**SAN FRANCISCO**

**CANNABIS OVERSIGHT COMMITTEE**

**Notice of Hearing & Agenda**

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| **This Meeting Will be Hybrid**  **Members of the public have two options for attending:**  **In-Person**  **This meeting can be attended in person at the following address:**  **49 South Van Ness, Room 192**  **San Francisco, CA 94103**  **Please speak with the attendants at the front desk if you have trouble finding the room.**  **Webex**   1. [**View the meeting**](https://ccsf.webex.com/ccsf/onstage/g.php?MTID=eed54bd8bb95405751203050bcdf840cc) **(access to a computer or smart mobile device required):** 2. <https://sfgov.webex.com/sfgov/j.php?MTID=mc22064bc85bcb69ff6fbcab5115eb37e> 3. **Listen to the meeting by dialing: 1-415-655-0001 (2484 519 5592)**   **To Provide Public Comment: Dial 1-415-655-0001, input the access code above, and Press \*3 to raise your hand. Once prompted to do so, please press \*6 to unmute.** |

**January 17, 2024**

**11:00 AM - 2:00 PM**

**Regular Meeting**

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|  | **Committee Members:** | |
| **Voting Members** | | **Non-Voting Members** |
|  | * Drakari Donaldson * Shay Gilmore * Adam Hayes * Ali Jamalian * Antoinette Mobley * David Nogales Talley * Apollo Wallace | * Mohanned Malhi or rep. from SFPDH * Lieutenant Lange or rep. of SFPD * Steven Kwong or rep. of DBI * Mathew Chandler or rep. of SF Planning * Quarry Pak or rep. from SFUSD * Dylan Rice or rep. of SF Entertainment Commission * Victor Wong or rep. from SFFD |

**Meeting materials are available at:**

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

Disability and language accommodations available upon request to: [officeofcannabis@sfgov.org](mailto:officeofcannabis@sfgov.org) or 415-554-4420 at least 48 hours in advance, except for Monday meetings, for which the deadline is 4pm the previous Friday.

**Know Your Rights Under the Sunshine Ordinance**

(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.

For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 409; phone (415) 554-7724; fax (415) 554- 7854; or e-mail at sotf@sfgov.org. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Library and on the City’s website at [www.sfbos.org/sunshine](http://www.sfbos.org/sunshine).

**Meeting Materials**

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, 49 South Van Ness, 6th Fl., San Francisco, CA 94103, during regular office hours. Please note that this practice has been temporarily suspended as members of the Office of Cannabis are working remotely due to the ongoing COVID-19 pandemic. This practice will resume after the OOC team transitions to the office.

**Ringing and Use of Cell Phones**

The ringing of use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. The Chair may order the removal from the meeting room of any person responsible for any ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

**Privacy Policy Personal**

Information that is provided in communications to the Office of Cannabis is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted.

Members of the public are not required to provide personal identifying information when they communicate with the Cannabis Oversight Committee. All written or oral communications that members of the public submit to the Department regarding projects or hearings will be made available to all members of the public for inspection and copying. The Department does not redact any information from these submissions. This means that personal information including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Office and its committee may appear on the Office’s website or in other public documents that members of the public may inspect or copy.

**San Francisco Lobbyist Ordinance**

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Conduct Code Section 21.00-2.160] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; phone (415) 252-3100; fax (415) 252-3112; and online http://www.sfgov.org/ethics.

**Accessible Meeting Information**

Committee hearings are held in **49 South Van Ness, San Francisco, CA 94103, Room 192 – 196.** The location is accessible to persons using wheelchairs and other assistive mobility devices.

**Disability Accommodations**: To request assistive listening devices, real time captioning, sign language interpreters, readers, large print agendas or other accommodations, please contact the Office of Cannabis at www.officeofcannabis.sfgov.org or 415-554-4420 at least 72 hours in advance of the hearing to help ensure availability.

**Language Assistance**: To request an interpreter for a specific item during the hearing, contact the Office of Cannabis at www.officeofcannabis.sfgov.org or 415-554-4420 at least 48 hours in advance of the hearing.

**Allergies**: In order to assist the City in accommodating persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, please refrain from wearing scented products (e.g. perfume and scented lotions) to Committee hearings.

