

Title

City and County of San Francisco

12/02/2022

id. 34218696

by **Jeremy Schwartz** in **Proposition 64 Public Health & Safety Grant Program, Cohort 3- Request for Proposals**

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Original Submission

12/02/2022

KEY INFORMATION

The Proposition 64 Public Health & Safety Grant Program, Cohort 3 Request for Proposals is divided into five (5) sections. Section I - Applicant Information Section II - Proposal Abstract Section III - Proposal Narrative and Project Work Plan (upload attachment) Section IV - Proposal Budget and Narrative (upload attachment) Section V - Attachments: Mandatory and Optional (upload attachments) Each section has fields that require a response. Applicants will be prompted to provide written text, numerical input, radial button choices, and upload attachments. Documents in Word, Excel, and/or PDF are allowable formats for upload attachments. Some responses requiring narrative text input have a limited number of allowable characters for those fields. If a character limit has been enabled for a specific response field, a character counter will display the number of characters allowed and will then show the number of characters remaining as text is entered into the response field. Character limits include all text, punctuation, and spaces. If the character limit is exceeded, a red prompt will appear with the message "You have exceeded the character limit." Applicants may start and stop their application, as needed, during the solicitation period. However, to save the information entered into the BSCC-Submittable Application, applicants must select "Save Draft" at the bottom of the application before existing. Applicants are prohibited from submitting the Prop 64 Grant Program, Cohort 3 application until all mandatory fields are completed (those with a red asterisk), character limits are in compliance, and required documents have been uploaded. Applicants should read the Prop 64 Cohort 3 RFP Instruction Packet prior to completing the application process. The RFP Instruction Packet contains all the necessary information to successfully complete and submit the Prop 64 application for Cohort 3. This document can be found at: <http://www.bscc.ca.gov/proposition-64-public-health-safety-grant-program/>.

CONFIDENTIALITY NOTICE: **All documents submitted as a part of the Proposition 64 Public Health & Safety Grant Program proposal are public documents and may be subject to a request pursuant to the California Public Records Act. The BSCC cannot ensure the confidentiality of any information submitted in or with this proposal. (Gov. Code, § 6250 et seq.)**

SECTION I - APPLICANT INFORMATION **This section requires information about the applicant (County/City), grant funds being requested, proposed project synopsis and project officials.**

Name of Applicant ('Name' County or City of 'Name') **City and County of San Francisco**

Tax Identification Number **94-6000417**

Grant Funds Requested - Whole dollars only **3000000.0**

Applicant's Physical Address **49 South Van Ness, Suite 660
San Francisco
CA
94103
US**

Applicant's Mailing Address (if different than physical address) **n/a**

Mailing Address For Reimbursement Payments **49 South Van Ness, Suite 660
San Francisco
CA
94103
US**

Project Title **Prop 64 Public Health and Safety Grant Program**

Project Summary **To fund projects addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act. The San Francisco Office of Cannabis (OOC), through its Office of the City Administrator, seeks to leverage this grant opportunity to strengthen compliance, enforcement, and inspection efforts.**

Proposed Project County/City Size for Funding Distribution **Large-sized county or a city within a large-sized county**

Project Purpose Areas (PPAs) **PPA 2: Public Health
PPA 3: Public Safety**

Lead Public Agency (LPA) Information	This sub-section requires information about the governmental agency with local authority of or within the county or city that will be acting as the LPA. Additionally, this section requires names and contact information for the individuals identified as the Project Director, Financial Officer, Day-to-Day Project Contact, Day-to-Day Fiscal Contact, and the Authorized Officer with signing authority.
Lead Public Agency (LPA)	Office of the City Administrator, City and County of San Francisco
Project Director	Jeremy Schwartz
Project Director's Title	Deputy Director, Office of Cannabis
Project Director's Physical Address	49 South Van Ness, Suite 660 San Francisco CA 94103 US
Project Director's Mailing Address (if different than physical address)	<i>n/a</i>
Project Director's Email Address	jeremy.schwartz@sfgov.org
Project Director's Phone Number	+14153073906
Financial Officer	Hazelle Fernandez
Financial Officer's Title	Accounting and Finance Manager
Financial Officer's Physical Address	1 Dr. Carlton B. Goodlett Place, Room 357 San Francisco CA 94102 US
Financial Officer's Mailing Address (if different than physical address)	<i>n/a</i>
Financial Officer's Email Address	hazelle.fernandez@sfgov.org

