

File No. 171085

Committee Item No. _____

Board Item No. 39

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date: _____

Board of Supervisors Meeting

Date: October 17, 2017

Cmte Board

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

OTHER

<input type="checkbox"/>	<input type="checkbox"/>	_____
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Prepared by: Lisa Lew

Date: October 11, 2017

Prepared by: _____

Date: _____

1 [Adopting the Planning Department's Report on Interim Moratorium on Medical Cannabis
2 Dispensaries]

3 **Motion adopting the Planning Department's report on the interim zoning moratorium on**
4 **the approval of medical cannabis dispensaries for 45 days, in accordance with**
5 **California Government Code, Section 65858; affirming the Planning Department's**
6 **determination under the California Environmental Quality Act; and making findings of**
7 **consistency with the General Plan, and the eight priority policies of Planning Code,**
8 **Section 101.1.**

9
10 WHEREAS, On September 22, 2017, the Board of Supervisors adopted Ordinance No.
11 190-17, imposing an interim zoning moratorium on the approval of medical cannabis
12 dispensaries for 45 days, in accordance with California Government Code, Section 65858;
13 affirming the Planning Department's determination under the California Environmental Quality
14 Act; and making findings of consistency with the General Plan, and the eight priority policies
15 of Planning Code, Section 101.1; a copy of this ordinance is on file with the Clerk of the Board
16 in File No. 170865 and is available on the Board's website; and

17 WHEREAS, This ordinance and the State law on the adoption of interim moratoria,
18 California Government Code, Sections 65858 et seq., require the Board of Supervisors to
19 adopt a written report describing the measures taken to alleviate the conditions that led to the
20 adoption of the ordinance; and,

21 WHEREAS, The Planning Department prepared such a report and submitted it to the
22 Clerk of the Board of Supervisors on October 6, 2017, for the Board's consideration; a copy of
23 said report is on file with the Clerk of the Board of Supervisors in File No. 170865; now,
24 therefore, be it

1 MOVED, That the Board of Supervisors adopts the October 6, 2017, Planning
2 Department report on the interim zoning moratorium on the approval of medical cannabis
3 dispensaries for 45 days as its own.
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SAN FRANCISCO PLANNING DEPARTMENT

File No. 170865
Received via email
10/6/2017

October 06, 2017

Ms. Angela Calvillo, Clerk
Honorable Supervisor Cohen
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

**Re: Transmittal of Planning Department Report:
Interim Moratorium on Medical Cannabis Dispensaries
Board File No. 170865**

Dear Ms. Calvillo and Supervisor Cohen,

Attached is the required written report for Board File 170865: Interim Moratorium on Medical Cannabis Dispensaries. The report describes the measures taken to alleviate the conditions that led to the adoption of the interim controls. Upon receipt of the report, the Ordinance directs the Clerk of the Board to calendar a motion for the Board to consider and approve this report.

If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr".

Aaron D. Starr
Manager of Legislative Affairs

cc:

Victoria Wong, Deputy City Attorney
Yoyo Chan, Aide to Supervisor Cohen
Erica Major, Office of the Clerk of the Board

Attachments :

Report on Interim Moratorium on Medical Cannabis Dispensaries



SAN FRANCISCO PLANNING DEPARTMENT

Planning Department Report

Date: October 6, 2017
Report Name: Interim Moratorium on Medical Cannabis Dispensaries
Case No.: 2017-010365PCA
Initiated by: Supervisor Malia Cohen [Board File 170865]
Staff Contact: Aaron Starr, Manager of Legislative Affairs
(415) 558-6362; aaron.starr@sfgov.org
Reviewed by: Daniel A. Sider, AICP; Senior Advisor for Special Projects
(415) 558-6697; dan.sider@sfgov.org

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

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415.558.6378

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STATEMENT OF PURPOSE

This report was prepared in response to Ordinance 190-17 (BF 170865), introduced by Supervisor Cohen on July 25, 2017, and passed into law on September 22, 2017. This Ordinance established an interim moratorium on the approval of Medical Cannabis Dispensaries ("MCDs") by the Planning Department or the Planning Commission for 45 days except where the proposed Medical Cannabis Dispensary use had been scheduled for a mandatory Discretionary Review hearing before the Planning Commission as of September 11, 2017. The Ordinance directs the Planning Department to submit a written report to the Clerk of the Board within 25 days of the Board of Supervisor's ("Board") approval of the Ordinance describing the measures taken to alleviate the conditions that led to the adoption of the ordinance. Upon receipt of the report, the Ordinance directs the Clerk of the Board to calendar a motion for the Board to consider and approve this report.