**SPANISH**: Agenda para la Oficina de Canabis. Si desea asistir a la audiencia, y quisiera obtener información en Español o solicitar un aparato para asistencia auditiva, llame al 415-554-4420. Por favor llame por lo menos 48 horas de anticipación a la audiencia.

**CHINESE:** 規劃委員會議程。聽證會上如需要語言協助或要求輔助設備，請致電415-554-4420 請在聽證會舉行之前的 至少48個小時提出要求。

**TAGALOG:** Adyenda ng Komisyon ng Pagpaplano. 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.

**RUSSIAN:** Повестка дня Комиссии по планированию. За помощью переводчика или за вспомогательным слуховым устройством на время слушаний обращайтесь по номеру 415-554-4420. Запросы должны делаться минимум за 48 часов до начала слушания.

**Regular Agenda:**

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| Please note that public comment will be held during every agenda item. If a member of the public would like to comment on a topic that is not on the agenda but is within the jurisdiction of the Committee, they may do so during the “General Public Comment” portion of the meeting. | | | |
| **1.** | **Call to Order / Roll Call** |  | **5 min** |
|  | * Upon roll call, the following Committee Members were noted present [(v)= voting member]   + Ali Jamalian (v)   + Adam Hayes (v)   + Apollo Wallace (v)   + Drakari Donaldson (v)   + David Nogales Talley (v)   + Shay Gilmore (v)   + Antoinette Mobley (v)   + Lieutenant Lange, SFPD   + Mathew Chandler, Planning Department   + Dylan Rice, Entertainment Commission   + Victor Wong, Fire Department (Remote) * The following Committee Members were not present:   + Mohanned Malhi, Department of Public Health   + Stephen Kwok, Department of Building Inspection   + San Francisco Unified School District Representative   A quorum is established |  |  |
| **2.** | **Land Acknowledgement** |  | **1 min** |
|  | * Scott Dennis recognizes the origins and traditions of the land on which the OOC operates and on which the meeting and COC guests attend. |  |  |
| **3.** | **General Public Comment** *Members of the public may address the Committee on topics that are not on the agenda but are within the jurisdiction of the Committee, for a maximum of 3 minutes per individual.* |  | **15 min** |
|  | * **[INAUDIBLE THROUGHOUT]** “My name is Bram Goodwin um my first comment my understanding that on July 1st cannabis excise tax 15 to 19% and the reason for this if you remember the cation tax and part of the deal was if certain revenue figure is going to change that this why I I don’t know all the details of it but I certainly think it’s something that consumer to address I’d like to hear some…today if possible I’d like to hear something about it today if possible I think it’s important…so that’s that’s my number one thing um just a mention Omar Figaro many of you know…attorney…Sonoma county…we recommend…um one other item Joseph Haggard of Emerald Spirit Botanical…mentioned that the new regulations…and he is now working with DCC…to get it you know if it doesn’t you know it doesn’t go in the…so again um I’d be curious to hear discussion about it and in fact this is something that affects other people their cultivator um maybe again the sense of committing toward this through the DCC asking them to work with these cultivators and and get there because its not just apparently…so I want to mention and since I haven’t been cut off yet I’d like to mention as I did last time about some sense of the committee to the mayor asking that she meets with…give us some more information about they’re basing a lot of these policies and in fact you probably know they just released statement or study by the federal government indicating the cannabis it does have…value and support to…and I I think this key a lot of…around this table are because public health um creates barriers that make it very very costly [***out of time***].” * “Hi everybody uh my name is Steven Mercado uh I am event organizer in San Francisco uh help as administrative assistance and um we help run two major festivals in the west coast um over in Oregon uh for uh Cascade equinox and gem and jam festival over in Tucson Arizona uh we uh definitely stand with you all when it comes to your intentions when it comes to permits for cannabis related events and sales uh when it comes to the equity program and helping those that have been affected by the War on Drugs um and we’re we’re uh definitely supporters when it comes to employing people that um fall within that description and um you know getting to know the process when it comes to uh cannabis sales and cannabis related events um you all are trying to make sure that you’re pushing out a pilot program that will allow um certain events to be able to test this out to be able to see if they can be able to meet the guidelines that you all are seeking and we are hoping uh as um representative for Bicycle Day which is a psychedelic um counterculture celebration uh happening every year on April 19th brings about 2,000 people every year um and sometimes even more and uh we just feel like it would be a perfect event to be considered when it comes to being on the list of uh cannabis related events um that are being tested out right now and so um either that happens this year or in the future um I just wanted to put it out there who we are and I’d love to keep continue to come over to meetings and get to know all of you um to be able to see if there’s anything that we can work out um yeah and that’s pretty much it we just want to be able to partner with you all uh with the same uh uh core values thank you.” |  |  |
