019 3:40:00 PM

From: mark lynch <sirlynch2000@yahoo.com>
Sent: Thursday, December 5, 2019 4:05 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Members of the Board of Supervisors,

I am writing to urge you to support the Teatro ZinZanni/Kenwood Investments hotel and theater project when it comes before you for your approval. The project has already been approved by the City's Port Commission (September 2019), Planning Commission (May 2019), and Historic Preservation Commission (March 2019), it promotes the arts and entertainment in San Francisco, is built to conform to the area's 40' foot height limit, complies with the Public Trust doctrine and the Port's Waterfront Land Use Plan, and is supported by many community groups and leaders. Please support the Teatro ZinZanni/Kenwood hotel and theater project.

Sincerely,

Mark Lynch

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Major, Erica \(BOS\)](#)
Subject: FW: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project
Date: Monday, December 9, 2019 7:19:00 PM

From: Oscar Johnson <ojphd18@yahoo.com>
Sent: Thursday, December 5, 2019 11:51 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

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Respectfully,

Oscar Johnson

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Major, Erica \(BOS\)](#)
Subject: FW: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project
Date: Monday, December 9, 2019 6:38:00 PM

From: Michele Perry <michele_perry@sbcglobal.net>
Sent: Sunday, December 8, 2019 7:48 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

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Michele Perry

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Major, Erica \(BOS\)](#)
Subject: FW: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project
Date: Thursday, December 12, 2019 3:40:00 PM

From: John A. Mai <johncolby61mai@yahoo.com>
Sent: Thursday, December 5, 2019 1:36 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: SUPPORT For ZinZanni/Kenwood Hotel and Theater Project

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Members of the Board of Supervisors, I am writing to urge you to support the Teatro ZinZanni/Kenwood Investments hotel and theater project when it comes before you for your approval. The project has already been approved by the City's Port Commission (September 2019), Planning Commission (May 2019), and Historic Preservation Commission (March 2019), it promotes the arts and entertainment in San Francisco, is built to conform to the area's 40' foot height limit, complies with the Public Trust doctrine and the Port's Waterfront Land Use Plan, and is supported by many community groups and leaders. Please support the Teatro ZinZanni/Kenwood hotel and theater project. Sincerely,

John A. Mai
7072 Via Pacifica
San Jose, California 95139

(408) 227-1224

Added Note: Over the years, reasons to visit San Francisco come and go ... 1) Beach Blanket Babylon, 2) Marines Memorial (hanging in there), 3) Teatro ZinZanni, 4) Golden Gate Park (still available), 5) Kezar, etc ... Here is a chance to add back 'into the fold' Teatro ZinZanni that will bring back a class attraction for everyone and hopefully dull the absolute pain of losing Beach Blanket Babylon.

From: [Anonymous](#)
To: [SFPD_Commission_\(POL\)](#)
Cc: [Peskin, Aaron \(BOS\)](#); [Safai, Ahsha \(BOS\)](#); [Stefani, Catherine \(BOS\)](#); [Mar, Gordon \(BOS\)](#); [Haney, Matt \(BOS\)](#); [MandelmanStaff_\(BOS\)](#); [Fewer, Sandra \(BOS\)](#); [Walton, Shamann \(BOS\)](#); [Brown, Vallie \(BOS\)](#); [Yee, Norman \(BOS\)](#); [Ronan, Hillary](#); [SOTF, \(BOS\)](#); [Board of Supervisors, \(BOS\)](#); [Rosenstein, Diana \(DPA\)](#); [Henderson, Paul \(DPA\)](#)
Subject: Please ensure strict compliance with Sunshine Ordinance in SB 1421 public records Disclosures - re: Commission Dec 4 Hearing Public Comment, Items 3 and 4
Date: Tuesday, December 3, 2019 2:23:41 PM
Attachments: [Please ensure strict compliance with Sunshine Ordinance in SB 1421 public records Disclosures - re Commission Dec 4 Hearing Public Comment Items 3 and 4.msg](#)

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

From: [Anonymous](#)
To: [SFPD Commission \(POL\)](#)
Cc: [Peskin, Aaron \(BOS\)](#); [Safai, Ahsha \(BOS\)](#); [Stefani, Catherine \(BOS\)](#); [Mar, Gordon \(BOS\)](#); [Haney, Matt \(BOS\)](#); [MandelmanStaff, \[BOS\]](#); [Fewer, Sandra \(BOS\)](#); [Walton, Shamann \(BOS\)](#); [Brown, Vallie \(BOS\)](#); [Yee, Norman \(BOS\)](#); [Ronen, Hillary](#); [SOTF, \(BOS\)](#); [Board of Supervisors, \(BOS\)](#); [Rosenstein, Diana \(DPA\)](#); [Henderson, Paul \(DPA\)](#)
Subject: Please ensure strict compliance with Sunshine Ordinance in SB 1421 public records Disclosures - re: Commission Dec 4 Hearing Public Comment, Items 3 and 4
Date: Tuesday, December 3, 2019 2:23:39 PM
Attachments: [signature.asc](#)