Financial Officer's Phone Number **+14155547517**

Day-To-Day Program Contact **Jeremy Schwartz**

Day-To-Day Program Contact's Title and Agency/Department/Organization **Deputy Director, Office of Cannabis**

Day-To-Day Program Contact's Physical Address **49 South Van Ness, Suite 660
San Francisco
CA
94103
US**

Day-To-Day Program Contact's Email Address **jeremy.schwartz@sfgov.org**

Day-To-Day Program Contact's Phone Number **+14153073906**

Day-To-Day Fiscal Contact **Hazelle Fernandez**

Day-To-Day Fiscal Contact's Title with Agency/Department/Organization **Accounting and Finance Manager**

Day-To-Day Fiscal Contact's Physical Address **1 Dr. Carlton B. Goodlett Place, Room 357
San Francisco
CA
94102
US**

Day-To-Day Fiscal Contact's Email Address **hazelle.fernandez@sfgov.org**

Day-To-Day Fiscal Contact's Phone Number **+14155547517**

Name of Authorized Officer* **Katharine Petrucione**

I hereby certify I am **checked**
vested by the
Applicant with the
authority to enter into
contract with the
BSCC, and the
grantee and any
subcontractors will
abide by the laws,
policies, and
procedures
governing this
funding.

Date of Assurance **11/29/2022**

Authorized Officer's Title and Agency/Department **Deputy City Administrator**

Authorized Officer's Physical Address **1 Dr. Carlton B. Goodlett Place, Room 362
San Francisco
CA
94102
US**

Authorized Officer's Email Address **katharine.petrucione@sfgov.org**

Authorized Officer's Phone Number **+14155544851**

SECTION II - PROPOSAL ABSTRACT **The Proposal Abstract should provide a brief summary of the proposed project. This section will not be included in the rating of the proposal.**

PROPOSAL
ABSTRACT

The City and County of San Francisco's (CCSF) Office of Cannabis (OOC), through its Office of the City Administrator, seeks grant funds to assist with law enforcement efforts and other projects to address public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA).

The purpose of these funds will be to address: (a) Public Health (PPA 2); and (b) Public Safety (PPA 3).

CCSF seeks to leverage grant funds to conduct additional compliance and inspection efforts for prospective and permitted cannabis businesses. Moreover, funding will strengthen the OOC's ability to facilitate cross-departmental collaboration.

CCSF also seeks to leverage funds to conduct law and code enforcement activities against illicit cannabis operators. Funds will help to issue notices of violation, conduct abatements, among other related activities.

SECTION III -
PROPOSAL
NARRATIVE

This section requires responses

Proposal Narrative
Instructions

The Proposal Narrative section must address the following Rating Factors- Project Need, the Project Description, and the Project Evaluation - as outlined in the Prop 64 Cohort 3 RFP Information Packet, beginning on page 18 of the Prop 64 Cohort 3 RFP Instruction Packet. Narrative in this section must clearly identify and delineate each Factor Section (i.e., Project Need, the Project Description, and the Project Evaluation) when responding. Sources cited must be included within Proposal Narrative or may be referenced within the optional RFP- Additional Information attachment . It is up to the applicant to determine how best to use the total character limit in addressing each section (i.e., Project Need, the Project Description, and the Project Evaluation) . However, the Applicant may use the percent of total point value for each section as a guide. The Rating Factors and weighted value are provided in the Prop 64 Cohort 3 RFP Instruction Packet (Page 15). The Project Work Plan must also be uploaded to this Section as it is rated under the Project Description Rating Factor (2.6).

Proposal Narrative

Project Need (Percent of Total Value: 25%)

Describe the needs related to the impact of the passage of Proposition 64:

The passage of Proposition 64 paved the way for new opportunities and new challenges in the cannabis space. In July 2017, the City and County of San Francisco (CCSF) established the Office of Cannabis (OOC), via legislation, to regulate the local commercial cannabis industry and administer a social equity program.

The OOC's core responsibilities include: (i) equity verification and support; (ii) permitting businesses and events; (iii) rulemaking; (iv)

enforcement; (v) community outreach; (vi) cross-departmental collaboration; (vii) limiting youth access and exposure to cannabis and cannabis products; (viii) supporting an Oversight Committee; (ix) racial equity development; and (x) administering grants and developing technical assistance.

