

# SAN FRANCISCO CANNABIS OVERSIGHT COMMITTEE

## Notice of Hearing & Agenda

Meeting held via Webex

**September 15, 2020  
1:00 PM-4:00 PM  
Regular Meeting**

### Committee Members:

#### Voting Members

- Doug Bloch
- Jessica Cry
- Aaron Flynn
- Theresa Foglio
- Ali Jamalian
- Sara Payan
- Jesse Stout
- Nina Parks
- Shawn Richard

#### Non-Voting Members

- Mohanned Malhi or rep. from SFPDH
- Capt. Trenia Wearing or Sgt. Yukio Oshita or rep. from SFPD
- Edward Sweeney or Patrick O'Riordan or rep. of DBI
- Michael Christensen or Richard Sucre or rep. of SF Planning
- Quarry Pak or rep. from SFUSD
- Maggie Weiland or Dylan Rice or rep. of SF Entertainment Commission
- Larry Deen or rep. from SFFD

### Meeting materials are available at:

Website: [www.officeofcannabis.sfgov.org](http://www.officeofcannabis.sfgov.org)

Office of Cannabis, City Hall  
1 Dr Carlton B Goodlett Pl #18  
San Francisco, CA 94102

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(Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

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Any materials distributed to the members of the Committee within 72 hours of the meeting or after the agenda packet has been delivered to the members are available for inspection at the Office of Cannabis, Rm. 18, City Hall, 1 Dr Carlton B Goodlett, San Francisco, CA 94102, during regular office hours.

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Committee hearings are held in **101 Grove St., San Francisco, CA 94102 Room 300**, in San Francisco. The location is accessible to persons using wheelchairs and other assistive mobility devices.

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**TAGALOG:** Adyenda ng Komisyon ng Pagpapalano. Para sa tulong sa lengguwahe o para humiling ng Pantulong na Kagamitan para sa Pagdinig (headset), mangyari lamang na tumawag sa 415-554-4420. Mangyaring tumawag nang maaga (kung maaari ay 48 oras) bago sa araw ng Pagdinig.

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**Regular Agenda:****1. Call to Order / Roll Call**

- On the call of roll, the following Committee Members were noted present [(v)= voting member]
  - Ali Jamalian (v)
  - Aaron Flynn (v)
  - Jessica Cry (v)
  - Doug Bloch (v)
  - Shawn Richard (v)
  - Nina Parks (v)
  - Jesse Stout (v)
  - Theresa Foglio (v)
  - Sara Payan (v)
  - Mohammed Malhi, SFDPH
  - Trena Wearing, SFPD
  - Mauricio Hernandez, SFDBI
  - Michael Christensen, SF Planning
  - Quarry Pak, SFUSD
  - Dylan Rice, SF Entertainment Commission
  - Larry Deen, SFFD
- A quorum is established

**2. Review and Consideration of Regular Agenda**

*Committee members review and vote to approve agenda.*

Discussion,  
Action

- No public comment
- Motion to approve the meeting agenda.
  - **Motion/Second:** Aaron Flynn/Sara Payan | **Motion Approved**
  - **Ayes:** 8 | **Nays:** 0 | **Abstentions:** 1

**3. Review and Approve Minutes from August 4th Committee Meeting**

*Committee members review minutes from previous Committee meeting and vote to approve.*

Discussion,  
Action

- RDA notes the change in recommendation language from “tier” to “group of equity applicant recipients for grant funding.”
- RDA validates that the level of detail of the meeting minutes is appropriate. The Committee Chair responds that the current level of detail is necessary and that RDA should continue to develop meeting minutes in similar fashion.
- Given the requested level of detail of meeting minutes, RDA recommends that members review the meeting minutes prior to the meeting and come prepared with requested edits to streamline the approval process.
- No public comment
- Motion to approve the meeting minutes.
  - **Motion/Second:** Theresa Foglio/Jessica Cry | **Motion Approved**
  - **Ayes:** 9 | **Nays:** 0 | **Abstentions:** 0

**4. Office of Cannabis: Update**

*The Committee receives a brief general update from the Office of Cannabis (OOC) regarding grants, the application process, and other timely items.*