Honorable Members of the Police Commission,
[cc: Board of Supervisors, Sunshine Ordinance Task Force, DPA]

Please ensure that your own Commission, and both the DPA and SFPD under your supervision, are not permitted to make any exemptions or delays in disclosures of SB 1421 police misconduct records, other than those permitted by the CPRA and Penal Code, and not further prohibited by the stronger local Sunshine Ordinance. If you create and enforce internal policies in practice that refuse or delay access to any lawfully public records, it is likely that more journalists, activists, and good government organizations, including myself, would have to appeal your and your subordinate agencies' records responses.

I write to you to today to ensure that your agencies properly redact records. As you may know, SF Admin Code 67.26 requires you to provide a "clear reference" like a footnote to a justification for each and every redaction or withholding, and 67.27 requires that justification be either an appropriate law or court case. While some City agencies do comply with these requirements without fuss, many disclosures we have received from SFPD lacked such justifications. My petitions have caused both the SFPD and other agencies to redo such disclosures in the past that did not comply with the Sunshine Ordinance. Those were generally smaller records responses. **Due to the volume of records involved in past SB 1421 investigations, the amount of duplicate labor if the Sunshine Ordinance is not followed correctly will be substantial, so I urge you to please ensure your agencies do it right the first time.**

The Public Defender's presentation already discusses some of the non-statutory exceptions and delay DPA/SFPD has proposed that must be rejected by your Commission.

We have already written to you regarding the inappropriate use of the public interest balancing test, which is prohibited in San Francisco:

<https://sfgov.org/policecommission/sites/default/files/Documents/PoliceCommission/Anonymous%20email%20112119.pdf>

Please order DPA, SFPD, and your own staff to follow strictly all of the provisions of the CPRA and the Sunshine Ordinance.

I apologize that I cannot make this comment in person as I have a hearing before the Sunshine Ordinance Task Force at essentially the same time.

NOTE: Nothing herein is legal, IT, or professional advice of any kind. The author disclaims all warranties, express or implied, including but not limited to all warranties of merchantability or fitness. In no event shall the author be liable for any special, direct, indirect, consequential, or any other damages whatsoever. The digital signature, if any, in this email is not an indication of a binding agreement or offer; it merely authenticates the sender. Please do not include any confidential information, as I intend that these communications with the City all be public records.

Sincerely,

Anonymous

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Recent Rainstorm flooding
Date: Thursday, December 12, 2019 3:43:00 PM

From: getgame9 <getgame9@yahoo.com>
Sent: Monday, December 9, 2019 12:45 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Recent Rainstorm flooding

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Like to comment that suggestion made years ago when sewer pipes were being replaced, to have separate pipes for street sewers run off that do not get processed at the city's treatment plant.

Our land property sewer bill would be reduced substantially during winter and the flooding during downpours would likely be eliminated or greatly reduced.

Since labor is the bulk of expenses, it is too bad that the city just didn't start at the beach to lay the extra pipes so that runoff can be redirected immediately. Then work it's way inwards towards downtown.

It's never too late to start planning and budgeting this. I never believed that every drop of water needs to go thru a treatment plant.

Thank you.

Sent from my Verizon, Samsung Galaxy smartphonereal!

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Operations](#)
Subject: FW: Active Local Emergencies Declared by the Board of Supervisors
Date: Thursday, December 12, 2019 3:40:00 PM

From: Henry Kim <henry.kim@rwclegal.com>
Sent: Thursday, December 5, 2019 5:07 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Active Local Emergencies Declared by the Board of Supervisors

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Dear Clerk's Office,

I am an attorney with the law firm of Ruzicka, Wallace & Coughlin, LLP. We represent landlords and property owners throughout the City and County of San Francisco. In order to ensure that my clients are in full compliance with all applicable laws and ordinances, I am writing to request a list of all active local emergencies declared by the San Francisco Board of Supervisors.

Please do not hesitate to contact me with any questions or concerns.

Thank you,

Henry Kim, Esq.



16520 Bake Parkway, Suite 280 | Irvine, CA 92618

T [949-759-1080](tel:949-759-1080) | F [949-759-6813](tel:949-759-6813) | henry.kim@rwclegal.com | www.rwclegal.com

Privileged And Confidential Communication. This electronic transmission, and any documents attached hereto, (a) are protected by the Electronic Communications Privacy Act (18 USC §§ 2510-2521), (b) may contain confidential and/or legally privileged information, and (c) are for the sole use of the intended recipient named above. If you have received this electronic message in error, please notify the sender and delete the electronic message. Any disclosure, copying, distribution, or use of the contents of the information received in error is strictly prohibited.

