

Cannabis State Legalization Task Force
September 12 2018 – Meeting Notes
Youth, Workforce, and Consumption
25 Van Ness Ave, Room 610, San Francisco, CA 94102 | 1PM – 4PM

Task Force Proposed Goal

In Year III the Task Force will develop recommendations to inform local regulations, particularly in Local Ordinance policy areas that could benefit from further development and assessment.

Meeting Objectives

- Review previous Task Force recommendations related to youth and workforce; consider amending and/or adding to previous recommendations.
- Hear from expert panelists regarding cannabis consumption laws and regulations.
- Develop new potential recommendations related to cannabis consumption.

1. Welcome, Agenda Review and Announcements

15 min.

- Jennifer Garcia, Task Force co-chair, reviewed the agenda, noting that things may move out of order due to timing of the presenters.
- Tim Morrison, consultant, went over some housekeeping. He reviewed the materials in the Task Force member packets and reminded members that the November meeting date has been moved to November 28th.

2. Discussion Item: Youth and Education Recommendations

- Terrance Alan, Task Force Chair, Seat 19: Hi everyone, I hope you've had a chance to review these recommendations. We have discussed these at several of our Task Force meetings and have adopted them in years 1 and 2, and subsequently in year 3. I propose to you all that we move these forward as is, unless there are any amendments or additions that members would like to put forth.
- Please refer to the meeting materials for a full overview of these recommendations.

3. Public Comment: Youth and Education Recommendations

- No comments were provided.

4. Action Item: Youth and Education Recommendations

- Terrance Alan, Task Force Chair, Seat 19: Does the Task Force agree on moving forward our Youth and Education recommendations as they are?
- Thea Selby, Task Force member, Seat 14: We just got our SFUSD rep here, does the school district have anything to add?
- Quarry Pak, Task Force member, Seat 8: There are a few factual, technical details that should be addressed and corrected in these recommendations. On page 2 for Recommendation #6, the language should be revised to add the phrase “or Local Education Agencies” after “The State should vest decisions regarding student education implementation and funding criteria solely in the counties.” I also wanted to address recommendation #10 on page 3, which says that “for minors who commit cannabis-related offenses while at school, suspension and expulsion should not be the default tools used by schools to discipline students.” According to our policies, an offense that is referred for expulsion is selling any unlawful drugs at school.
- Sarah Shrader, Task Force Member, Seat 21: I’m concerned about the paper trail that could follow youth with background checks. I wonder if we should put something in writing that we don’t want that paper trail to follow these youth for the rest of their life.
- Quarry Pak, Task Force Member, Seat 8: The school record, including disciplinary actions, is controlled by the student and the parent.
- Terrance Alan, Task Force Chair, Seat 19: I would agree that it’s a welcome sentiment but already addressed through the school district’s policy. The District Attorney can’t get information from the school. One thought would be that the Task Force recommends that any juvenile records related to cannabis not be used in work and educational determinations. Is that something we can get behind to add?
- Task Force members unanimously agreed to add this recommendation and revise #6 according to Quarry Pak’s suggestion, and to accept the other youth and education recommendations as is.

5. Discussion Item: Workforce Recommendations

- Jennifer Garcia, Task Force Co-Chair, Seat 20 and Terrance Alan, Task Force Co-Chair, Seat 19 reviewed current workforce recommendations and asked the Task Force: Are there any other Workforce recommendations that people would like to vote to add or amend, or can we move forward with our existing recommendations from Year 1 and Year 2?
- Terrance Alan, Task Force Chair, Seat 19: Regarding recommendation #11, There is an update from the Office of Cannabis that they and the Denver Excise and Licensing Agency co-founded a government association called Government for Responsible United States Cannabis Policy (GRUSCP) that would further this recommendation.

- Nicole Elliott, Task Force Coordinator, Office of Cannabis: In collaboration with our counterparts in Denver we have co-founded a governmental organization that has 2 goals: 1) To work with a bipartisan group of mayors and regulating agencies to share best practices and 2) To collaborate on a federal level for cannabis legalization and reform. We've spent time on Capitol Hill to push for that reform and to explain what we're doing.
- Thea Selby, Task Force member, Seat 14: I have a question regarding #15 that discusses regular evaluation efforts. I'm really interested in knowing right now how things are going. We have all these wonderful recommendations and we're already starting our work and we're already trying to get people in jobs and businesses. It would be useful to the public to get regular, maybe annual reports, with pre-determined metrics, and how we're doing with regard to these metrics.
- The Task Force decided to move forward with the current workforce recommendations without amendments but decided to revisit the recommendations at the October meeting, when further information would be available regarding Supervisor Safai's legislation related to apprenticeship and pre-apprenticeship hiring mandate.

6. Public Comment: Workforce Recommendations

- No comments were provided.

7. Action Item: Workforce Recommendations

- Terrance Alan, Task Force Chair, Seat 19: Let's take a vote on moving these Workforce forward recommendations as is.
- Task Force unanimously agreed to move the Workforce Recommendations forward as is.