| **4.** | **Review and Consideration of Regular Agenda**  *Committee members will review and amend the meeting agenda as necessary and vote to approve.* | Discussion, Action | **5 min** |
|  | * **Motion:** There is a motion at accept the agenda as it stands.   + **Motion/Second:** Shay Gilmore/David Nogales Talley| **Motion Approved**   **Ayes:** 7 | **Nays:** 0| **Abstentions:** 0 | **Absent:** 0 |  |  |
| **5.** | **Review and Approve Minutes from 11/28/2023 Meeting** | Discussion, Action | **5 min** |
|  | * **Motion:** There is a motion at accept the minutes as they stand.   + **Motion/Second:** Adam Hayes/Apollo Wallace| **Motion Approved**   **Ayes:** 7 | **Nays:** 0| **Abstentions:** 0 | **Absent:** 0 |  |  |
| **6.** | **Office of Cannabis Update** *The Office of Cannabis will provide a general update on the status of their work.* | Discussion | **5 min** |
|  | * Director Nikesh Patel provided an update on the current status of the work conducted by the OOC   + 52 permits total by the end of 2022   + Reminder, MCD and Temporary permits conversion to OOC permits are set to sunset at the end of this year.     - OOC have streamlined the MCD and Temporary permits application process with Planning and DBI * Director Patel noted that the City is facing a severe budget cut   + The OOC is not immune to the budget cut and the OOC is asked to give 10% back   + **[INAUDIBLE]** * Deputy Director Jeremy Schwartz provided an update on the upcoming grant cycle.   + Eligibility of next grant cycle: $4 million from the prior round, now it is $1 million     - Current eligibility recommendation included that the prospective grantee be an equity applicant or partner that owns 51% or more of their business with the permit status either at the buildout stage or approved     - There are 24 eligibility equity applicants – if everyone moves forward it will be $60,000 per person to be spent on 13 eligible expense categories     - Letter of intent will expire in first week of February * Director Patel **[INAUDIBLE]** |  |  |
|  | **Committee Discussions:**   * Committee member, Drakari Donaldson, introduced a question whether if the same group of operators who were excluded from receiving grant distribution as well as not being able to receive the same State cannabis excise tax credit. Further adds that more explanation is needed why this group of operators are not able to receive funding from the State, as well as local level.   + Other committee members commented: **[INAUDIBLE]**   **Public Comment:**   * “Hello my name is Sarah Shrader good to see many of you um uh Jeremy mentioned during his update that the state was only providing four million instead er one million of four million that that had drastically reduced by three million dollars was just wondering what uh caused that if there’s anything we can do to push the state to bring that money back because that severely has impact **[*inaudible last couple of seconds*]**” |  |  |
|  | **--------------- BREAK ---------------** |  | **10 min** |
| **7.** | **Annual Cannabis Report (Part 2)**  *The Office of Cannabis will provide the second portion of a two‐part presentation on the state of the cannabis industry in 2022. The first half of this report was presented during the September 13, 2023 meeting.* | Discussion, Possible Action | **75 min** |
|  | Scott Dennis presented:   * Cannabis Expungement in 2022   + February 2019, San Francisco DA’s office expunged 9,363 cannabis-related convictions dating back to 1975   + If a member of the public believes his/her prior cannabis conviction should be dismissed or reclassified, contact the San Francisco’s District Attorney’s Office at 628-652-4000 * Cost to Get Permitted in 2022   + Survey conducted for operators who received a business permit in 2022 and with 83% response rate.     - Category 1: Application and/or Processing Fee ~$18,978     - Category 2: Local Permit-Related Services ~$243,414     - Category 3: Fees Related to Establishing a Business ~$100,739     - Category 4: Costs Related to the State License Application ~$12,146     - Category 5: Security Services ~$12,146     - Category 6: Catch-All (i.e. bank fees, attorney fees, etc.) ~$13,000     - TOTAL Spending Category Ranging from $14,667-$2,001499 * Revenue & Sales Tax in 2022   + Calculated an estimate total of revenue based on sales tax information. It is difficult to calculate the total revenue across all cannabis business in San Francisco.     - Total Revenue Generated by Permitted Businesses in 2022 provided by Office of the Controller: ~$258,463,300 (*the total revenue is an approximation, not accurate)* * 2022 Cannabis Operator Survey (*includes 118 unique cannabis businesses including permanent permits, temporary permits and MCDs in operation in 2022*) – 51 operators voluntarily participated   + Total Number of Employees     - Entry-Level Employees       * 44 Cannabis Business reported employing 531 employees         + Approximately 63% of all employees hold entry-level position       * Pay and Benefits         + Majority of entry-level workers earns less than $21/hr         + 74% of entry-level workers are full-time workers earns more than $21/hr     - Operator-Level Employees       * 37 Cannabis Business reported employing 125 Operator-Level Employees         + Nearly 76% of all operators are full-time employees       * Pay and Benefits         + Almost 66% of all operators are full-time employees earning more than $25/hr or more     - Executive-Level Employees       * 31 Cannabis Business reported employing 70 Executive-Level Employees       * Pay and Benefits         + The majority of both part-time and full-time employees earn $30/hr   + Employees by Race and Gender     - Race       * 38 Cannabis Business reported demographic data for 440 employees       * Three most represented racial groups: 24% White/Caucasian; 23% Black/African American and; 19% Hispanic/Latinx       * The least represented racial groups: 5% Multiracial; 4% Middle Eastern or North African and; 3% American Indian/Alaska Native     - Gender       * 38 Cannabis Business reported demographic data for 440 employees       * Nearly 58% employees are males and nearly 37% employees are females   **Public Comment:**   * “My name is Sarah Shrader I want to thank the office of cannabis and their staff for putting in all the effort on this report and I agree with Shane’s comment that it would be very helpful to understand how this compares to other businesses in San Francisco um I have three points to make and they’re all related to employment uh the first are the laws as July 1st of 2023 the minimum wage here in San Francisco is 1807 and as of uh April 2024 the fast food wage in the state is $20 so the fact that we are so low is disturbing to me its alarming to me that our basic entry level jobs don’t even meet the basic laws of the state and you know the dispensaries are telling us that they’re not following the law so we need to follow up there because its really the employees that are being harmed uh and number two goes into the statistics related to this living wage in San Francisco is somewhere between 26 28 $30 an hour the average salary in San Francisco is $35 an hour so if we look at those 336 entry level positions eight of them had a living wage that is .02% of that staff can live afford to live here in San Francisco and those statistics give it even worse if you start looking at families I’m a mother of two teenagers it says that the um MIT uh living wage for a mother with one child is $56 an hour so when we’re looking at these positions these are not going to support families they’re not going to support the people we want to see having these positions number three has to do with equity I don’t see anything in this report about how many of these staff are equity qualified or um a potential equity people because I recognize a lot of people might not realize they’re equity qualified until they get a job at one of these places and they push them to apply for that um uh acknowledgement from the office of cannabis um but I sat on this San Francisco State legalization task force when we were developing the polices here in San Francisco and we wanted to create incentive for equity jobs the problem that I see is we’ve created an un un unintended consequence if we look at these jobs as a pyramid the top of the pyramid is your equity players because you have to be equity qualified to pay for a permit and the bottom of that pyramid are you equity players because we have hiring requirements for equity people that have come in the report and the quarterly reports through the office of cannabis so what that means to me is that your middle management positions the jobs that are going to pay families the jobs that are going to support a living income here in San Francisco are not being given to the equity players and that that’s backwards that’s not what we intended to do and I really appreciate how much energy we put into equity here in San Francisco but as the task force you know as former member of the task force we need to come back and reflect did this work did this not how can we reframe these things so we can see more success because right now this is not we intended.” * “I’m Bram Goodwin Brownie Mary Democratic club first I want to thank the uh staff for coming up with both the revenue side and also the labor side I think its one of the components I feel in the cannabis industry that’s been missing has been to bring public support for a lot of these issues and part of the public support is having this kind of information number one has base line and then hopefully as we go forward comparing to see where its going uh are the trends areas that we feel is positive so I want to encourage the committee and the staff to maybe composite some of this information in a way that we could go public with because I think that is important for the public to understand what this business is about and really its not just numbers its humans but a lot of these stats that we seeing today having a crucial bearing on what public policy would be so I would encourage a a public showing of a digest of this information that also that activists like Sarah and myself and others can use to talk to our politicians talk to the public and build support for candidate thank you.” |  |  |