Fair Debt Collection Practices Act Disclosure: To comply with the Fair Debt Collection Practices Act, we inform you that this is a communication from a debt collector. This may be an attempt to collect a debt and any information obtained will be used for that purpose. However, if you are in bankruptcy or received a bankruptcy discharge, no attempt is being made to collect a debt and any information will be obtained for informational purposes only.

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Juvenile hall movies
Date: Thursday, December 12, 2019 3:39:00 PM

From: Allen Jones <jones-allen@att.net>
Sent: Thursday, December 5, 2019 12:48 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Breed, Mayor London (MYR) <mayorlondonbreed@sfgov.org>; Tucker, Jill <jtucker@sfchronicle.com>; Joshua S <jsabatini@sfxaminer.com>; metro@sfchronicle.com; newstips <newstips@sfxaminer.com>
Subject: Juvenile hall movies

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Attention: All Members of the San Francisco Board of Supervisors,

I am very much aware of the end of 2021 target date to close juvenile hall. But I am still concerned with today's juvenile hall.

There are 40 young people at the hall today.

Fact: "Dolemite", a certain movie(s) being used to entertain the young people at the facility is due to a lack of leadership.

No one likes to laugh more than me. But to show the movie "Dolemite" (yesterday and today), which has no education value for young people is an act of laziness and lack of care by staff, and a lack of guidance by the facility director or absence of a Chief of Probation. I say this with knowledge of the fact, the current chief, Paula Hernandez is retiring in February 2020.

I highly recommend you all see the movie and it's sequel. Then ask yourselves if you would sit down with your kids to watch it.

The nudity in these movies is bad enough but consider this: How can real educational opportunities or time of reflection guide these troubled youth over the next two years if their stay at the hall is a joke or comedy movie like Dolemite?

I suggested this board pass a law banning the film industry from filming any gun scenes and have been ignored for obvious reasons to me.

But as you claim to be committed to coming up with something better than the current juvenile hall concept due to current cost, what about today's detainees?

With Paula Hernandez planning to retire in February 2020. This means the next chief Suzy Loftus will only be a babysitter until the facility closes.

Talk about wasting money.

Allen Jones
(415) 756-7733
jones-allen@att.net
Californiaclemency.org

The Only thing I love more than justice is the freedom to fight for it.

--AllenJones--

From: [Board of Supervisors. \(BOS\)](#)
To: [BOS-Supervisors](#); [Carroll, John \(BOS\)](#)
Subject: FW: SFBOS GAO Committee Meeting Dec. 5th 2019
Date: Thursday, December 12, 2019 3:38:00 PM

From: Aaron Goodman <amgodman@yahoo.com>
Sent: Wednesday, December 4, 2019 3:05 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: SFBOS GAO Committee Meeting Dec. 5th 2019

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Government Audit and Oversight Committee

Please accept this email as my comments on the legislation pending as I am unable to attend and submit comments in person.

190398 - I am opposed to Senate Bill SB50 and scott wiener's legislation to circumvent local review of proposed projects.

We are lacking transit and infrastructural changes citywide and need to be sure to address local concerns on housing developments proposed.

191120 - The proposed new and revised areas ignores completely the concerns raised in terms of equity investment in transportation and new systems, lines and loops and linkages of transit in the areas where the majority of development is occurring citywide. That there is no north to south link along sunset blvd. or 19th ave to show a connection north to south ignores connectivity between districts and public amenities (PARKS) that should have amped up public transit services to get to these locations. With the India basin, and larger D10 developments alongside the Balboa Park Station and D11, and D7 district density and proposed new projects there is a succinct need to address transit lacking connectivity and address HUB designation like the Balboa Park Station (Links the J-K-M-T) lines and creates an intermodal station that will link future areas to HSR and the BART system.

Please look carefully at the maps you are approving and ensure that these edits are created equitably to include public access to the Presidio, Golden Gate Park and McLaren Park along with India Basin and the new Warriors Waterfront areas via public mass-transit access in 20 min or less citywide.

Thank you

Aaron Goodman D11

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: OPPOSE Acad. of Art lawsuit settlement
Date: Thursday, December 12, 2019 3:35:00 PM

From: Bob Planthold <political_bob@att.net>
Sent: Tuesday, December 3, 2019 2:56 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Cc: Bob Planthold <political_bob@att.net>
Subject: OPPOSE Acad. of Art lawsuit settlement

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

----- Forwarded Message -----

Subject: 21 Nov. OPPOSE Items 16a, 16 b, 16 c
Date: Mon, 18 Nov 2019 23:58:51 -0800
From: Bob Planthold <political_bob@att.net>
To: commission.secretary@SFGOV.ORG, commissions.secretary@sfgov.org
CC: ANDREW.PERRY@SFGOV.ORG, Bob Planthold <political_bob@att.net>

----- Forwarded Message -----

Subject: 21 Nov. OPPOSE Items 16a, 16 b, 16 c
Date: Mon, 18 Nov 2019 23:44:37 -0800
From: Bob Planthold <political_bob@att.net>
To: myrna.melgar@sfgov.org, milicent.johnson@sfgov.org, kathrin.moore@sfgov.org
CC: Bob Planthold <political_bob@att.net>

First, I associate myself with the analysis and comments from

both Professor Thomas Jones, from CalPoly SLO, and attorney Sue Hestor.

