

San Francisco Cannabis State Legalization Task Force
Land Use, Social Justice, and Tourism PRELIMINARY Workgroup Recommendations

Land Use

<p>Non-Retail Uses</p>	<p>Local Policy and Legal: San Francisco should allow non-retail adult use cannabis uses (i.e. cultivation, manufacturing, distribution) and utilize the existing Planning Code framework to establish land use controls for those uses.</p> <p>Local Policy and Legal: Consistent with current regulations for non-retail medical cannabis uses, non-retail adult use cannabis uses should be exempt from distance requirements for sensitive uses (e.g. schools, youth centers, etc.)</p>
<p>Retail Uses</p>	<p>Local Policy and Legal/Future Collaborations: San Francisco should develop meaningful qualitative findings for the Planning Commission and/or other commission(s) to use when reviewing adult use retail locations.</p> <p>Local Policy and Legal/Future Collaborations: San Francisco should consider reducing the distance new cannabis retailers can operate in proximity to sensitive uses to one that is less than the State-required 600 feet. San Francisco should also consider measuring this distance with a "path of travel" approach rather than a straight line, parcel to parcel measurement.</p> <p>Local Policy and Legal/Future Collaborations: San Francisco should develop reasonable quantitative standards to regulate the location of, and permitting process for, adult use retail locations in San Francisco. These standards should include, but are not limited to:</p> <ul style="list-style-type: none"> a) Strategies to facilitate meetings between the applicant and neighboring community prior to the Planning Commission hearing and/or application process to address neighborhood concerns b) Strategies to prevent clustering (as discussed below) c) Considerations for proximity to sensitive uses (as discussed below) <p>Local Policy and Legal/Future Collaborations: San Francisco should further define and/or refine definitions of “sensitive uses” and consider narrowing the definition to expand the “green zone” (or</p>

San Francisco Cannabis State Legalization Task Force
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potential locations in which new cannabis retailers could operate) where appropriate.

Local Policy and Legal: San Francisco should consider varying approval processes (e.g. neighborhood notice only; notice plus mandatory Discretionary Review hearing; notice plus Conditional Use Authorization; etc.) for different zoning districts, with more rigorous review processes in Neighborhood Commercial Districts or other locations which present potential land use conflicts and less rigorous processes in other districts, such as Downtown or industrial districts.

Local Policy and Legal/Future Collaborations: San Francisco should develop policies to prevent clustering of adult use cannabis retailers. Strategies may include:

- a) Use of “buffer zones” around other adult use retail locations. The distance of these buffer zones should balance both community concerns and business interests with the aim of preventing too high a concentration of retail locations in a given district while also encouraging healthy competition.
- b) Stricter clustering provisions in Neighborhood Commercial Districts to balance neighborhood concerns, and less strict clustering requirements in other districts, such as Downtown or Industrial districts.

Local Policy and Legal: San Francisco should include adult use cannabis retail businesses in existing Formula Retail rules.¹

Local Policy and Legal: San Francisco should allow retail locations above the ground floor, such as spaces located at basement level, second floor or higher.

Local Policy and Legal/Future Collaborations/Future Considerations: San Francisco should develop a mechanism for businesses shut down by the federal government or whose leases were bought out to be re-permitted.

¹ Formula retail rules state that if an establishment has eleven or more retail locations worldwide, it is subject to a more stringent review and authorization process.

San Francisco Cannabis State Legalization Task Force
Land Use, Social Justice, and Tourism PRELIMINARY Workgroup Recommendations

	<p>Local Policy and Legal/Future Considerations: San Francisco should align regulations for adult use cannabis retail signage on store fronts with regulations for other retail businesses.</p>
<p>MCD vs. Adult Use Retail Zoning Approval Processes</p>	<p>Local Policy and Legal/Future Collaborations: Adult use cannabis retailers, as distinct from medical use cannabis retailers, should not be subject to the heightened ADA requirements that currently apply to MCDs.</p> <p>Local Policy and Legal/Future Collaborations: San Francisco should craft a reasonable process for current medical cannabis dispensaries to transition into the adult use market. A “transition” would include a medical dispensary adding adult use products or a medical dispensary switching to an adult use business model. Such “grandfathered” medical cannabis businesses should be exempt from new, more restrictive land use provisions that may be applicable to adult use retail businesses.</p>