The OOC has a whole panoply of needs associated with the transition of an industry from an unregulated market to a regulated one. Specific to this grant opportunity, the OOC seeks to leverage funds to strengthen: (a) educational outreach, inspections, and enforcement of permitted cannabis businesses (i.e. PPA 2); and (b) educational outreach and cross-departmental collaboration for law enforcement and code enforcement efforts against illicit cannabis businesses (i.e. PPA 3).

Demonstrate how the need(s) is related to Project Purpose Area (PPA) 1 – Youth Development/Youth Prevention and intervention: The OOC will leverage grant funds for PPA 2 and 3. Implicitly, ensuring compliance of permitted operators (e.g. checking IDs) and enforcing against the illicit market will help to mitigate youth access to cannabis and cannabis products.

Demonstrate how the need(s) is related to other PPA(s) selected:
PPA 2 (Public Health)

The OOC has limited staff dedicated to inspection and enforcement efforts. It's difficult for the OOC to keep-up with inspecting the growing cannabis footprint in CCSF – which undermines broader public health efforts.

The time needed for inspections include: (i) 30 minutes of prep work; (ii) 1 hour of travel; (iii) 1 hour for inspection; and (iv) at least 1 hour to draft the inspection report and follow-up with permittees. It is estimated that time allocated for a typical inspection will take about 5 hours – may be less or more – depending on the size of the premise and scope of activities. (e.g. operator with multiple permits at the same premises).

There are approximately 300+ applications for 500+ cannabis business permits. These permittees require an inspection at least once a year. Ideally, the OOC would be able to inspect these premises at least twice per year. About 300 unique locations will require at least 1,000 hours for inspections for one-site visit. At least 2,000 hours for two site visits per year.

A grant award will help to provide additional support to the OOC's inspection arm including, but not limited to: administrative support, educational outreach, and abatement.

PPA 3 (Public Safety)

San Francisco's adult-use cannabis legalization ordinance contains language that CCSF shall ensure the safety of customers, employees, and the public at large. An important sentiment, in light of this historic transition, is to support the regulated cannabis market

while mitigating the effects of the unregulated market.

A grant award will help to strengthen the OOC's ability to coordinate cross-departmental efforts to combat the unregulated market (e.g. notice of violations, warrant, subpoenas, cease and desist orders, joint site inspections).

Provide local service gaps that contribute to the need for the proposed Proposition 64 project are identified:

The OOC is a lean office charged with many responsibilities. Additional support is needed in order to effectively and substantively administer the OOC's duties. For example, resources will support a more proactive approach to battle the unregulated market and to stand-up regulated businesses – including additional education on compliance and supporting public health/safety for permitted operators.

Provide relevant qualitative and/or quantitative data with citation in support of the need(s):

Relevant qualitative and or quantitative data, includes, but is not limited to the following:

As of 2017, 36% of high school students tried cannabis and 20% of high school students use cannabis. (Centers for Disease Control and Prevention: Trends in the Prevalence of Marijuana, Cocaine, and Other Illegal Drug Use National YRBS: 1991-2017).

As of 2017, 26% of San Francisco high school students have tried cannabis and 16% of San Francisco high school students use cannabis. (Centers for Disease Control and Prevention: San Francisco, CA 2017 Results).

A 2019 audit found approximately 2,835 unlicensed dispensaries and delivery services operating in California (United Cannabis Business Association).

As much as 80% of the cannabis market in California remains illicit. (Cannabis Advisory Committee, Annual Draft Report).

San Francisco's Office of the Controller published a report about cannabis in San Francisco. A part of that report includes quotes from the social equity community who explain, "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" and "Illicit operators are benefiting from fewer legal operators, while there is little enforcement against the illicit market. Why would they want to go legal?" (Office of the Controller, Cannabis in San Francisco, A Review Following Adult-Use Legalization).

Describe the process that was used to determine the need(s), including soliciting input from key stakeholders (e.g. community, public, private):

The OOC prides itself on accessibility and transparency. This includes pivoting to virtual meetings during the pandemic in order to

maintain open lines of communication. Many of the sentiments discussed in this proposal are echoed throughout the community.

Mechanisms to solicit stakeholder input include, but are not limited to: public comment during Cannabis Oversight Committee meetings, regular updates through our distribution channels to equip stakeholders with the latest information, office hours, input via our general inbox, multiple listening sessions, and candid conversations as a part of meetings with stakeholders.

