

1 [Planning Code - Conversion of Medical Cannabis Dispensary Uses to Cannabis Retail Uses]
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3 **Ordinance amending Section 191 of the Planning Code to allow ~~Medical Cannabis~~**
4 **~~Dispensaries (MCDs) with approvals from the Planning Department for a Medical~~**
5 **~~Cannabis Dispensary Use as of January 5, 2018, to apply to convert to Cannabis Retail~~**
6 **~~Uses under the same conditions as MCDs that held valid final permits from Department~~**
7 **~~of Public Health as of January 5, 2018; exempting all such converted Cannabis Retail~~**
8 **~~Uses from otherwise applicable Conditional Use Authorization requirements; allowing~~**
9 **~~Equity Program or Equity Incubator Applicants who have MCD applications pending at~~**
10 **~~the Planning Department to apply to convert to Cannabis Retail Uses; exempting such~~**
11 **~~Cannabis Retail Uses from the minimum radius requirements between those~~**
12 **~~establishments and existing Cannabis Retailers and Medical Cannabis Retailers deem a~~**
13 **Grandfathered Medical Cannabis Dispensary (MCD) that receives a permit to operate as**
14 **an MCD from the Department of Public Health before December 31, 2019, a Temporary**
15 **Cannabis Sales Use and extending the expiration date of Section 191 to January 1,**
16 **2021; affirming the Planning Department's determination under the California**
17 **Environmental Quality Act; making findings of consistency with the General Plan, and**
18 **the eight priority policies of Planning Code, Section 101.1; and making public**
19 **necessity, convenience, and welfare findings under Planning Code, Section 302.**

20 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
21 **Additions to Codes** are in *single-underline italics Times New Roman font*.
22 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
23 **Board amendment additions** are in double-underlined Arial font.
24 **Board amendment deletions** are in ~~strikethrough Arial font~~.
25 **Asterisks (* * * *)** indicate the omission of unchanged Code subsections or parts of tables.

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

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Section 1.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 181061 and is incorporated herein by reference. The Board affirms this determination.

(b) On November 15, 2018, the Planning Commission, in Resolution No. 20340, 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. The Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 181061, and is incorporated herein by reference.

(c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that these Planning Code Amendments will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. 20340, and the Board incorporates such reasons herein by reference.

Section 2. Article 1.7 of the Planning Code is hereby amended by revising Section ~~490~~191, to read as follows:

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

(a) **Conversion of MCDs with Planning Commission Approval to Cannabis Retail Uses.**

1 (1) An establishment may convert from the prior authorized Use at the property
2 to a Cannabis Retail Use by obtaining a building permit authorizing the change of Use, if the
3 establishment (to be termed a “Grandfathered MCD”) satisfies one of the following three
4 criteria:

5 (A) holds a valid final permit from the Department of Public Health to
6 operate as a Medical Cannabis Dispensary, pursuant to Section 3307 of the Health Code, as
7 of January 5, 2018;

8 (B) holds an approval for a Medical Cannabis Dispensary Use from the
9 Planning Department as of January 5, 2018; or

10 (C) submitted a complete application for a permit from the Department of
11 Public Health to operate as a Medical Cannabis Dispensary by July 20, 2017, and receives a
12 final permit.

13 (2) A Grandfathered MCD converting to a Cannabis Retail Use pursuant to this
14 Section 190 is not subject to:

15 (A) a Conditional Use Authorization requirement for Cannabis Retail
16 Uses in the zoning district in which it is located; or

17 (B) the locational restrictions for Cannabis Retail set forth in subsection
18 202.2(a).

19 (3) A Grandfathered MCD is subject to all other Planning Code requirements,
20 including but not limited to the neighborhood notification requirement of Section 312.

21 (b) **Establishment of Cannabis Retail Uses at Sites with MCD Applications**
22 **Pending Before the Planning Commission.**

23 (1) For the purposes of this subsection (b), a Pending MCD Applicant is an
24 applicant that submitted a complete application to the Department of Public Health to operate
25 a Medical Cannabis Dispensary by July 20, 2017, but that did not receive a permit or

1 authorization from the Planning Department to operate such Use as of January 5, 2018, and
2 that qualifies as either an Equity Applicant or an Equity Incubator pursuant to Section 1604 of
3 the Police Code.

4 (2) A Pending MCD Applicant may establish a Cannabis Retail Use at the
5 property where the application to operate a Medical Cannabis Dispensary was proposed by
6 obtaining building permit authorization for the change of use.

7 (3) Except as specified in this subsection (b), a Pending MCD Applicant that
8 obtains a change of use permit for a Cannabis Retail Use is subject to all Planning Code
9 requirements, including but not limited to the neighborhood notification requirement set forth in
10 Section 312 and Conditional Use Authorization if required for a Cannabis Retail Use by the
11 zoning district in which the property is located.

12 (4) A Pending MCD Applicant is not subject to the minimum radius requirement
13 between Cannabis Retailers or between a Cannabis Retailer and a Medicinal Cannabis
14 Retailer, as set forth in subsection 202.2(a), but is subject to all other locational requirements
15 for Cannabis Retail set forth in subsection 202.2(a).

16 (c) All other applications for a change of use from a Medical Cannabis Dispensary Use
17 to a Cannabis Retail Use shall be subject to the zoning controls for the district in which the
18 Medical Cannabis Dispensary is located.

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

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23 **SEC. 191. AUTHORIZATION OF TEMPORARY CANNABIS SALES USES.**

24 (a) A Grandfathered MCD, as defined in Section 190, that receives a permit to operate
25 as a Medical Cannabis Dispensary from the Department of Public Health before January

1 ~~4~~December 31, 2019 shall be deemed a Temporary Cannabis Sales Use, as defined in
2 Section 205.2. Upon expiration of the Temporary Cannabis Sales Use authorization, the land
3 use authorization for the parcel will revert to the original authorization to operate as a Medical
4 Cannabis Dispensary Use, unless the Planning Department or Planning Commission has
5 issued a permanent authorization for a Cannabis Retail Use.

6 (b) This Section 191 shall expire by operation of law on January 1, 20201. Upon its
7 expiration, the City Attorney shall cause this Section 191 to be removed from the Planning
8 Code.

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10 Section 3. Effective Date. This ordinance shall become effective 30 days after
11 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
12 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
13 of Supervisors overrides the Mayor's veto of the ordinance.

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15 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
16 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
17 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
18 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
19 additions, and Board amendment deletions in accordance with the "Note" that appears under
20 the official title of the ordinance.

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1 Section 5. This Board File No. 190108 is a duplicated file. The original ordinance is in
2 Board File No. 181061. The ordinance in Board File No. 181061 was approved by the Board
3 on January 29, 2019. The amendments made in that ordinance are shown in this ordinance
4 as part of the existing Code.

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6 APPROVED AS TO FORM:
7 DENNIS J. HERRERA, City Attorney

8 By: _____
9 VICTORIA WONG
 Deputy City Attorney

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