

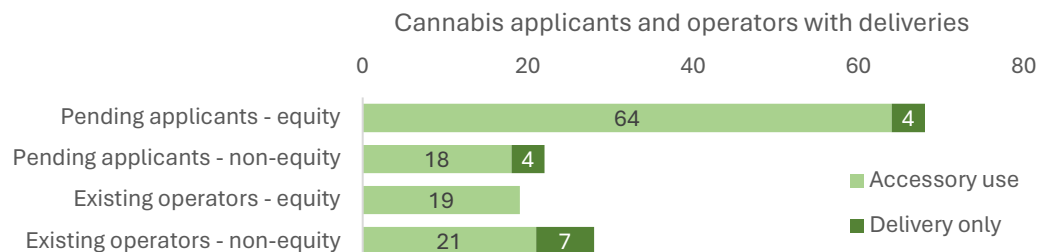
INITIAL POLICY REVIEW: Parcel Delivery Service (#231223)

Recommendations

- Strike cannabis from the existing definition of “parcel delivery service.”
- Allow cannabis operators to have “parcel delivery service” as an accessory use.

Key issues for consideration

- **The proposed ordinance would impose new costs and permitting processes on any local cannabis business that wants to provide delivery service.** In December 2017, just before the Adult Use of Marijuana Act took effect statewide, the Board of Supervisors changed the definition of “parcel delivery service” to include any business that loads retail cannabis products for deliveries. In contrast, grocery stores, pharmacies, restaurants, and other retailers with delivery services were not added to the definition and will not be affected by this ordinance.
- **As of February 2024, according to the Office of Cannabis:**
 - **Pending applications.** Out of 144 pending cannabis applicants, 90 have included delivery as part of their business. Of the pending applicants with a delivery component, over 75% are equity applicants.
 - **Existing operators.** Out of 107 existing cannabis operators in San Francisco, 47 have delivery as part of their business. Of those existing operators that provide delivery, 40% are equity operators.
 - **Facility size.** There are 13 pending cannabis applicants and 2 existing cannabis operators that are over 5,000 square feet and have delivery as part of their business.



- **The city’s laws and policies have intentionally concentrated industrial lands and low-wage work in the neighborhoods that are home to the most Black, Pacific Islander, and Latine residents.** Many of these residents and their families have been and continue to be disproportionately targeted for cannabis-related offenses as part of the “War on Drugs.” We cannot trade off one harm – environmental pollution and unsafe work conditions – for another harm – exclusion from the legal cannabis market. As policymakers seek to repair these racial harms, we encourage them to bring those “closest to the pain... closest to the power” to refine this ordinance and other accompanying legislation.

CANNABIS APPLICANTS AND OPERATORS WITH PARCEL DELIVERY SERVICE – AS OF FEBRUARY 16, 2024
 (data provided by the Office of Cannabis)

Zip code and neighborhood		Applicants with parcel delivery service					Operators with parcel delivery service				
		Current total	Accessory use		Delivery only		Current total	Accessory use		Delivery only	
			Equity	Non-equity	Equity	Non-equity		Equity	Non-equity	Equity	Non-equity
94124	Bayview-Hunters Point	19	13	2	3	1	5	1	1	0	3
94103	South of Market	18	10	7	1	0	7	1	5	0	1
94107	Potrero Hill	9	8	0	0	1	6	1	2	0	3
94110	Inner Mission / Bernal Heights	6	4	1	0	1	3	1	2	0	0
94109	Polk / Russian Hill (Nob Hill)	5	4	1	0	0	3	2	1	0	0
94102	Hayes Valley / Tenderloin / North of Market	5	3	2	0	0	2	2	0	0	0
94112	Ingleside-Excelsior / Crocker-Amazon	4	3	1	0	0	2	0	2	0	0
94114	Castro / Noe Valley	3	3	0	0	0	3	2	1	0	0
94108	Chinatown	3	2	1	0	0	0	0	0	0	0
94133	North Beach / Chinatown	2	2	0	0	0	2	2	0	0	0
94123	Marina	2	2	0	0	0	1	1	0	0	0
94134	Visitation Valley / Sunnydale	2	2	0	0	0	2	1	1	0	0
94121	Outer Richmond	2	2	0	0	0	0	0	0	0	0
94111	Financial District / North Beach	4	1	2	0	1	0	0	0	0	0
94105	Financial District / South of Market	2	1	1	0	0	1	0	1	0	0
94118	Inner Richmond	1	1	0	0	0	3	2	1	0	0
94117	Haight-Ashbury	1	1	0	0	0	4	1	3	0	0
94116	Parkside / Forest Hill	1	1	0	0	0	0	0	0	0	0
94127	St Francis Wood / Miraloma / West Portal	1	1	0	0	0	0	0	0	0	0
94113	North Waterfront	0	0	0	0	0	1	1	0	0	0
94122	Sunset	0	0	0	0	0	2	1	1	0	0
Total		90	64	18	4	4	47	19	21	0	7

“Equity”: VEA

“Non-equity”: MCD, TMP, INC