| 1 | [Health Code - Approving a New Location for a Permittee's Medical Cannabis Dispensary Permit] |
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| 3 | Ordinance amending the Health Code to authorize the Director of the Department of |
| 4 | Public Health to allow an existing Medical Cannabis Dispensary permittee to operate |
| 5 | under that permit at a new location, provided the permittee has been verified by the |
| 6 | Office of Cannabis as an Equity Applicant under the Police Code, the permittee has |
| 7 | been evicted from the location associated with the permit or been notified by the |
| 8 | landlord that the lease would be terminated or not renewed, the new location has an |
| 9 | existing authorization for Medical Cannabis Dispensary Use, the permittee has |
| 10 | complied with all requirements of Article 33 of the Health Code (the Medical Cannabis |
| 11 | Act) with respect to the new location, and the permittee satisfies the provisions of |
| 12 | Article 33 regarding authorization by the Office of Cannabis to sell Adult Use Cannabis |
| 13 | and affirming the Planning Department's determination under the California |
| 14 | Environmental Quality Act. |
| 15 | NOTE: Unchanged Code text and uncodified text are in plain Arial font. |
| 16 | Additions to Codes are in <u>single-underline italics Times New Roman font</u> . Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> . |
| Board amendment deletions are in strikethrough Aria | Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. |
| 18 | Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables. |
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| 20 | Be it ordained by the People of the City and County of San Francisco: |
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| 22 | Section 1. Environmental Findings. |
| 23 | The Planning Department has determined that the actions contemplated in this |
| 24 | ordinance comply with the California Environmental Quality Act (California Public Resources |
| 25 | Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of |

| 1 | Supervisors in File No. 190973 and is incorporated herein by reference. The Board affirms |
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| 2 | this determination. |
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| 4 | Section 2. Article 33 of the Health Code is hereby amended by revising Section 3311, |
| 5 | to read as follows: |
| 6 | SEC. 3311. TRANSFER OF PERMIT; CHANGE IN OWNERSHIP; RELOCATION OF |
| 7 | <u>PERMIT</u> . |
| 8 | * * * * |
| 9 | (c) Permits Portable. |
| 10 | (1) The Director shall amend an Article 33 permit to allow an Article 33 permittee |
| 11 | operating as a Grandfathered MCD pursuant to Planning Code Section 190 ("Grandfathered MCD |
| 12 | Permittee") to operate as a Medical Cannabis Dispensary under that permit at a different location, |
| 13 | provided all the following criteria are met: |
| 14 | (A) The Grandfathered MCD Permittee submits a written request to the Director seeking |
| 15 | a change in location for the permit and identifying the new proposed location (the "New Location"). |
| 16 | (B) The Grandfathered MCD Permittee has been verified by the Office of Cannabis as |
| 17 | an Equity Applicant under the criteria set forth in Police Code Section 1604(b). If the Grandfathered |
| 18 | MCD Permittee is a corporation or other non-natural person, it must establish that a natural person |
| 19 | who has been verified by the Office of Cannabis as an Equity Applicant exercises ownership and/or |
| 20 | control with respect to the Grandfathered MCD Permittee in accordance with one of the criteria |
| 21 | enumerated in Section 1604(b)(3) of the Police Code. |
| 22 | (C) The Grandfathered MCD Permittee was evicted from the location associated with |
| 23 | the permit (the "Permitted Location"), or was notified by the landlord that the lease at the Permitted |
| 24 | Location has been or will be terminated or not renewed. |

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| 1 | (D) The New Location has an existing authorization for Medical Cannabis Dispensary |
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| 2 | Use, as defined in Sections 102 and 202.2 of the Planning Code. |
| 3 | (E) The Grandfathered MCD Permittee has complied with all applicable requirements |
| 4 | of this Article 33, the Planning Code, and the Police Code, with respect to the New Location, including |
| 5 | but not limited to the "Good Neighbor Policy" and "Security Plan" requirements set forth in Section |
| 6 | 3322(d)(5) of this Article 33 and in Section 1602 of the Police Code. |
| 7 | (F) The Planning Department, Department of Building Inspection, Mayor's Office on |
| 8 | Disability, Fire Department, and Office of Cannabis (together, the "Referring Agencies"), as |
| 9 | applicable, complete all required review and inspection of the New Location and report their |
| 10 | determinations to the Department of Public Health. |
| 11 | (G) The Director determines that the Grandfathered MCD Permittee satisfies all |
| 12 | provisions of Section 3322 of this Article 33. |
| 13 | (2) Upon receiving a written request from a Grandfathered MCD Permitee to amend a |
| 14 | permit to relocate to a New Location, if the Director upon preliminary review of the request determines |
| 15 | that it meets the criteria set forth in Section 3311(c)(1)(B), (C), (D), and (E) above, the Director shall |
| 16 | refer the Grandfathered MCD Permittee to the Referring Agencies for their review and inspection, as |
| 17 | applicable, of the New Location. |
| 18 | (3) Upon receipt of the reports from the Referring Agencies in accordance with Section |
| 19 | 3311(c)(1)(F), the Director shall consider such reports; shall determine, in accordance with Section |
| 20 | 3311(c)(1)(G), whether the Grandfathered MCD Permittee satisfies all provisions of Section 3322; and |
| 21 | shall determine whether the Grandfathered MCD Permittee satisfies all requirements set forth in |
| 22 | <u>Section 3311(c)(1)(A)-(E).</u> |
| 23 | |
| 24 | Section 3. Effective Date. This ordinance shall become effective 30 days after |
| 25 | enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the |

| 1 | ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board |
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| 2 | of Supervisors overrides the Mayor's veto of the ordinance. |
| 3 | |
| 4 | APPROVED AS TO FORM: |
| 5 | DENNIS J. HERRERA, City Attorney |
| 6 | By: |
| 7 | SARAH A. CROWLEY Deputy City Attorney |
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