| **8.** | **Proposed Future Agenda Items**  *Committee members will propose future agenda items for the next committee meeting.* | Discussion, Possible Action | **5 min** |
|  | * The Clerk of the Committee will distribute an email to schedule the next meeting |  |  |
|  | * **The Committee Members Commented:**   + **[INAUDIBLE]**   + Communicate with the Board of Supervisors and petition the State Government to award more grant funding for equity operators   + Ensure that every San Francisco cannabis businesses should be paying their employees at minimum wage * **Public Comment:**   + “Hello Sarah Shrader uh one important issue that I think is worth for discussion worth bringing at a later meeting um is the violence that’s related to the dispensaries and I’m really saddened to report about the recent death of Twan Lee he was plain clothed officer that was shot and killed responding to a uh robbery on December 29th just few weeks ago in Oakland and the violence that’s associated with these burglaries puts cannabis employees security and law enforcement at risk and has personally impacted me in a number of ways um I recently learned about AB uh 1065 which was passed in 2019 and AB 331 which extends this bill till January of 2026 Newsome announced in September they just gave out $267 million to 55 cities and counties through grants that were to help organize retail theft grant program and so it seems uh the DOJ and the CHP created a regional property crimes task force and they are to identify graphic area the geographic areas experiencing increased levels of property crime assess local law enforcement with resources such as personnel and equipment its really obvious to me that some of the same teams are targeting different counties and cities all across the state and if we’re depending each one of these cities and counties to come up with our resources to do these investigations we are going to train them there is money right now from the CHP and the Department of Justice specifically to help fight organized retail crime why isn’t any of this money used for cannabis businesses we are paying our taxes we are permitted businesses we fall into retail categories just like Macy’s and any other store being protected by this bill so I think it’s well worth having a conversation on how to get our access our hands on these grants these grants might not be available for us this year it might be too late for this but we’ve had this much money sitting in the State that might be able to protect and save lives I think it would be stupid of us to ignore that.”   + “Um Bram Goodwin Brownie Mary Democratic club I I I meant to mention this which is on the labor issue on the minimum wage issue uh I think my understanding is that there is two of them one is without benefits and one is with benefits I’m wondering in our data whether that distinction was made um again the difference is not great but it is there and so I I I I’d like to and the other point is to build on something from future I’d like to see the committee look at this event thing and make it uh Nina Parks has done a lot of event things published a thing on Instagram basically saying the expense involved in doing events in San Francisco is prohibitive and so it doesn’t happen I don’t think we want to advocate our city does not want to advocate events to every other city in the Bay Area so I’d love you to look at that see what we can do to communicate with the people power to be and we’re not even talking about big event we’re talking you know we’d like to have small thank you.”   + “I just wanted to just uh close out this meeting because I might not see you all again my name is Stephen Mercado um I’m just really passionate when it comes to events and and cannabis as well and so um I really hope I while I know and understand this this uh committee does not have any legislative power um I definitely wanted to come here just put it on record as the chairman has suggested as well um and and just uh in support of like he said smaller events um and just more accessibility to be able to allow us to um uh sell cannabis and have cannabis related events um uh with Bicycle Day for example being uh you know over a decade um in celebration here in San Francisco I feel like it’s a stateful event that deserves that attention and I also feel like you said to uh the previous commenter um that you know we could use smaller ones too as well and I think with the pilot program that we have in place and uh just the guidelines that we have so far I feel like uh that can be expanded without uh losing the quality of what you guys are trying to achieve so thank you so much.” |  |  |
| **9.** | **Adjournment** |  |  |