8. Spotlight Panel: Consumption

- Sara Payan, Task Force Co-Chair, Seat 12: We'll begin our panel with a review of Proposition 64, which states that consumption of cannabis and other cannabis products in public remains illegal and smoking cannabis is prohibited in locations where smoking tobacco is also prohibited. But Proposition 64 also allows local jurisdictions to determine whether or not to allow on-site consumption. Localities may permit on-site consumption at licensed retailers under the following minimum conditions: (1) access is restricted to persons 21 years of age and older; (2) consumption is not visible from a public place or non-age restricted area; and (3) sale or consumption of alcohol or tobacco is not allowed at the retailer. I will now introduce our panelists and have them say a few words about themselves. Nicole Neubert, of Clark Neubert LLP, will review the state regulations that govern cannabis consumption in California.

- Nicole Neubert, Clark Neubert LLP: Hi everyone. We are a business and corporate law firm that represents the cannabis industry, based in San Francisco with offices across the state, so we work across many jurisdictions.
- Sara Payan, Task Force Co-Chair, Seat 12: Mohammed Malhi from the San Francisco Department of Public Health will review local regulations.
- Mohannad Malhi, Principal Environmental Health Inspector, San Francisco Department of Public Health: Hi everyone, at the Cannabis Program within the Environmental Health Branch, we've been working diligently to finalize some of the consumption regulations for the dispensaries. I brought a few basic slides that we put together to explain the three different types of permits that the Board of Supervisors approved to issue.
 - 1) Edible consumption – within the facility itself. No other activity could be conducted with this permit.
 - 2) Edible consumption with little food preparation. Preparation is quite limited but there is an opportunity to heat or reheat. The items could be placed on real silverware or plates. This would require a few structural requirements. This permit is a little more extensive in terms of requirements compared to Type A.
 - 3) Type C is for smoking. Anyone that would like to allow smoking would apply for this permit. You can also apply for A and B with this permit.

I'm at the very final stage of working with the City Attorney to finalize these rules and regulations and I'm hoping by early next week to have everything done. There will then be a 30 day public comment period. October 3rd we'll also be having a public meeting regarding the rules and regulations for the permits. Once we've evaluated the public comments and taken them into consideration we'll launch the application process.

- Sara Payan, Task Force Co-Chair, Seat 12: Cassandra Costello from San Francisco Travel will share information regarding cannabis consumption and tourism.
- Cassandra Costello, San Francisco Travel: Hi everyone, I'm the Senior Vice President of Public Policy for San Francisco Travel. We're a destination marketing organization that markets San Francisco to the world. We have 1300 business partners. We've been tracking legislation and getting the perspective of adult visitors on cannabis in San Francisco. From the visitor perspective, people would like to be able to consume what they purchase here.
- Sara Payan, Task Force Co-Chair, Seat 12: Brian Applegarth from the California Cannabis Tourism Association will share an industry perspective on cannabis consumption and tourism.
- Brian Applegarth, California Cannabis Tourism Association: Hi everyone. Our association has a hyper focus on cannabis tourism niche. I founded my organization in 2015. I saw the need for someone to be actively participating at the state level. We had our first lobby day at capital recently.
- Sara Payan, Task Force Co-Chair, Seat 12: Kimberly Belle from Crop to Kitchen will share information regarding food and drink consumption.

- Kimberly Belle, Crop to Kitchen: Thanks for having us. I am a hospitality consultant and used to work as a food writer and chef. Now I work for a boutique consulting firm at Salt & Road. In addition to consulting work with opening restaurants and working on brands, I also work as a cannabis cuisine activist. I work with Terrance on the Crop to Kitchen Community, which allows us to work together from the hospitality and cannabis side to build pathways to legalize cannabis cuisine. We think that when voters approved cannabis that that included the ability to consume it in their food. We're trying to get a group of professionals together to do it properly, and establish how to get tax revenue from it, how to make it safe, and how to feed the public what they want.
- Sara Payan, Task Force Co-Chair: I'll now ask each of you to respond to the following question—from your perspective, what is/are the main consumption-related issue(s) that San Francisco needs to address?
- Nicole Neubert, Clark Neubert LLP: I'll share my personal opinion, but it well supports the industry based on my experience as an attorney in this space. San Francisco needs to address consumption at consumption only spaces to the extent that businesses can find a viable business model to make that work. The state has the underpinnings of that with the events license. This allows temporary events to occur and licensed retailers or micro-retailers can sign up to sell at that event. It's not necessarily the framework for a consumption only space. What we need is a state license to allow a consumption only space. Then, jurisdictions can allow that to take place in their local jurisdiction. Recently the legislation AB 2020 passed. Previously, cannabis events could only occur on fairgrounds or at a district agricultural association. AB2020 added that local jurisdictions can add additional locations to that list. Yes, I think there should be other areas for consumption beyond the premises of a licensed retailer.
- Mohannad Malhi, Principal Environmental Health Inspector, San Francisco Department of Public Health: I think the main concern is being addressed. The first and best step is putting together the opportunity for dispensaries to allow for consumption on site. State regulations will dictate what can be moved forward. We can't do anything less stringent than what the state allows.
- Brian Applegarth, California Cannabis Tourism Association: It's important to have areas to consume cannabis. It's been a part of the culture of San Francisco for a long time. There's an educational gap that should be addressed creatively with logic. I would like for people to be able to consume certain forms of cannabis in public, Consumption of cannabis shouldn't be confined to private rooms.
- Sara Payan, Task Force Co-Chair, Seat 12: Outside of permitted cannabis retail locations, which also have a permitted consumption space, is there anywhere else you feel consumption should be allowed in SF? If so, where?
- Kimberly Belle, Crop to Kitchen: For edibles, on site consumption is critical. It's exciting to see these new options. They could probably go further and my community would love to see that, to break out from the pre-processed packaged food product category. We would love to see it expand into freshly prepared healthful food. We

