



SAN FRANCISCO CANNABIS STATE LEGALIZATION TASK FORCE

NON RETAIL LICENSING

Meeting 3

March 8, 2017

Agenda Item 1:

Welcome, Agenda Review and Announcements

Agenda Item 2:

Guest Speaker

Jordan Wellington, Esq., Director of
Compliance at Vicente Sederberg
LLC

Agenda Item 3:

Recommendation Drafting Session

Recommendation Framework Overview

The following process was used to develop the recommendation framework document:

- Review Year I recommendations, previous recommendation framework documents, and additional research
- Integrate discussion points and recommendation priority areas from Cannabis State Legalization Task Force meetings

Based on the Task Force's work in Year I and meeting discussions, the following focus areas of non-retail licensing emerged:

- 1) Technical
- 2) Social Justice
- 3) Community Engagement

Recommendation Finalization Process

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1) Recall draft Year II recommendation

Non-Retail Licensing Elements	<u>General</u> 1. San Francisco should make local permits for non-retail businesses available for all MCRSA and AUMA license categories and microbusinesses.* <i>(Refer to Year I RCAF recommendation 1 - decide if this issue is sufficiently addressed there or if more specificity is needed)</i>
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2) Clarify, refine, and reconcile with Year I recommendations as needed

- Note any areas where consensus was not reached

3) Refer to the recommendation framework document and confirm all areas and questions have been addressed

Recommendation Drafting Process Review

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1) Discuss non retail recommendation framing questions

Technical
<u>Overarching questions</u> 1. Non-Retail Licensing Elements a. List three main goals of the licensing process for non-retail cannabis. b. What licensing requirements should be established to ensure these goals?

2) Recall Year I recommendations

RCAF 1: San Francisco should develop a local adult use cannabis licensing system that aligns and builds upon the State license types and structure.

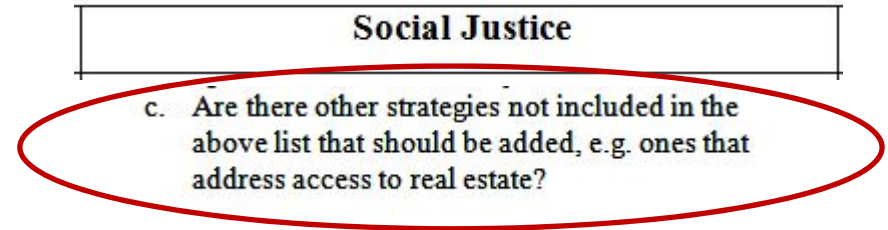
3) Draft Year II non retail licensing recommendations

San Francisco should make local permits for non-retail businesses available for all MCRSA and AUMA license categories and microbusinesses.

Recommendation Drafting Process Review

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1) Discuss non retail recommendation framing questions



2) Recall Year I recommendations

- PSSE 6 Three top considerations for the San Francisco Police Department (SFPD) when it is developing its criminal enforcement and training strategies are:
- a) Strategies must represent community sensitivities and be developed together with parents or an agent of family representation;
 - b) Strategies should be informed by subject matter experts in all areas of the cannabis industry, and not simply police officers training and/or educating other police officers;
 - c) The SFPD should collaborate with Child Protective Services to establish guidelines for determining the safety of a juvenile in the custody of an impaired adult.

3) Draft Year II non retail licensing recommendations

- 5. San Francisco should provide training focused on undoing the harms of the war on drugs to the San Francisco Police Department and San Francisco District Attorney.

Recommendation Drafting Tips

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STRONG

use action words such as “must” and “shall” instead of “could”

RELEVANT

responsive to an issue or need within non-retail licensing, and addresses how non-retail licensing intersects with social justice and community engagement, as appropriate

ACTIONABLE

is implementable with available resources, stakeholders, and time

CLEAR

easily understood by other stakeholders and members of the public

SPECIFIC

identifies the scope, outcome, and timeframe as appropriate

Work Groups

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Technical	Social Justice	Community Engagement
Dept of Public Health	SFUSD	Police Department
Fire Department	Jesse Stout	Planning Department
Dept of Building Inspection	Kevin Reed	Entertainment Commission
Board of Equalization	Tom McElroy	Sara Payan
Erich Pearson	Laura Thomas	Barbara Fugate
Duncan Talento Ley	Jen Garcia	Thea Selby
Sarah Shrader	Terrance Alan	Jon Ballesteros

Roles within each small group include:

- Facilitator (Task Force Member)
 - Note taker (Task Force Member)
 - Process manager (Technical support staff)
- *Use italics to distinguish notes from recommendations*

The Office of Economic and Workforce Development

Mission - helping business (including cannabis) start, stay, and thrive in San Francisco

Main divisions relevant to cannabis legalization

- Business Development
- Invest in Neighborhoods
- Workforce Development
- Office of Small Business

Existing Programs relevant to Cannabis Legalization

- **Small Business Development Centers*** – SBA federal government, provides consulting services and training workshops to help entrepreneurs write business plans
- **Small Business Assistance Center** - one-to-one case management assistance including information on required license and permits, technical assistance, financing options, and other business resources to help businesses start, grow, and thrive
- **Tax Credits** - for research, hiring etc.
- **Workforce Development** – on the job training funding, recruitment services, job distribution services, candidate screening, referrals and retention services