Project Description (Percent of Total Value: 50%)

Describe the proposed project that will address the need(s) discussed in the Project Needs section including:

Describe the components of the proposed project linked to each PPA(s), where applicable:

PPA 2 (Public Health)

A grant award will help to provide additional support to the OOC's inspection arm including, but not limited to: administrative support, educational outreach, and abatement for permitted operators.

Administrative support, such as scheduling and identifying subject properties, and prepping inspection materials, will help to free up time for the OOC's inspector to conduct additional inspections.

PPA 3 (Public Safety)

A grant award will help to provide additional support to the OOC's enforcement arm. Support includes, but is not limited to, administrative support, abatement costs, and cross departmental collaboration.

A grant award will help to strengthen the OOC's ability to coordinate cross-departmental efforts to combat the unregulated market (e.g. notice of violations, warrants, subpoenas, cease and desist orders, joint site inspections).

Describe the target area and/or population which will be the focus of the project, including how and why it was selected:

Regarding PPA 2, CCSF will target permitted operators by leveraging our permitted operator database. This effort will help strengthen operator compliance.

Regarding PPA 3, CCSF will target unpermitted operators via a complaint driven system. This effort will mitigate the effects of illicit operations.

If applicable, provide an estimate of how many individuals will be served and the process for determining which services/activities an individual/group will receive:

Regarding PPA 2, CCSF seeks to target approximately 300 unique locations, which contemplates approximately several hundred individuals involved in the cannabis business.

Regarding PPA 3, CCSF seeks to target approximately 100 unique

locations. It's unclear how many individuals will be served with regards to targeting the unregulated market. However, the benefit of cannabis enforcement activity will likely spillover to other aspects include public health and public safety.

Describe the proposed Proposition 64 project goals and objectives and the impact that includes the relationship to the need and intent of the Proposition 64 Grant:

Please refer to the Project Work Plan for additional details.

Regarding PPA 2, the OOC seeks to increase the volume of inspections for permanent permitted operators by at least 10%. Administrative and peripheral support will alleviate capacity issues associated with conducting additional inspections. Additional inspections will support compliance amongst the regulated industry. Moreover, the OOC seeks to increase its issuance of cannabis business permits by at least 5%. The OOC will seek to strengthen its compliance efforts to permit additional regulated cannabis businesses. Ensuring applicant compliance will help the OOC issue additional permits, which also helps to mitigate the effects of illicit operations.

Regarding PPA 3, OOC will seek to increase enforcement against the unregulated market by at least 10%. Administrative support, peripheral support, and funds for abatement will enable the OOC and its City partners to more aggressively pursue enforcement action.

Provide rationale to support the selection of the proposed project which includes relevant evidence or research supporting its use to address the need as described in the Project Need section (include citations if appropriate):

PPAs 2 and 3 share overlapping characteristics with regards to enforcement and inspections. An audit by the United Cannabis Business Association found that there are thousands of unlicensed dispensaries and delivery services throughout the state. Moreover, the Cannabis Advisory Committee's Annual Draft Report, indicates that a disproportionate amount of cannabis operators are unregulated.

Describe the extent to which the proposed project will utilize existing resources or projects:

The OOC has set up a number of systems to coordinate enforcement efforts across City departments. This includes strengthening relationships with other City departments such as Police, Fire, Building, Planning, Public Health, and the City Attorney's office. The issue here is money and capacity. Funds will help to alleviate the financial component and provide additional administrative support to alleviate capacity issues.

Describe the experience, staffing, and/or partnerships your organization will use to implement the proposed project (include partners' letters of commitment, if applicable). If partners are to be selected after the grant is awarded, then specify the process and

criteria for selecting those partners:

OOC staff includes experienced government professionals who have a variety of professional and educational backgrounds (JDs, Masters). Moreover, OOC staff speaks 7 languages in order to provide culturally competent services to the diverse local community.

OOC regularly collaborates with its City partners including DPH, San Francisco Police Department (SFPD), San Francisco Fire Department (SFFD) and the City Attorney's office (CAT). Our City partners are experienced professionals who routinely engage in public health and safety issues.

**Provide a Project Work Plan (Appendix L-Sample) that:
Please find attached in the application materials the Project Work Plan.**

Project Evaluation (Percent of Total Value: 15%)

Describe a plan to determine the staff and/or entity that will conduct the project evaluation and how evaluation activities will be incorporated in the various phases of the project (e.g. implementation, service delivery period):

The OOC has a staff member who is experienced in grants efforts, including the prior BSCC grant award. This individual will conduct project evaluation and will thoughtfully incorporate phases of the project. Monitoring will take place through a number of systems, including spreadsheets and shared spreadsheets amongst relevant team members.