Discussion,  
Possible  
Action

- Full OOC presentation is available by accessing this link:  
<https://officeofcannabis.sfgov.org/node/2742>
- OOC updates that the Independent Review Committee for the Pilot Grant Program will consist of non-voting Cannabis Oversight Committee (COC) members from the Planning Department, Entertainment Commission, SF Unified School District (SFUSD), and SF Dept. of Public Health (SFDPH).
- OOC shares that they have closed the pool of eligibility for the Cannabis Direct Equity Grants beyond those equity applicants currently in the queue. OOC to host a grants conference in late September/early October to inform about the process for receiving direct assistance from OOC.
- OOC reports that the Oversight Committee budget will only provide for RDA's services in one more meeting in 2020 for a total of seven meetings for the year. While the initial budget allotted for ten meetings, there has been an increase in administrative costs associated with shifting to virtual meetings due to shelter-in-place. The budget will renew at the beginning of the fiscal year in January.
- The Committee Chair suggests that the next meeting be extended by an hour.
- Member Stout calls to attention that no reports have been conducted, which was factored into the initial budget proposal.
- OOC acknowledges that the resources to support the Committee are very limited and that the OOC has little recourse to change this at present. It is recommended that if Committee members would like to pursue the issue, the most effective route would be to reach out to the Board of Supervisors to advocate for additional resources for the COC.
- Member Stout recommends that OOC staff replace RDA's role and function to enable the convening of an additional Committee meeting before the end of the year.
- **No public comment**

**5. Office of Economic and Workforce Development (OEWD) Presentation**

*The Committee will hear a presentation from the Office of Economic Workforce Development about labor regulations relating to the cannabis business permit application process.*

Discussion,  
Possible  
Action

- Joshua Arce, Director of Workforce Development at OEWD presents on labor peace agreements (LPA), the first source hiring program, the cannabis apprenticeship ordinance, and the Office of Labor Standards enforcement policies. The full presentation is available by accessing this link:  
<https://officeofcannabis.sfgov.org/node/2742>
- The Committee Chair inquires if the GoBiz Technical Assistance program can provide assistance to the cannabis apprenticeship program. OEWD responds that the resources for the cannabis program are not currently available but could be available in January 2021. OEWD is charged with granting \$21 million for programs

that focus on racial equity issues in employment and will release RFPs in January 2020 to contract programs. This funding could potentially support the cannabis apprenticeship program based on community recommendations. The Chair requests that OEWD send the COC and OOC the meeting details discussing these funds.

- Jessica Cry asks if the LPA code's definition of 10 or more employees only pertains to equity applicants. OEWD responds that it pertains to any Article 16 applicant who plans to employ 10 or more employees.
- Member Bloch asks about the number of licenses and LPAs that have been issued. OEWD responds that among 10 applicants (now permitted), they have seen three LPA agreements from OOC.
- Member Bloch inquires about other industries that have similar labor requirements as cannabis. Mr. Arce responds that similar industries do have LPAs including hospitality, retail and transportation.
- Member Cry asks whom workers should contact to seek help regarding anti-union behavior. OEWD explains that OEWD and OOC will work to resolve compliance issues but that they only have authority to act with respect to local LPAs, not with state LPAs required of businesses with more than 20 employees.
- Member Stout inquires about the city's barriers to certifying pre-apprenticeship programs that have already been certified by the State. OEWD responds that they are still in the process of ensuring that the apprenticeship pathway will be effective and equitable.

#### Public Comment

- A community member asks how more operators can participate in the cannabis apprenticeship program.
- A community member states that in the order for the apprenticeship program to work the industry will need to expand by reducing regulation and being more inclusive of pre-existing businesses. The community member also inquires how employees would make complaints to the OOC.
- A Humboldt County resident inquires about how the apprenticeship program works.
- A community member inquires if programs are being considered to support people with disabilities to find work in the cannabis industry.
- A community member states that LPAs are a good first step, but the industry should strive for collective bargaining agreements.
- The Chair requests that OOC or OEWD have a pre-sign up on their website for the apprenticeship program to gauge interest and use as evidence to support the program.

