

BOARD of SUPERVISORS



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

November 12, 2020

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

Dear Commissioners:

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

File No. 201261

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

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

Angela Calvillo, Clerk of the Board

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

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

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

1 [Planning Code - Cannabis Uses]

2

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

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

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

18

19 Section 1. Findings.

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

25 (b) On _____, the Planning Commission, in Resolution No. _____,
adopted findings that the actions contemplated in this ordinance are consistent, on balance,
with the City’s General Plan and eight priority policies of Planning Code Section 101.1. In this

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

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

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

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* * * *

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

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16 Section 3. Effective Date; Retroactivity.

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

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

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1 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the “Note” that appears under
6 the official title of the ordinance.

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

10 By: /s/ Sarah A. Crowley
11 SARAH A. CROWLEY
12 Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code - Cannabis Uses]

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

Existing Law

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

Amendments to Current Law

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

Background Information

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

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