Identify process and outcome measures that are quantifiable and in line with the intent of the grant:

The OOC will track figures associated with these efforts. Additionally, the OOC would seek to delineate between enforcement/inspection efforts across unpermitted and permitted operators. This effort will include collaboration with relevant team members to track the volume of compliance efforts, inspections, and permits issued to ensure we remain on track with increasing corresponding figures (e.g. 5% increase for permits, 10% increases to both compliance and enforcement efforts).

Describe a preliminary plan for monitoring the project to ensure that the project components are implemented as intended:

The OOC views this opportunity as an iterative effort – meaning that it would regularly check-in with its staff and partners to update numbers and refine efforts where needed. Specifically, the OOC foresees checking-in with staff not less than once per quarter and ideally multiple times per quarter.

The OOC is confident that it can accomplish this goal, given that a staff member will spearhead this effort.

Describe a preliminary plan for how to collect and evaluate baseline and outcome data related to the the process and outcome measures identified in 3.2. Describe a plan for entering into data sharing

agreements, if necessary:

The OOC plans to check-in with its partners on a regular basis – no less than once per quarter – in order to evaluate baseline and outcome data.

The OOC regularly maintains records pursuant to its record retention policy in order to evaluate the volume and scope of various enforcement and inspection efforts.

Describe a research design or methodology that will allow for an assessment of whether the strategy that was implemented achieved the intended outcomes:

Regarding PPAs 2 and 3, the OOC will track the number of inspections, permitting, and enforcement activities - a quantifiable effort. Inspections of permitted operators will enlighten the City about common compliance issues. Enforcement activities will shed light into not only issues with permitted operators, but also issues with illicit operators. Permitting will help to bolster the regulated industry and to mitigate against illicit operations. Moreover, the local evaluation plan will supplement quantifiable efforts with a qualitative narrative.

PROJECT WORK PLAN - Upload Required

[Project_Work_Plan_Appendix_L.pdf](#)

ADDITIONAL
INFORMATION -
OPTIONAL

n/a

SECTION IV:
PROPOSAL
BUDGET AND
NARRATIVE

The Budget sections must be filled out completely and accurately. Applicants are solely responsible for the accuracy and completeness of the information entered in the Budget Section. All project costs must be directly related to the objectives and activities of the project demonstrating how the funds will be used to address the local need(s) due to the impact of legalizing cannabis in California. The Budget Table must cover the entire five (5) year grant period. Estimates beyond Year 1 of the grant are acceptable. For additional guidance related to grant budgets, refer to the July 2020 BSCC Grant Administration Guide, found under Quick Links on the Corrections Planning and Grant Programs home page:
http://www.bscc.ca.gov/s_correctionsplanningandprograms/

Proposal Budget and Budget Narrative Attachment

[Prop_64_Proposal_Budget_and_Budget_Narrative.xlsx](#)

SECTION V -
ATTACHMENTS:
MANDATORY AND
OPTIONAL

The list of mandatory attachments are as follows: Letter of Eligibility Certification of Compliance with BSCC Policies on Debarment, Fraud, Theft, and Embezzlement Criteria for Non-Governmental Organizations Receiving BSCC Funds Letter(s) of Commitment (upload as a single attachment if there are multiple letters) The Governing Board Resolution attachment upload is optional at Application submission. However, it will be required if the project is awarded Prop 64 Cohort 3 Grant Funds. These documents are stand-alone documents available on the BSCC Proposition 64 Homepage: <http://www.bscc.ca.gov/proposition-64-public-health-safety-grant-program/>. Download, complete, and upload where prompted below.

Letter of Eligibility

[Letter_of_Eligibility_Appendix_B_KP_Signature.pdf](#)

Certification of Compliance with BSCC Policies on Debarment, Fraud, Theft, and Embezzlement

[Certification_of_Compliance_Appendix_F_KP_Signature.pdf](#)

Criteria for Non-Governmental Organizations Receiving BSCC Funds

[Certification_of_Compliance_Appendix_F_KP_Signature.pdf](#)

Letter(s) of Commitment

[Letter_of_Commitment.pdf](#)

Governing Board n/a
Resolution (Optional)