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San Francisco Cannabis State Legalization Task Force
 Land Use, Social Justice, and Tourism **PRELIMINARY** Workgroup Recommendations

Social Justice/Workforce Development

Successful Workforce	<p>Local Policy and Legal/Programmatic/Future Collaborations: The City should collaborate with San Francisco City College, San Francisco Unified School District, and other workforce development organizations and key stakeholders, to develop new or build upon existing training and apprenticeship programs as workforce pathways for individuals to participate in all aspects of the cannabis industry (i.e. cultivation, laboratory testing, manufacturing, retail, etc.). These programs should increase opportunities for individuals to enter the cannabis industry, but also be part of a broader workforce strategy to increase job opportunities in other sectors, such as IT, human resources, and finance.</p> <p>Local Policy and Legal: San Francisco should ensure that those with a criminal justice history are not automatically barred from job opportunities within the cannabis industry, and that license holders are incentivized to hire people with a criminal justice history to the extent possible.</p> <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should create incentives (rather than mandates) for cannabis businesses to hire local residents and individuals from communities affected by mass incarceration. The City should also create hiring preference policies for residents who have moved out of the City due to the high cost of living.</p> <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should lower financial barriers to enter the cannabis industry by collaborating with workforce development organizations to provide high quality, free or low-cost cannabis workforce trainings, which should include both online and in-person modalities.</p> <p>Programmatic/Future Collaborations: The cannabis industry is a dynamic field, and as such, San Francisco should collaborate with workforce development organizations to provide continuing education to maintain a well-trained, competent workforce and assure patient/consumer safety as new technologies and products emerge.</p>
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San Francisco Cannabis State Legalization Task Force
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	<p>Programmatic/Future Collaborations: San Francisco should create job opportunities and mechanisms to educate, train, and hire the formerly incarcerated, transitional age youth (age 18-21), and young adults (age 21-26). The City’s current process for hiring the formerly incarcerated could serve as a model.</p> <p>Programmatic/Future Collaborations: San Francisco should work with key stakeholders to develop mechanisms to publicize job opportunities and draw diverse candidates to the cannabis workforce, such as job fairs, public education campaigns, or other pipelines.</p> <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should ensure that existing workforce policies and protections of wage and benefit rights are extended to the cannabis industry workforce, such as connecting worker rights protections to the permitting process.</p> <p>Programmatic/Future Collaborations: Post-legalization, there will be a need for lab technicians with the capacity for testing cannabis products, and San Francisco should invest in this capability.</p>
<p>Entrepreneurship Opportunities</p>	<p>Local Policy and Legal/Programmatic: San Francisco should engage workforce development organizations, community-based organizations, community members, and other key stakeholders to develop strategies to reduce economic barriers for people of color and the formerly incarcerated to enter the cannabis industry as entrepreneurs. Strategies could include:</p> <ul style="list-style-type: none"> a) Streamlined permitting process to help operators reduce initial start-up costs (e.g. subsidized rent while undergoing permitting process) b) Creation of grants or other funding opportunities to assist people of color and the formerly incarcerated in achieving business ownership c) Equity licensing d) Subsidized permitting and licensing fees e) Use of existing small business support structures and programs as models, such as the Mission Economic Development Agency (MEDA), Minority-owned Business Enterprise (MBE), Women-owned Business Enterprise (WBE) programs.