My own comments focus on this draft settlement's avoidance of responding to

the lack of proper and required access for people with disabilities.

Retrofit of existing bldgs. which have public accommodations is conveniently ignored.

This draft settlement has not been brought to the attention of the Mayor's own Disability Council.

Such neglect, or failure, to include people with disabilities in a matter that

delays, if not lessens, making required accessibility improvements violates the

disability mantra:?? Not FOR us WITHOUT us.

Maybe such involvement of the Mayor's Disability Council is not in itself a process you recognize,

but certainly the long-overdue accessibility retrofit now being ignored

in this draft settlement seems?? a way to let the Academy of Art and the City Attorney

off easily from responsiveness to both federal and state laws requiring access.

People with disabilities have LONG been ignored and NOT represented by the City Attorney.

Too often the only encounter with the City Attorney is to have that office fight people with disabilities

with multiple delaying tactics to wear out our privately funded attorneys

so as to wear down us and our funds,

resulting in far less change than is warranted.

Plumb your memory for the various previous?? press conferences where

the City Attorney has announced lawsuits on behalf of various other

disadvantaged & marginalized groups who legitimately claim discrimination.

Members of the LGBT communities, transgender persons, immigrants, low-wage workers, women,

African-Americans, Hispanic-Americans, and Asian-Americans all have, THANKFULLY,

benefited from advocacy from / by the City Attorney.

Not so for people with disabilities.

Name three significant lawsuits filed by the City Attorney, on behalf of p.w.d.s.

The point here is that the office of the City Attorney

avoids positively responding to, let alone helping p.w.d.s.

That neglect shows up in what ISN'T in this draft settlement.

Such neglect is neither professional nor appropriate.

Yet, back to the draft settlement,

it also violates the Fair Housing Act, and

quite possibly the Unruh Civil Rights Act.

To approve this, simply because a lot of work has gone into it

is an admission of neglect of responding to the needs and rights of people with disabilities.

Please just say NO! to the settlement,

Bob Planthold

From: [Board of Supervisors, \(BOS\)](#)
To: [BOS-Supervisors](#)
Subject: FW: Safety in San Francisco
Date: Thursday, December 12, 2019 3:34:00 PM

-----Original Message-----

From: susanmhull@aol.com <susanmhull@aol.com>
Sent: Monday, December 2, 2019 8:25 PM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Safety in San Francisco

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Our family has a cruise booked with Disney Cruises aboard the Wonder in April 2020 which will make a stop in San Francisco. We discussed whether to book several of the tours and activities, or to just enjoy a self guided city tour by ourselves, and decided half of us would go with organized tours and the other half would guide ourselves.

However, after reading of your newly elected DA who advocates public urination, legalized prostitution, and crime in general, supported by your Ms Lee who leads a chant of F--- the police, we have ALL decided to stay on board. We will spend our money on the ship in comfort and safety.

Susan Hull

Sent from my iPad

From: [Board of Supervisors. \(BOS\)](#)
To: [Low, Jen \(BOS\)](#); [Maybaum, Erica \(BOS\)](#); [Lee, Ivy \(BOS\)](#)
Subject: FW: Still Waiting for Action Denouncing Ms. Fewer's Behavior
Date: Monday, December 9, 2019 6:39:00 PM

-----Original Message-----

From: Ed Cota <deatoc25@sbcglobal.net>
Sent: Friday, December 6, 2019 1:15 PM
To: Yee, Norman (BOS) <norman.yee@sfgov.org>
Cc: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>
Subject: Still Waiting for Action Denouncing Ms. Fewer's Behavior

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Mr. Yee,

On Wednesday, 11/6/2019, I sent you an email requesting some type of censure for Ms. Fewer's unprofessional behavior and vulgar language while at Mr. Boudin's election headquarters. I haven't heard or read of any such actions being taken or even pursued by the Board of Supervisors. I also emailed Supervisor Haney, but he too failed to respond...shocking.

You, and the remainder of the members of the Board of Supervisors' silence is complicity! No other members of the BOS has displayed such inexcusable behavior since the days of Chris Daly.

Do something. Your failure to act evidence of your condoning Ms. Fewer's action which brings discredit to the BOS, and San Francisco city government.

Ed Cota