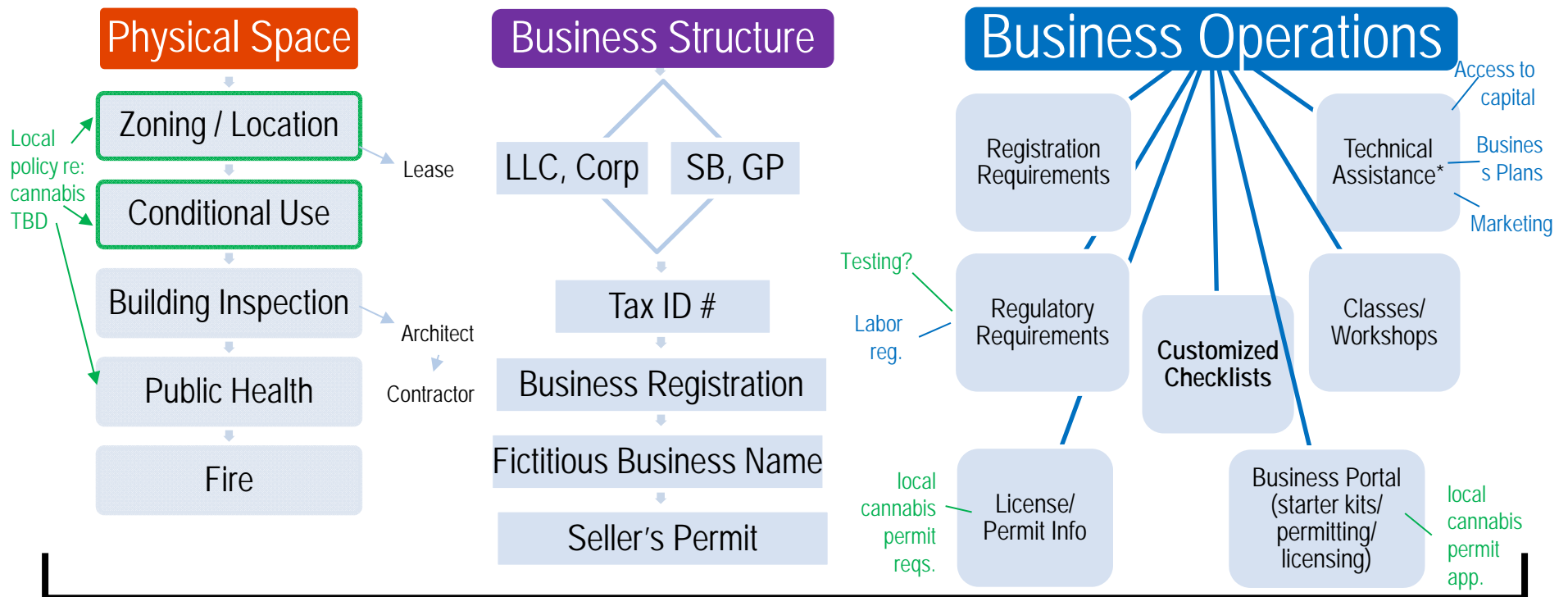
The Office of Small Business

The Office of Small Business & the SF Cannabis Industry

- The OSB would provide the same type of support to cannabis businesses that it does for other businesses:
 - Tailored bureaucratic and regulatory guidance
 - The OSB provides a tailored checklist of steps to start a business, depending on the industry, location, and other factors.
 - Connections to resources and providers
 - The OSB helps businesses connect to resources and service providers that will help them grow and overcome their specific challenges.
 - Policy and legislative advocacy
 - It works in the policy and legislative arena to champion small-business-friendly policies and legislation.

The Office of Small Business

Wholesale Bakery Example: The OSB would offer guidance and connect businesses to resources as they complete the steps to starting a business (3 general process areas).



Wholesale bakery open for business.

"Technical assistance" refers to services such as accounting, trademarks, business plans, marketing, human resources, .

Non-Retail Licensing – Current Process

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1. **Potential non-retail cannabis business contacts DPH and provides:**
 - Letter from existing MCD stating the business is associated with them
 - Affirmation that all product is for an MCD and must be sold through an MCD
 - Documentation that proposed location is >600ft from any school
2. **DPH verifies information with current MCD list and refers business to DBI.**
3. **DBI reviews plans/inspects location for compliance with building codes.**
4. **DBI sends plans to the following departments for sign offs:**
 - a) DPH – To review for hazardous materials permit, if needed
 - b) Planning Dept – To review whether location meets zoning requirements*
 - c) Fire Dept – To review for compliance with Fire Codes
5. **Once all departments have signed off, DBI gives approval for business to proceed with build process.**

San Francisco Department of Public Health

Potential Interaction with EH Programs

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For Cultivation

- ▣ Agricultural Commissioner
 - Pesticides – application processes
 - Nursery licensing – for selling live plants
- ▣ Weights and Measures
 - Devices – registered and approved devices for weighing products
 - Quantity Control – labels/packaging including the product name, quantity, and source
 - Point of Sale - registered system for transactions
- ▣ Water Quality

For Manufacturing

- ▣ Weights and measures – same as above

Agenda Item 4:

10-min break

Agenda Item 5:

Public Comment

Agenda Item 6:

Recommendation Finalization

Agenda Item 7:

Large Group Discussion: Land Use

Agenda Item 8:

Wrap-up and Next Steps

NEXT MEETING

DATE	TIME	LOCATION
March 22, 2017	1-4pm	25 Van Ness, Room 610 San Francisco, CA 94102