

SAN FRANCISCO CANNABIS OVERSIGHT COMMITTEE

Notice of Hearing & Agenda

Meeting held via Webex

**February 16, 2022
1:30 PM-4:30 PM
Regular Meeting**

Committee Members:

Voting Members

- Doug Bloch
- Aaron Flynn
- Theresa Foglio-Ramirez
- Ali Jamalian
- Brendan Hallinan
- Ryan McGilley
- Nina Parks
- Sara Payan
- Shawn Richard

Non-Voting Members

- Mohanned Malhi or rep. from SFPDH
- Capt. Brian Philpott or Sgt. Chris Oshita or rep. from SFPD
- Jeff Buckley or Patrick O'Riordan or rep. of DBI
- Michael Christensen or Richard Sucre or rep. of SF Planning
- Quarry Pak or Rosalia Lopez or rep. from SFUSD
- Maggie Weiland or Kaitlyn Azevedo or Dylan Rice or rep. of SF Entertainment Commission
- Lt. Rick Figari or Lt. Dennis Sy or rep. from SFFD

Meeting materials are available at:

Website: www.officeofcannabis.sfgov.org

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

Disability and language accommodations available upon request to: officeofcannabis@sfgov.org or 628-652-0420 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.

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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, San Francisco, CA 94103, during regular office hours.

Ringling and Use of Cell Phones

The ringing or 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.

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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 currently being held remotely using the Microsoft WebEx meeting platform. 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 628-652-0420 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 Cannabis. Si desea asistir a la audiencia, y quisiera obtener información en Español o solicitar un aparato para asistencia auditiva, llame al 628-652-0420. 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 Pagpapalano. Para sa tulong sa lengguwahe o para humiling ng Pantulong na Kagamitan para sa Pagdinig (headset), mangyari lamang na tumawag sa 628-652-0420. 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 628-652-0420. Запросы должны делаться минимум за 48 часов до начала слушания.

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

- Cannabis consumption lounges are now open and Chair Jamalian acknowledges the importance of this given that lounges have been closed for nearly the duration of the COVID-19 pandemic. DPH will present on consumption lounge regulations and fee waiver program during agenda item #6 and Chair Jamalian requests an overview on potential lounge closure criteria.
- Upon roll call, the following Committee Members were noted present [(v)= voting member]
 - Ali Jamalian (v)
 - Aaron Flynn (v)
 - Ryan McGilley (v)
 - Shawn Richard (v)
 - Brendan Hallinan (v)
 - Sara Payan (v)
 - Mohanned Malhi, SFPDH
 - Michael Christensen, SF Planning
 - Quarry Pak, SFUSD
 - Dylan Rice, SF Entertainment Commission
- The following Committee Members were not present:
 - Doug Bloch (v)
 - Nina Parks (v)
 - Theresa Foglio-Ramirez (v)
 - Capt. Brian Philpott or Sgt. Chris Oshita, SFPD
 - Lt. Rick Figari or Lt. Dennis Sy, SFFD
 - Jeff Buckley or Patrick O’Riordan, DBI
- A quorum is established

2. Review and Adopt Resolution Making Findings to Allow Teleconferenced Meetings Under California Government Code Section 54953(e)Discussion,
Action

Committee members review and adopt a resolution making findings required under state law to allow the Committee to meet remotely, as is currently required by order of the Mayor. The Committee will need to adopt these findings at each future meeting, at least until in-person meetings are allowed to resume in San Francisco. Refer to proposed “Resolution” included in the materials accompanying this agenda.

- No public comment
- **Motion:** There is a motion to adopt the resolution as written
 - **Motion/Second:** Ryan McGilley/Sara Payan | **Motion Approved**
 - **Ayes:** 5 | **Nays:** 0 | **Abstentions:** 0 | **Absent:** 4

3. Review and Consideration of Regular AgendaDiscussion,
Action

Committee members review and amend the meeting agenda as necessary and vote to approve.