have a legacy of civil rights activism and culinary traditions in San Francisco. We can lead this movement and would love to follow the trajectory of farm to table movement. We'd like cannabis to be thought of as a food and a magical plant that is to create exciting, engaging dining experiences.

- Nicole Neubert, Clark Neubert LLP: I have nothing to add. We need consumption space.
- Kimberly Belle, Crop to Kitchen: we need more broadly defined onsite consumption activities. If we get to a place where we can safely regulate this cannabis food production its incumbent upon us to provide spaces where people can eat and imbibe and enjoy the new culinary tradition we want to be the capital of. It starts with consumption lounges but we would like to move beyond that – to the juice bar, coffee shop, restaurant. They can safely regulate their kitchen practices to introduce food safety information so they can safely prepare the cannabis.
- Brian Applegarth, California Cannabis Tourism Association: It's important to recognize that THC and cannabis are different. Eating a 100 mg bar is different than someone applying a topical cream. There are different landscapes for consumption. It's important to consider accurate and appropriate dosing. Maybe it's about the level of THC that can be safely consumed, which is the psychoactive component. Let's have a conversation about that because that's where the fear is. Maybe it's the controlled dosing that would address these fears.
- Cassandra Costello, San Francisco Travel: People come here. 25 million visitors a year. Food and beverages are at the top of their list. If we were offering cannabis infused cuisine and cocktails and tours—people would come here for it. Incorporating it into food and beverage products would be fantastic from the visitor perspective.
- Sara Payan, Task Force Co-Chair, Seat 12: What are the next steps for San Francisco's proposed consumption regulations?
- Mohannad Malhi, Principal Environmental Inspector, San Francisco Department of Public Health: Currently what we're introducing allows cannabis to be consumed in a responsible and safe environment and it's controlled. We need to understand we're at an early stage. We're making a significant effort to allow it. Our main concern is public health and safety. Those who are not cannabis consumers have to be considered as well. We have to consider state regulations and local regulations. We're off to a good start and our efforts so far do help control it so it's not abused and it's done in a responsible way. For our next steps, everyone will be notified once the rules and regulations are released and then there will be a 30 day public comment period. At 101 Grove Street there will be a public comment hearing about rules and regulations on October 3, 2018. Then we'll consider what can be changed, release them, and start accepting applications for permits.
- Cassandra Costello, San Francisco Travel: The next step is broadening places to consume. Making sure that state regulations allow for edibles to be consumed in public at festivals and rooftop bars and hotels. To allow greater places for visitors to enjoy this beyond just Airbnbs and friend's homes. We don't want to criminalize people visiting. There's a need to address at the state level and then the city level.

- Brian Applegarth, California Cannabis Tourism Association: Visitors already are expecting the experience and not finding it when they arrive. I would urge that the next steps be implemented but that we keep abreast of what's happening in California and nationally. San Francisco should be at the forefront and free and embracing of it, and owning that reputation, including cannabis consumption.
- Kimberly Belle, Crop to Kitchen: I second Bryan and Cassandra. We're missing that experience. In terms of edibles there's a limit in terms of how far they can go. They're still processed food. Lifting the ingredient prohibition would be a good next step, there's no reason cannabis can't be combined with animal products, and we should also lift the package requirements, so we can prepare fresh healthy foods. And then we need the spaces where we can prepare these foods. Maybe a next step is us professionals drafting some codes related to these issues, of food preparation and dosing. I think it will look like a lot of what guidelines already exist from the Department of Public Health for hazardous ingredients. Wherever we land with regulations, we're looking for other's expertise to bring to the table. Whatever's eventually required we hope that it will be affordable and approachable. We don't want to make it so only big restaurant groups or well-funded dispensaries can do it. Restaurants and dispensaries operate on razor thin margins so we need to make it affordable.
- Nicole Neubert, Clark Neubert LLP: There are two big affirmative steps to push this conversation forward statewide.
 - 1) Approve other cannabis event spaces because it opens the door beyond the retailer and microbusiness premise. This allows California to speak with authority about consumption space and about being proactive.
 - 2) Along with Oakland and other cities interested in pursuing this conversation, we need to get together to put forward and pursue state legislation for consumption space. That's what we need before any city or county will take it seriously.
- Sara Payan, Task Force Co-Chair, Seat 12: What suggestions do you have to make sure tourists and residents understand the rules?
- Nicole Neubert, Clark Neubert LLP: The airport has lots of good signage that's changeable. There could be an area of the airport dedicated to letting people know what they need to know about cannabis in San Francisco and California. Hotels could also provide a piece of information.
- Kimberly Belle, Crop to Kitchen: Training and education. If edibles move beyond packaging and into infused cuisine, then we need to train our servers and chefs to use same level of caution and precision they do when serving alcohol.
- Brian Applegarth, California Cannabis Tourism Association: Advocacy, networking, education. Our organization is less than a year old. Our goal is to roll out collateral statewide to businesses and consumers to provide that education. Time is ripe for hotels, restaurants, and transporters to receive information explaining what's legal and best practices regarding medical card v. adult use consumer, concierge training