#### 6. Department of Building of Inspection (DBI) Update

*The Committee will hear an update from the Department of Building Inspection about its role in the cannabis business application process, including current processing queues, DBI-related fees, response timelines, appropriate points of contact, and what to expect moving forward as the City continues to respond to COVID-19.*

Discussion,  
Possible  
Action

- Mauricio Hernandez, Chief Code Enforcement at DBI, presents on permit statuses.
- The Chair requests that DBI describe the steps that equity applicants need to go through to get a permit and the steps that DBI takes to streamline equity applicants' process. DBI responds that they do not provide priority based on equity applicant status. DBI explains that they review sites and explain the steps needed to go through to Planning.
- Member Jamalian asks how many certifications of the 121 applicants were issued to completion. DBI responds that 25 certifications went to completion.
- Member Jamalian asks how long it takes to be referred to Planning and then back to DBI. DBI responds that due to COVID-19 it is a longer process than what is normal.
- Member Flynn recalls that two community members during the August COC meeting stated that they had been in the DBI queue for six to eight weeks. He requests that there be a DBI point of contact to address this issue. OOC clarifies that there is a liaison between OOC and DBI, Cyril, and that he is not responsible for the DBI queue. DBI explains that they are understaffed and do not currently have a person dedicated to the cannabis industry.
- The Committee requests that DBI provide the Committee a process flow diagram of the DBI permitting and referral process that indicates the typical wait time associated with each phase. DBI responds that there is a flow chart on their website, however they will send to OOC to disseminate to COC.
- Member Flynn inquires about the amount of time an operator can expect to be in the queue. Mauricio to discuss timeline expectations with Cyril and communicate back to OOC for dissemination to OOC.
- The Chair inquires why DBI does not identify equity applicants within the queue since the ordinance specifies that they should be prioritized throughout the permitting process.
- Member Jamalian emphasizes the need to have more resources within DBI.

**Public Comment**

- An equity operator expresses dismay that DBI does not identify or prioritize equity applicants. The DBI process has costs, (has spent \$100K), but they have been in the queue for two months.
- Two community members request that solutions be identified for how the DBI process can be expedited for equity applicants.
- A community member requests that the DBI process flow chart and timeline be shared with the public.
- Mauricio, DBI, shares that DBI is trying to implement the process and that he will sit down with the Deputy Director for permitting services and provide her with a breakdown of any equity applicants in the queue whose plans have not been looked at including the community member who shared out during the public comment.
- Member Jamalian requests that the next steps be identified and shared by Mauricio/ DBI, be memorialized in the meeting minutes.
- The Chair asks what options and/or actions are available to the COC when it finds that a City department is not prioritizing equity applicants as mandated by the

equity program ordinance. The Committee agrees that developing recommendations to DBI will be added this to the Policy Discussion agenda item.

## 7. Policy Recommendations

Discussion,  
Possible  
Action

*The committee to continue its ongoing discussion regarding policy recommendations, including but not limited to strategies for expediting the application process funding sources, restorative justice strategies, and shared licensing to name a few.*

- Motion to table *Agenda Item #7 Policy Recommendations* due to time constraints and to add to the next meeting agenda as a priority item.
- Motion/Second: Nina Parks/Jessica Cry | Motion Approved
- Ayes: 9 | Nays: 0 | Abstentions: 0

### Public Comment

- Community member recommends that the agenda be decided upon several weeks before the next meeting.

## 8. Implementation of Recommendations

Discussion,  
Possible  
Action

*The Committee to discuss and vote on strategies for presenting their recommendations for sponsorship.*

- Motion to table *Agenda Item #8 Implementation of Recommendations* due to time constraints and add to the next meeting agenda as a priority item.
  - **Motion/Second:** Nina Parks/Jessica Cry | **Motion Approved**
  - **Ayes:** 9 | **Nays:** 0 | **Abstentions:** 0
- No public comment

## 9. General Public Comment

Discussion

- No public comment

## 10. Proposed Future Agenda Items

Discussion,  
Possible  
Action

*Committee members will submit and agree upon future agenda items for the next several Committee meetings.*

- Committee members agree to have the next meeting after the November 3<sup>rd</sup> election.
- OOC notes that they are not available November 10<sup>th</sup> due to a mandatory meeting of equity leaders for assisting the Office of Racial Equity plan. OOC notes that this is not a public meeting and the Chair requests an update on the meeting outcome.
- RDA to disseminate a Doodle poll for the second week of November and incorporate an additional hour to the meeting.
- Member Jamalian requests an update from Planning be heard due to the barriers identified between DBI and Planning.
- Motion to approve the following recommendations for the November meeting agenda: *report from OOC and updates, policy recommendations and implementation recommendations.*
  - **Motion/Second:** Nina Parks/Sara Payan | **Motion Approved**
  - **Ayes:** 9 | **Nays:** 0 | **Abstentions:** 0
- No public comment

**11. Adjournment**

- Meeting is adjourned at 4:12 PM