- It was suggested to add an agenda item to discuss in-person COC meetings. The OOC clarifies that advisory committees like the COC are not mandated to return to in-person meetings and that audio and video support may not be available due to limited City resources.
- Members note advantages of in-person meetings as eliminating technological barriers and difficulties for voting members and the opportunity to engage with the

public after the meeting. Noted disadvantages include health risks of COVID-19 variants for immunocompromised voting members and their families.

- The question of whether some voting members can attend in-person meetings while other attendees attend virtually (hybrid approach) is raised. The OOC responds that they can provide guidance when and if the item is added as an agenda item. The OOC clarifies that this item can be added to this meeting's agenda if the Committee so votes.
- The OOC clarifies that if an agenda item regarding in-person meetings is added to the instant meeting agenda, the Committee will not be able to voting on the item as it was not posted to the public in advance (per regulations relating to public meetings).
- **Public comment**
 - Charlie Papas relays that in-person meetings are important but not necessary at this time.
 - A community member relays the need for remote access to meetings for the public even if meetings transition back to being in-person.
 - A community member submitted a public comment requesting the Committee to add an agenda item to discuss the possibility of amending Article 16, Section 1609(b)(8) (regarding landlord authorization) and the creation of a Type 13 permit type.
- SF Planning Member Christensen clarifies that an authorization from a property owner to apply for any building permit is required, including a change of use for a Type 13 permit. Chair Jamalian and Member Payan acknowledge that this is a state legislative issue that is important but out of the Committee's scope. It was clarified that a landlord representative can interact with the OOC, but a documented acknowledgement of activity by the landlord themselves is a state requirement.
- **Motion:** There is a motion to approve agenda and add an item [#8] to discuss in-person meetings
 - **Motion/Second:** Brendan Hallinan/Ali Jamalian | **Motion Approved**
 - **Ayes:** 6 | **Nays:** 0 | **Abstentions:** 0 | **Absent:** 3

4. Review and Approve Minutes from Committee Meeting on November 17, 2021

Discussion,
Action

Committee members review minutes from previous Committee meeting, amending as necessary, and vote to approve.

- The OOC clarifies that members who were recused from the grant distribution agenda item (#5) can approve the minutes excluding that agenda item. The grant distribution section of the minutes document will be approved when there is a quorum of 'non-recused' voting members.
- No public comment
- **Motion:** There is a motion to adopt the meeting minutes from last meeting excluding the Agenda Item #5, Committee Discussion regarding Grant Distribution
 - **Motion/Second:** Aaron Flynn/Brendan Hallinan | **Motion Approved**
 - **Ayes:** 6 | **Nays:** 0 | **Abstentions:** 0 | **Absent:** 3

5. Overview of Cannabis Industry Presentation Part 2

Discussion

The Office of Cannabis provides the second portion of a two-part presentation on the state of the cannabis industry in 2020.

- The OOC presents 2020 employment, wage and demographic survey findings, 2019 revenue and sales tax, and 2020 expungements. The full presentation is available by accessing this link: <https://officeofcannabis.sfgov.org/node/2757>

- 2020 employee, wage, and demographic survey findings are based on 52 operator participants out of 141 contacted. Given the low response rate, the OOC urges operators to participate in a similar, upcoming survey to support a more accurate understanding of the demographic makeup of the cannabis industry workforce. Chair Jamalian and Member Payan acknowledge the need to understand and promote living wages for cannabis employees.
- Member McGilley requests access to survey data. The OOC relays privacy concerns as survey data is confidential but will follow up with the COC if they are able to share this data at a later time.
- **Public comment**
 - A community member suggests that completion of the survey be considered a reportable action in the equity program reports that operators submit.
- Chair Jamalian agrees with the public comment that survey completion could be a part of the equity program requirement.

6. Committee Discussion Regarding the Status of Consumption Lounges

Discussion,
Possible
Action

A representative from the San Francisco Department of Public Health provides an update on fees and current regulations relating to cannabis consumption lounges in San Francisco. The presentation is limited to these items. The Committee has an opportunity to discuss factors relating to the operation of consumption lounges and possibly issue recommendations to City leadership concerning the status of cannabis consumption lounges in San Francisco.