with businesses. Two pieces of collateral – one for business and one for consumers to address that education gap and to make people better informed.

- Cassandra Costello, San Francisco Travel: We focus on education so people don't have a bad experience. We partner with a lot of organizations in other areas where cannabis is legalized – they also focus on education. I'd like to be able to do more marketing and promoting. Most of our marketing is international. It's tricky to market across state and federal lines when talking about something not legal everywhere. It's difficult to promote but we're doing our best to educate.
- Mohannad Malhi, Principal Environmental Inspector, San Francisco Department of Public Health: Most residents would be familiar with rules with all the publicity involved with cannabis legalization. The tourist industry itself would be a helpful tool to help tourists understand. The entertainment commission would be an avenue to go through since they promote entertainment and most people consume cannabis as entertainment. We have a couple things on our website about safety information but I don't think people look to our website for that information.
- Sara Payan, Task Force Co-Chair, Seat 12: If consumption were to be permitted in public locations, what controls should be put in place?
- Mohannad Malhi, Principal Environmental Inspector, San Francisco Department of Public Health: If it's done in a public place there's going to be issues and it will be hard to control. There's a significant amount of thought required to make sure it's done safely.
- Cassandra Costello, San Francisco Travel: The travel industry is not equipped to give recommendations on that particular point. We want both the people consuming and those around them to have a good experience and so we would support regulations that advance that.
- Brian Applegarth, California Cannabis Tourism Association: It's already happening. There's the history of that. A strategic plan makes sense. Smoking and vaping are the main concerns. The fear is overconsumption of THC and that's different than the non-psychoactive component. More education about that is needed to have a logical conversation. I would draw the line at where cigarette smoking is allowed. I think dosing is really important, and edibles are really important. Public consumption is already happening and is part of the culture of San Francisco.
- Kimberly Bell, Crop to Kitchen: High touch education for waiters, bartenders, bud-tenders. There's a parallel path from bartender to budtender, in that they're taking time with the guest to see what they're really looking for under the umbrella of experiences you can have with cannabis. So that person who will have that high touch interaction, they need to be really well educated on consumption regulations and having a reliable method for testing in the kitchen any meal offering to make sure the customer is getting the experience they asked for and paid for and nothing else.
- Kimberly Bell, Crop to Kitchen: Denver is a model – they have a cannabis consumption license. They ask for a responsible operations plan and employee training manual, strategies for responding to over toxicification, preventing DUI, and under age consumption, preventing distribution of cannabis products, and dual

consumption of cannabis and alcohol, and safe use of fire torches if dabbing will be permitted.

- Sara Payan, Task Force Co-Chair, Seat 12: How can folks engage with your organization?
- Nicole Neubert, Clark Leubert LLP: Greenfrontier.com – my website to get in touch with my law firm.
- Kimberly Bell, Crop to Kitchen: Talk to me or Terrance with follow up questions. We would love to have others join our effort. We're on Instagram and Facebook at croptokitchen community. You can also email us croptokitchen@gmail.com.
- Brian Applegarth, California Cannabis Tourism Association: cannabistourism.org.
- Cassandra Costello, San Francisco Travel: cassandra@sftravel.com, sftravel.com.
- Mohannad Malhi, Principal Environmental Investigator, San Francisco Department of Public Health: mohanned.malhi@sfdph.org.
- Question and Answer session with Task Force members:
 - Laura Thomas, Task Force member, Seat 18: How many places are currently licensed for onsite consumption and what's your estimate of how many will apply?
 - Mohannad Malhi, Principal Environmental Investigator, San Francisco Department of Public Health: The board grandfathered in dispensaries that were doing consumption onsite. They will have to apply for a consumption Right now there's seven.
 - Barbara Fugate, Task Force member, Seat 16: Is it the planning commission that will be approving permits?
 - Mohannad Malhi, Principal Environmental Investigator, San Francisco Department of Public Health: Prior it was the planning commission but not anymore. Now it's through our department (DPH).
 - Thea Selby, Task Force member, Seat 14: I'm very interested in accessory sale. Is it possible to share a meal with or without cannabis in the same place? I'd love to know how you see accessory sale in context of cannabis.
 - Kimberly Bell, Crop to Kitchen: Yes, I think that's an entry point, and the question is from what side do you enter. What I know is from a hospitality perspective I think it's possible to imagine an infused cannabis product as accessory in restaurants. It may be happening in West Hollywood – they're considering selling it as a condiment to be consumed alongside the meal.
 - Nicole Neubert, Clark Neubert LLP: I don't think it's important to have accessory sale of cannabis. I think consumption is the important conversation. We have plenty of retailers who can sell cannabis. Having consumption allowed at these types of spaces is much more the public policy conversation rather than opening it up to other people who would want to sell it.
 - Thea Selby, Task Force member, Seat 14: I'm looking at it from the business perspective, can they sell a cannabis cupcake and a regular cupcake at the same place?
 - Nicole Neubert, Clark Neubert LLP: For an edible type product, that falls closer to consumption in my opinion. A corner store having ability to sell vape pens is not necessarily needed at this point from a public policy perspective.

