



San Francisco Cannabis Oversight Committee Recommendations to the Board of Supervisor November 18, 2020

During the convening of the San Francisco Cannabis Oversight Committee (SFCOC) on November 18, 2020, the Committee revisited and added to its initial policy recommendations to the Board of Supervisors, first developed in March 2020. Below are the recommendations as voted on and approved by the Committee.

Recommendation #1:

The SFCOC recommends the implementation of robust Compassion Programs, including measures for public consumption and the provision of free medical cannabis cards for low income residents.

The Committee includes the following sub-tasks to support the implementation of Recommendation #1:

- Present and disseminate standard operating procedures (SOPs) and best practices across State
- Provide tools to ensure compliance [with Compassion Program guidelines]
- Develop audit mechanisms for local compliance
- Identify existing programs to be earmarked for Compassion Programs
- The Department of Public Health create pathways for the issuing of medical cards
- Provide tax relief for donations and manufacturing
- Conduct a Compassion Program [communications] campaign to raise awareness of those entities participating in compassion programs
- Provide incentives to Compassion Program care providers (tax breaks, publicity around giving, etc.)

Recommendation #2:

The SFCOC recommends to the Board Supervisors (BOS) that all retailers be required to hold a minimum of 10% shelf space for SF verified equity operator [products] and participate in the Compassion Program to become fully permitted.

Recommendation #3:

The SFCOC recommends to the BOS that Article 16 language include the prioritization of the creation of a local permitting pathway for shared manufacturing that enables manufacturing cannabis businesses, including those that are currently temporarily permitted, to be permanently permitted and share their facilities so that equity applicants can be permitted within their facility. In relevant part, this recommendation requires creating a mechanism to now begin processing and permanently permitting cannabis businesses with temporary manufacturing permits (not currently possible).



Recommendation #4:

The SFCOC recommends that the Board of Supervisors amend planning code 210.3 to change PDR zone industrial agricultural use from C (conditional) to P (principal) permitting.

Recommendation #5:

The SFCOC recommends to the Board of Supervisors that they reduce the Prop D Cannabis tax rates to 0% for social equity applicants and operators and to create a pathway to allow for the sale of all and/or a majority interest in the cannabis businesses, including all cannabis permit holders. An equity component [should be required] in the business purchase, either through ownership, incubation, or in the alternative by requiring an enforceable and impactful cannabis equity plan and contribution to support the success of the Equity program and local equity business operators. We recommend a mandate for financial contribution into the Office of Cannabis Community Development Fund anytime a transfer of control of a cannabis business takes place, such as a percentage of the gross sale price. These contributions can be used to support the San Francisco equity program.

Recommendation #6:

The SFCOC recommends to the Board of Supervisors the allocation of workforce development funds through the Office of Economic and Workforce Development (OEWD) towards the development and implementation of pre-apprenticeship and state-certified apprenticeship programs.

Recommendation #7:

The SFCOC recommends to the Board of Supervisors the development of labor harmony and worker retention requirements [for use in the cannabis industry that are] consistent with other industries in the City and County of San Francisco.

Recommendation #8:

The SFCOC recommends to the Board of Supervisors to move Article 16 from police code to Health Code.