- DPH Member Malhi announces that as of today the January 2021 restrictions on cannabis consumption lounges have been lifted and smoking and vaping in all cannabis consumption lounges is permitted. Other permitted activities outside of smoking and vaping, including consuming edibles are also permitted. All consumption lounges were notified yesterday of the health order restriction removal.
- To enter a consumption lounge, consumers must show proof of vaccination or a negative COVID result from a licensed lab and not a home test. COVID results must be within 1-day for an antigen test or 2-days for a PCR test.
- Many consumption lounges are in the construction process.
- There are approximately seven permitted consumption lounges currently operating and the majority were not grandfathered in and must meet the enhanced ventilation requirements established in 2018. This requirement includes negative pressure rooms which can include designated vaping, smoking, or dab rooms or one large lounge room. In addition, highly efficient filters and odor abatement are required, which can include activated carbon filters and ionizers that go through MERV 11 or MERV 13 filters before exhausted to ensure that neighboring people and businesses do not inhale smoke.
- Other California and out-of-state municipalities have adopted SFPDH's cannabis consumption regulations including Berkeley and Boulder, CO, demonstrating the recognized best practice.
- SFPDH has notified all permitted consumption lounge operators of their fee waiver program, which includes refunds and current fiscal year fee waivers since their consumption license was unable to be fully utilized in the past two years.
- Member Hallinan commends Member Malhi and Member Bloch on the consumption lounge initiative.
- Member Hallinan asks DPH what the regulations for closing and re-opening consumption lounges are since they did not re-open at the same time as bars and restaurants even though they have enhanced ventilation. DPH Member Malhi clarifies that COVID restrictions are dependent on the Health Officer and the City Attorney, who

Member Malhi and Member Bloch have briefed on consumption safety measures and ventilation. Chair Jamalian suggests writing a committee letter to the Health Officer recommending special consumption lounge classification.

- **Public comment**
 - Moe Green Dispensary Lounge owner requests more respect and transparency for consumption lounges from DPH, since it is one of the few legal places consumers can use a sold product.
 - A community member asks DPH if food and non-alcoholic beverages are permitted in consumption lounges.
- DPH Member Malhi clarifies that food and beverages are not allowed in consumption lounges per state law that only permits the sale of cannabis products, however consumers can bring outside food into lounges.
- Member Malhi clarifies that currently cannabis lounges are grouped with hookah and cigar bars, however they are not under the same enhanced ventilation requirements as cannabis lounges.
- The OOC clarifies that a letter to the Health Officer can be drafted outside of a Committee meeting, however it cannot be passed between more than four members as this would constitute a quorum. The OOC suggests including review and a vote on the draft letter in the next meeting.
- Chair Jamalian and Member Hallinan agree to draft a letter for the next meeting.
- **Motion:** There is a motion to draft a letter to the San Francisco City Health Officer in support of more equitable treatment of cannabis lounges, to be reviewed at the next COC meeting
 - **Motion/Second:** Brendan Hallinan/Ali Jamalian | **Motion Approved**
 - **Ayes:** 6 | **Nays:** 0 | **Abstentions:** 0 | **Absent:** 3

7. General Public Comment

Members of the public address the Committee with a maximum of 2 minutes per individual

- A community member asks what phase the dispensary on Pacific Avenue is in and opposes its business location.
- A community member requests more Committee discussion around consumer prices and accessibility.

8. In-Person Meeting Discussion

The Committee discusses resuming meetings to in-person.

- Member Hallinan notes that in-person meetings allow equity applicants greater access to Committee members who they can engage with before and after the meeting.
- The OOC clarifies that breakout rooms cannot be used when holding virtual meetings as this would not uphold the quorum
- Member Payan notes that in-person meetings allow for more public discussion, however it is a health risk and recommends hybrid model.
- At this time the Committee agrees to continue forward without change to its meeting format.

9. Adjournment

- The chair adjourns the meeting at at 3:59PM