Those who have existing cannabis licenses have invested a lot of energy in that. A cupcake at a cupcake shop is kind of like what Kimberly described – an issue of restaurant consumption.

- Kasey O’Connor, Task Force member, Seat 7: This is a very expensive process for existing mom and pops businesses. The idea is that moms and pops could add accessory use. We’ve had smoke shops turn into dispensaries. The idea was to keep those models alive to keep our smaller players in the game.
- Kimberly Bell, Crop to Kitchen: I think the process has to be affordable and approachable for the small businesses that comprise the vast majority of the San Francisco hospitality scene. Most restaurants, cafes and even wineries and bars are independently owned. The process needs to be thoughtfully designed so independent operators can be able to access it.
- Barbara Fugate, Task Force member, Seat 16: What are they doing in Colorado and other states that have legalized cannabis?
- Mohannad Malhi, Principal Environmental Investigator, San Francisco Department of Public Health: Colorado is not allowing any type of consumption on site at dispensaries. Their business model is membership fees. Las Vegas shockingly just passed a law that allows for consumption separate from dispensaries and also allowing for beer and wine at the lounges. I don’t know if Oregon has anything in place as far as that’s concerned. West Hollywood has designated a certain number of permits, and is taking a pool of applicants and scoring them based on certain criteria. They are allowing for some dispensaries to have consumption on site and also for separate facilities.
- Brian Applegarth, California Cannabis Tourism Association: A hotelier who oversees a hotel close to Disneyland that caters to families said that since the recent legalization of cannabis he’s seen a downtick in police calls related to intoxication, etc. Data is showing that cannabis is a great alternative and combats some negative things that currently exist in our communities.
- Kimberly Bell, Crop to Kitchen: I have the West Hollywood ordinance in front of me. There are 16 consumption lounges total, eight allow edibles, smoking, and vaping, and the other eight allow edibles only. Edibles only could be a really great solve for some of these culinary demands that I think exist in the public. Their ordinance says, “There shall be no on site sales of alcohol or tobacco and no consumption of alcohol and tobacco onsite.”

9. 10-minute break

10. Small-Group Activity: Develop Consumption Recommendations

- This activity was moved to the agenda for the next meeting.

11. Public Comment: State Compassion Legislation (SB 829)

- No comments were provided.

12. Action Item: State Compassion Legislation

- Terrance Alan, Task Force Chair, Seat 19: We're now moving into what the industry and what you all have said is the number one issue for us: compassion. Senator Scott Weiner introduced this State Compassion legislation (SB 829). He received a great amount of input, some from people in this room, as well as people in the industry, and people throughout the state who built the medical access system. It's advanced through both houses and is now on the governor's desk. The city has participated actively in getting it to this point. I'm going to ask Eugene from the Office of Cannabis to give an us update.
- Eugene Hillsman, Task Force Coordinator, Office of Cannabis: I'd like to note that the Office of Cannabis has submitted a letter of support for the legislation. We know it's important to the residents of San Francisco and we wanted to go on the record for it.
- Nicole Elliott, Task Force Coordinator, Office of Cannabis: We have heard the Governor is not ecstatic about it. Senator Weiner has roused a monumental number of folks to get this passed. San Francisco's lobbyists are very engaged to get this across the finish line. We'll keep you guys updated.
- Thea Selby, Task Force member, Seat 14: Why were veterans pulled out of this legislation? Is it because they're not low-income? In a lot of cases, even medium-income people who require large amounts of cannabis for treatment can't afford it.
- Nicole Elliott, Task Force Coordinator, Office of Cannabis: I can't tell you what conversations happened between legislators behind closed doors related. Right now the criteria set forth in the legislation is a medical ID card.
- Terrance Alan, Task Force Chair, Seat 19: I'd like to add that veterans who can get a medical ID card can participate. What the Office of Cannabis has done is a great service to cannabis consumption. We have a limited amount of time to get a letter to the governor. Nicole said there is not a lot of enthusiasm on his part. I'm not sure what his reservations are, but if you are concerned about medical access to cannabis, please write a letter. If you need templates, please email me. I'm happy to distribute them.
- Jennifer Garcia, Task Force Co-Chair, Seat 20: Can we write a letter as the Task Force and send it to the governor's desk?
- Nicole Elliot, Task Force Coordinator, Office of Cannabis: The charter requires all inter-governmental activity to go through the mayor's office. I'm happy to ask if the Task Force can get it to the state legislative committee.
- Jennifer Garcia, Task Force Co-Chair, Seat 20: I'll personally send a letter in support too.
- Laura Thomas, Task Force member, Seat 18: For a different bill, the governor's office said they don't consider a list of supporters, they only consider the letters they get. I would encourage the city to submit a letter in support of the bill.
- Barbara Fugate, Task Force member, Seat 16: Can we pre approve you, Terrance, to send the letter if Nicole is able to get permission for us to do so?
- Sara Payan, Task Force member, Seat 12: This is very important. People's lives depend on it. We've lost patients from a lack of access to medical cannabis.