San Francisco Cannabis State Legalization Task Force
Land Use, Social Justice, and Tourism PRELIMINARY Workgroup Recommendations

	<p>Local Policy and Legal/Programmatic/Future Research Needed/Future Considerations: Due to federal cannabis prohibition, cannabis business owners cannot easily access banking services, and therefore, must operate on a largely cash-only basis. Thus, business ownership is limited to entrepreneurs with access to capital. San Francisco should therefore advocate for a change in federal prohibition policy and explore opportunities to use City funding and/or local credit unions to provide banking services, such as small business loans, to cannabis businesses.</p>
<p>AUMA Community Reinvestment Grants</p>	<p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should apply for AUMA Community Reinvestment Grants and collaborate with key stakeholders to allocate funding to programs that benefit the communities targeted by the AUMA grant funding. Program priority areas could include:</p> <ul style="list-style-type: none"> • the educational system • childcare subsidies • services for the formerly incarcerated and other communities affected by cannabis prohibition • housing • job creation • behavioral health services • criminal record expungement <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should explore opportunities for cannabis businesses to invest in community benefit agreements that allocate resources to community services.</p>
<p>Social Justice</p>	<p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should include cultural competency trainings as part of the cannabis workforce development strategy.</p> <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should develop pathways, such as an amnesty program, to encourage existing businesses to transition from the illicit to</p>

San Francisco Cannabis State Legalization Task Force
Land Use, Social Justice, and Tourism **PRELIMINARY** Workgroup Recommendations

legal market.

Programmatic/Future Collaborations: The City and San Francisco Police Department should collaborate with community policing and diversion programs to educate businesses on the transition from the illicit to legal market.

Local Policy and Legal: The San Francisco District Attorney and Public Defenders Offices should work to streamline the record expungement process for individuals with eligible previous convictions as outlined in the AUMA.

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San Francisco Cannabis State Legalization Task Force
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Tourism/Hospitality

<p>San Francisco Cannabis Culture</p>	<p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should collaborate with stakeholders to develop policies that achieve an appropriate balance between discretion and visibility of adult use cannabis culture. Along these lines, the City should create pathways that allow tourists to access adult use cannabis products and legal consumption spaces while preventing undesired exposure for those who prefer limited interaction with the cannabis industry. Strategies could include the following:</p> <ul style="list-style-type: none"> • Allow cannabis consumption indoors to prevent unintended exposure • Limit visibility of consumption in adult use retail storefront locations to prevent exposure from the street • Collaborate with tourism/hospitality stakeholders to provide tourists with educational materials and information about safe access and consumption of adult use cannabis <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should collaborate with key stakeholders within the hospitality and tourism industry to develop pathways for lodging establishments to become “cannabis-friendly,” thereby providing a legal consumption space for tourists without access to a private residence.</p> <p>Future Collaborations/Future Considerations: There is a notable desire within the culinary community to incorporate adult use cannabis in dining options/opportunities, including the use of cannabis as a meal ingredient and the establishment of food/cannabis pairing options. San Francisco should collaborate with key stakeholders, such as culinary and hospitality organizations, to develop strategies for increasing these opportunities for restaurants and other food establishments. Strategies could include:</p> <ul style="list-style-type: none"> • Developing, proposing and pursuing a state legislative approach that would create an exemption for these types of culinary experiences • Development of a patron notification process for any food establishment offering these
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San Francisco Cannabis State Legalization Task Force
Land Use, Social Justice, and Tourism PRELIMINARY Workgroup Recommendations

	<p>opportunities</p> <ul style="list-style-type: none"> • Development of mechanisms to determine the appropriate distribution of cannabis-friendly dining venues throughout the City
<p>Tourist and Resident Experiences</p>	<p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco should collaborate with key stakeholders, such as the Department of Public Health and tourism/hospitality organizations, to develop educational materials for tourists and residents that:</p> <ul style="list-style-type: none"> • promote safe cannabis consumption • provide information on different product types and their physiological effects, and • outline strategies to identify and manage overconsumption. <p>The educational materials should be made available in various languages and formats (e.g. websites, brochures, signage, mobile applications, etc.), and distributed where adult use cannabis is allowed to be consumed and/or purchased, such as cannabis retail locations.</p> <p>Local Policy and Legal/Programmatic/Future Collaborations: San Francisco, in collaboration with key City Agencies and stakeholders, should develop educational materials and trainings for cannabis retail licensees, their employees, and cannabis business license applicants on serving cannabis and cannabis products safely, responsibly, and legally. The Licensee Education on Alcohol and Drugs (LEAD) Program could serve as a model for this.</p>

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