



Executive Directive 16-05
Implementing Prop 64: Adult Use of Marijuana Act
November 9, 2016

With the successful passage of California Proposition 64, the Adult Use of Marijuana Act, the City of San Francisco must now implement a wide array of new laws and permitting processes to allow for the commercial cultivation, manufacture, and distribution of non-medical cannabis products.

Proposition 64 gives cities as much as one year to put regulatory structures in place, since the Proposition mandates that the first State permits for commercial cannabis sales be issued no later than January 2018. Despite this long lead-time, I want our City to get to work immediately to pass the best laws and regulation we can. As such, I am directing the Directors of Planning and Public Health to lead the complex process of drafting all the legislation required to fully and responsibly implement Prop 64.

Thanks to the San Francisco Cannabis State Legalization Task Force, much of this policy brainstorming is well underway. The Task Force has spent months investigating the impacts of decriminalization, specifically regarding public safety, public consumption, youth access, land use, social justice, workforce development, and tourism. I appreciate the Task Force's efforts to date, and I look forward to close collaboration between its members and my department heads in the months to come, especially on the complex issues related to land use, public consumption, and interactions with our existing rules for medical cannabis.

In order to ensure a smooth transition and de-criminalization of personal possession, as provided for in the Proposition, I am issuing the following Executive Directive:

- The Department of Public Health shall issue a "What Now?" factsheet to inform the public of existing laws governing the sale and use of cannabis products. For example, where is it currently legal to consume cannabis now that Proposition 64 has passed?
- The Office of Economic & Workforce Development shall draft interim control legislation restricting cannabis cultivation from entering existing industrial buildings until the full impact of this emerging industry is better understood.
- The Director of Planning and the Director of Public Health, in consultation with other relevant department heads, shall draft ordinances for the Board of Supervisors' consideration that address aspects of the Proposition that include but are not limited to:
 - 1) Land Use: where will cultivation, manufacturing, and sales of cannabis be allowed and disallowed, and under what conditions?
 - 2) Local Licensing: How should the City's local licensing process be structured?
 - 3) Safety: should the City change any laws regarding where or how cannabis may be consumed in public places?
 - 4) Youth Access: how can the City prevent diversion and sales to under-age youth?

- In crafting ordinances to address the above policy areas, the Directors of Planning and Public Health shall:
 - 1) Consult with other department heads and outside experts as necessary. Specific input from OEWD, SFPD, and SFUSD will be necessary.
 - 2) Survey other states and cities that have legalized non-medical cannabis, and incorporate best practices for land use controls, public safety and preventing diversion.
 - 3) Coordinate with the San Francisco Cannabis State Legalization Task Force.
 - 4) Consider the impact of changes to the medical cannabis regulatory structure that are currently pending at the State level.
 - 5) Provide draft ordinances to the Mayor and Board of Supervisors no later than September 1, 2017.

- The Mayor's Budget Director shall consult with the Controller, Treasurer & Tax Collector, and other stakeholders to propose taxation and permitting fees related to the production and distribution of cannabis products. In completing this task, staff shall consult with other American jurisdictions that allow for non-medical cannabis use to survey their taxation and fee methods.

- The Department of Public Health shall develop a public awareness campaign about the health impacts of using cannabis, with a particular focus on youth and on impaired driving.

- The Office of Economic & Workforce Development shall explore state funding opportunities generated from the passage of Proposition 64 for the development of new workforce and entrepreneurship training programs.

- I am aware that Supervisor Malia Cohen is interested in crafting legislation to address the social justice component of decriminalization. The War on Drugs has disproportionately impacted African American and Latino people, so special attention should be paid to records expungement opportunities and economic equity. I am directing relevant department heads to assist Supervisor Cohen in the creation of this legislation.

This Executive Directive will take effect immediately and will remain in place until rescinded by future written communication.



Edwin M. Lee
Mayor, City & County of San Francisco