- Task Force members unanimously agreed to have Nicole Elliott from the Office of Cannabis ask if the Cannabis Task Force can send a letter to the governor in support of the State Compassion legislation, and to send the letter if so.

13. Supervisor Fewer to discuss the Cannabis Oversight Committee legislation

- Ian Pergossi, Legislative Aide, Supervisor Fewer's office: Hi everyone, I'm Ian Pergossi, legislative aide to Supervisor Sandra Fewer here to present on the Cannabis Oversight Committee Legislation. We have pivoted a little bit. Her first idea was to create a cannabis commission. After receiving feedback from folks in the industry we decided a better idea was a Cannabis Advisory or Oversight Committee. People mentioned concerns about extra bureaucracy or double jeopardy in terms of having to go in front of the Planning Commission and the Cannabis Commission. We wanted to make it clear there would be no extra barriers. Supervisor Fewer feels strongly that because we have this brand-new industry that can grow and create thousands of jobs for San Franciscans, that we need transparency and oversight of laws created by the Board of Supervisors. The best way to do that is to create an oversight committee to take a look at these laws and look at growth of the industry to see how we can foster growth, and to look at specific changes we can make to the ordinance to create better jobs or a faster growing industry. It's the same model as this Task Force. This Task Force was created in 2015 at the start of legalization. Now that it's sunsetting we want there to continue to be a body to put forward recommendations to the Board of Supervisors, now that there is an ordinance in San Francisco. There would be a process to apply to have a seat, similar to the one for the Task Force. The voting seats are listed on the handout: an owner of a cannabis business permitted through the equity program, an operator of a Cannabis Cultivation, Manufacturing, or distribution business with fewer than 20 employees at the time of appointment, a representative of organized labor who works with the cannabis labor force, representative of organized labor who works with cannabis delivery service labor force, an owner of a storefront cannabis retailer, a person who lived for at least 5 years (between 1971-2009) in San Francisco census tracts where at least 17% of the households had incomes at or below the poverty level, a person with demonstrated subject matter expertise on the State of California's Cannabis laws and regulations, a person with significant experience in workforce and economic development, and a person who has been a medical cannabis patient or medical cannabis consumer for at least five years, with an extensive history advocating for medicinal cannabis patients. The purpose of the body would be to oversee implementation of laws related to cannabis, review data provided by the Office of Cannabis, to report to the Board of Supervisors and the mayor about the effectiveness of city laws in place, and to ensure equitable access to the industry for communities impacted by the war on drugs. The data to be provided by the Office of Cannabis would be: the number of permits granted by the Office of Cannabis in the past 12 months; the total revenue, including tax revenue, generated from permitted cannabis businesses; costs associated with the permitting process, both for the city to administer and for the businesses to comply; total number of cannabis businesses in San Francisco broken down by permit type and duration of operation, number of employees

directly employed by cannabis businesses categorized by job type or classification; number of people who have had their cannabis convictions expunged in San Francisco; and, if available, the total number of permitted cannabis business owners, operators, and employees categorized by race and sex. We want to make sure this industry grows in the most equitable way possible. That's a quick overview, and now I'll open it up for questions.