California Government Code Section 65858 provides that local jurisdictions, to protect the public safety, health, and welfare, may adopt as an urgency measure an interim ordinance prohibiting any uses that may be in conflict with a contemplated zoning proposal. The interim zoning moratorium provided for in this ordinance is intended to address and ameliorate the problems associated with the proliferation of MCDs in the City, and to address the potential displacement of other types of retail outlets caused by this proliferation, at a time when the cannabis industry is expanding rapidly and the state and local regulatory landscape is changing. The controls go further to state that there is an immediate threat to the public health, safety, and welfare caused by the continued issuance of MCD permits without uniform and equitable regulations for the granting of those permits.

BACKGROUND

On November 9, 2016, the Mayor issued Executive Directive 16-05, "Implementing Prop 64: Adult Use of Marijuana Act," directing the Department of Public Health and the Planning Department, in consultation with other departments, to move forward with legislation for the Board of Supervisors' consideration that would address land use, licensing, safety, and youth access issues related to adult use cannabis under Proposition 64. Pursuant to that Executive Directive, the City

is currently working on comprehensive legislation that will establish a complete regulatory framework for a broad range of cannabis businesses, and that will identify where, and under what conditions, they may operate.

An initial draft of the proposed regulations – including amendments to the Planning, Police, Health, Administrative and Business and Tax Codes - was introduced by the Mayor and Supervisor Sheehy on September 26, 2017. Since then, the Planning Commission, the Health Commission, and the Small Business Commission have held public hearings to review and comment on the proposed regulations. Additionally, representatives from the Planning Department, the Office of Cannabis (“OOC”), the Mayor’s Office, and the Department of Public Health have continued robust stakeholder outreach in order to solicit feedback. The proposed regulations are scheduled to go before the Planning Commission for action on October 19, 2017, after which the ordinances will be before the Board of Supervisors for their review and action. The target deadline for final adoption by the Board and signature by the Mayor is the end of November so that a comprehensive regulatory structure for the cannabis industry in San Francisco will be in place by January 1, 2018.

REQUIRED BOARD ACTION

The Board may approve or disapprove this report.

ENVIRONMENTAL REVIEW

This Report was determined not to be a project per State CEQA Guidelines, Section 15060(c)(2).

RECOMMENDATION

The Department is recommending that the issues outlined in the Ordinance be addressed via the proposed cannabis regulations currently being considered by the City under Board Files 171041 and 171042.

BASIS FOR RECOMMENDATION

Board Files 171041 and 171042 seek to address all of the issues outlined in the moratorium. These issues include the potential land use impacts of MCDs seeking to convert to adult use sales, the appropriateness of current zoning for MCDs, the potential displacement of other types of retail outlets associated with a proliferation of MCDs, and possible over-concentration of MCDs in certain areas of the City. They also seek to create a comprehensive system for the regulation of adult use cannabis businesses. Further, these Board Files also address the concerns that the Planning Commission has expressed regarding the conversion process for existing MCDs upon the commencement of non-medical cannabis sales in San Francisco. For these reasons, the Planning Department recommends that Board files 171041 and 171042 be used to alleviate the conditions that led to the adoption of the interim control ordinance.

RECOMMENDATION: Adopt Report
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Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2017 OCT 11 AM 11:54

Time stamp
or meeting date AK

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):

Cohen

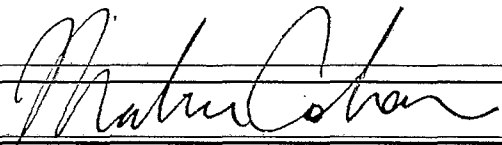
Subject:

Adopting the Planning Department's Report on Interim Moratorium on Medical Cannabis Dispensaries

The text is listed:

Attached

Signature of Sponsoring Supervisor:



For Clerk's Use Only