- Erich Pearson, Task Force member, Seat 10: I think the bureaucracy that's getting put on the industry will ultimately do more harm than good to the industry. There are proponents of the legislation and some are good and some are bad. My concern comes from my experience working with Nicole's office on two permits for my company and another. Her responsiveness is amazing, but her staff is two or three people. I'm concerned about adding more to her workload and her office's workload. This could ultimately cause more harm than good to the program.
- Ian Pergossi, Legislative Aide, Supervisor Fewer's Office: We've reached out to the Office of Cannabis specifically about this committee. If there's anything that would cause an undue burden for them we can discuss that.
- Erich Pearson, Task Force member, Seat 10: As an Article 33 permit owner, we're being told one year out to get an Article 60 permit. There are no use permits scheduled so far. I'm waiting on a building permit for a remodel put in prior to passage of Article 16, two and half years ago. You're hearing from a business owner about the bureaucracy the city creates for businesses and small businesses.
- Supervisor Fewer: Those are the kind of the things we would expect the oversight committee to bring to the Board of Supervisors. If you think the Office of Cannabis needs more resources that would be a way to let the board know. This is an attempt to find out what is working and what isn't to give recommendations to the board so they can amend things so they work in the way they were intended. This is also a tool for the industry to give formal feedback to the Board of Supervisors. The Task Force sunsets at end of this year and you will have no voice after that. That's why we're proposing this.
- Erich Pearson, Task Force member, Seat 10: I only see one seat for a cannabis retailer, an equity seat, a small business owner seat, a workforce seat. I don't see the average retail business with a seat. I understand the drug war and where we are and who the operator are today is a major part in why we're having that discussion today. But it's over burdensome on the industry to try to fix the ills of the drug war. I don't think it's the right thing for a new industry. This group of people will complain about permits not being issued enough, but I don't see a make-up of seats that will do it on the committee.
- Supervisor Fewer: I get that this Task Force has had a lot of business owners on it. We are wanting this conversation to look at all aspects of the ordinance, and retail and production are part of it. We felt labor should have a seat because we are hearing how it's affecting the labor force. We're not saying we don't want the cannabis industry to thrive. We want it to thrive and work well. This is an attempt at oversight to make sure we're doing it right. We'll take your concern down.

- Barbara Fugate, Task Force member, Seat 16: How much will this cost the city? Also, I want to express my concern that there is only one seat for patients. I think that seat would be a really important one to include.
- Ian Pergossi, Legislative Aide, Supervisor Fewer's office: There would be a negligible cost to the city, probably less than this Task Force. There were negligible costs estimated for the commission too.
- Barbara Fugate, Task Force member, Seat 16: But you'd need to have support staff.
- Nicole Elliott, Task Force Coordinator, Office of Cannabis: This body is funded by the Department of Public Health for this year only.
- Ian Pergossi, Legislative Aide, Supervisor Fewer's office: If extra resources are needed to put together these meetings we can look into that.
- Supervisor Fewer: If cost is an issue we'll talk to the City Administrator.
- Thea Selby, Task Force member, Seat 14: I'm concerned that I don't see a neighborhood association on this list to provide input. With cannabis there's a large and hopefully lessening concern among neighborhoods but I don't quite see that concern lessening.
- Quarry Pak, Task Force member, Seat 8: There should be a seat for the school district because we are a voice for families and young people. We're very interested in equity and participating in this oversight of existing legislation.
- Ian Pergossi, Legislative Aide, Supervisor Fewer's office: We did include one seat for the school district. We're trying to balance between these competing interests and we wanted to do the best we could but with nine seats we need to prioritize the ones we need the most. Someone could wear multiple hats for one of these categories, for example a neighborhood voice could be found in one of the other seats.
- Jesse Stout, Task Force member, Seat 9: The difference between this Task Force and the committee would be that the committee advises on implementation. Why is it temporary and why is it only three years?
- Ian Pergossi, Legislative Aide, Supervisor Fewer's office: All committees are temporary and three years is the normal procedure for the city. We talked to the city clerk about five years but because of the way the clerk has to monitor these bodies, three years is their policy. It makes sense for us to stay in the realm of this policy.
- Kasey O'Connor, Task Force member, Seat 7: Can you tell us more about the decision to change from a commission to a committee? And why don't all the agencies have voting power?
- Supervisor Fewer: We wanted to make it a commission but got some opposition and we would have had to put it on the ballot and potentially bring it back to the ballot. So, since it's new, we decided to try it as a committee and see how it goes. We can bring it to the ballot later. I was on the Board of Education for eight years and we had a similar committee and it was super helpful for allowing people to push back when it's needed. Having an oversight committee that reviews all the data and sees what's going on is important.
- Kasey O'Connor, Task Force member, Seat 7: If the committee is successful will there be an opportunity to extend it beyond its sunset?

- Supervisor Fewer: Yes.
- Terrance Alan, Task Force Chair, Seat 19: Where does this committee get its authority and how does it exercise it?
- Supervisor Fewer: From the Board of Supervisors. It oversees the Board of Supervisors.
- Ian Pergossi, Legislative Aide, Supervisor Fewer's office: The committee is appointed by the Board of Supervisors, reports to the Board of Supervisors, and the data comes from the Office of Cannabis. It would have been a policy body had it been a commission.
- Supervisor Fewer: I think it's really important and healthy to have oversight. I know some people don't want to see that. There were themes around how Board of Supervisors wanted to make sure implementation was conscious of equity and making sure the industry can thrive and that there's checks and balance. I'm wondering why people are not staying in the retail business – we don't know. This is an attempt to get people in the industry and those interested in the industry to give the board some direction.
- Erich Pearson, Task Force member, Seat 10: Nicole, can you speak to the Office of Cannabis' capacity to meet these data requests?
- Nicole Elliott, Task Force Coordinator, Office of Cannabis: I can speak broadly. The Task Force body is supported by the Department of Public Health and facilitated by consultants who also do the work on the policy side. The budget for this Task Force is a little over \$300,000. That doesn't necessarily nullify the space issues we have in the Office of Cannabis either. Hopefully these financial considerations will be taken into account. Funding for the committee could come from fees or from the general fund. Any robust conversations like we have here are important and I think it's important for the committee to be supported by funding or it would fail. I think this data is good and important and some of it we're already collecting and working to report out on to the Board of Supervisors next year. There are other components of this data that are housed in other departments and I would recommend that these departments be called out in the legislation and be mandated to report on these. There is data listed that is not available to us, for example, expungement. It's a monumental effort to collect data on permitting process. It comes from nine other departments. The legislation should call out departments that have to be a part of that. Tax revenue data is in the controller's office. Second, to your points, Barbara and Thea, broadly, there are communities that I've heard from in this process who want a seat at the table. With appointments in the past what we've seen is high level requirements, but these are very specific requirements listed for seats. If this will be a successful body, it will require staff and funding.
- Ian Pergossi, Legislative Aide for Supervisor Sandra Fewer: There's a mandate in the legislation that city departments will have to respond to requests for information within 30 days.
- Supervisor Fewer: I'm sensitive to the cost. We would consider attaching a supplemental to this so it's funded by the General Fund through the Department of Public Health. We don't think data should be siloed and will consult other departments. We've taken that note down.

14. Public Comment: Cannabis Oversight Committee Legislation

- Cheryl Nelson: This committee seems mostly focused on adult use. I see some crossover with patients having a seat at the table. Is there any oversight of medical marijuana specifically? I'm concerned about those that don't qualify for compassionate care and want to see the day when they can go to the Kaiser pharmacy and have a medical professional speak to them about dosing. I have a family member with lupus, for example. I can't direct her to anyone, despite my knowledge in the field, who can speak to her about dosing.

15. Action Item: Cannabis Oversight Committee Legislation

- Terrance Alan, Task Force Chair, Seat 19: What I've heard is we'd like to move forward with recommendations of support for the committee and highlight concerns that we would like the Supervisor to include. So, those concerns would be included in this statement of recommendation so it's a coherent and inclusive statement.
- Barbara Fugate, Task Force member, Seat 16: I would support it if more patients were represented.
- Jennifer Garcia, Task Force member, Seat 20: I make a motion for this Task Force to support it.
- Sara Payan, Task Force member, Seat 12: I second that.
- Thea Selby, Task Force member, Seat 14: I recommend neighbor representation.
- The Task Force did not agree to advance a statement of support for the legislation.
Terrance Alan, Task Force Chair, Seat 19: We need more time to find consensus. In closing, we'll hear from the Office of Cannabis.

16. Discussion Item: Implementation and Legislation

- Nicole Elliot, Task Force Coordinator, Office of Cannabis: Our updates on the state level: we had a listening session that was very helpful to inform city's comments to three state licensing agencies. Those comments were sent through our email list as well. They also informed our conversation with counterparts in Oakland, Los Angeles, and other jurisdictions. We did a tour of a consumption facility to show how consumption can occur. On the local side, we have opened part one of the permit process. We've received ninety-nine applications from verified equity applicants, twenty-two from equity incubators, two hundred forty-one overall. These numbers refer to locations not individuals, so in whole more than two hundred forty-one. Shout out to Ray Law who did a lot of work in getting those to apply in a short window of time. The Office of Cannabis issued our first bulletin for 2018, to permit applicants, requesting that they keep their applications up to date. It's on our website. The Office of Cannabis has drafted some trailing legislation based on experiences we've heard in early parts of the application process to refine Article 16. One of the main components is we'll be asking the city to extend temporary permits and MCD through the end of next year as we continue to build out the application process and review hundreds and hundreds of permits.

- Jesse Stout, Task Force member, Seat 9: In the Workforce recommendations Year 3 update it says the city is considering establishing grant funding for nonprofits.
- Nicole Elliott, Task Force Coordinator, Office of Cannabis: It's something we're very much looking at doing. There are legal implications. We're looking at funding.

17. Public Comment: Apprenticeship and Pre-Apprenticeship Hiring Mandate Legislation

- No comment was taken, and no action was put forward.

18. Action Item: Apprenticeship and Pre-Apprenticeship Hiring Mandate Legislation

- Terrance Alan, Task Force Chair, Seat 19: Supervisor Safai is introducing an ordinance around apprenticeship requirements. It ties apprenticeship and pre-apprenticeship hiring requirements at 35% for operators where those apprenticeship programs exist. They're evolving and will be operating very soon. They're looking at amendments, and legislation will evolve before coming back to this body. That will probably be moving in the month of October.
- The Task Force did not take any action related to this item.

19. General Public Comment

- No public comments were offered.

20. Wrap-Up and Next Steps

- Terrance Alan, Task Force Chair, Seat 19: Thanks everyone for coming. Please fill out evaluations. Our next meeting is October 10th and it will be at the other location, the War Memorial Building. We adjusted the November meeting date to accommodate your schedules and it will be November 28th (last Wednesday of the month).