

# Cannabis State Legalization Task Force

October 10, 2018 –Meeting Notes

## Cannabis Events

War Memorial Building, Suite 125, San Francisco, CA 94102 | 1PM – 4:30PM

### 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

- Hear from expert panelists regarding cannabis events laws and regulations.
- Review previous Task Force recommendations and policies from other jurisdictions regarding cannabis events.
- Develop new potential recommendations related to cannabis events.

#### 1. Welcome, Agenda Review and Announcements

10 min

- Jennifer Garcia, Task Force co-chair, reviewed the agenda.
- 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 28<sup>th</sup>.

#### 2. Small Group Activity: Revisit Consumption Recommendations

30 min

- Terrance Alan, Task Force Chair, Seat 19: Now, the Task Force will break into two small group to revisit past consumption recommendations and consider adding to or updating them. After reviewing the recommendations in small groups, we will bring back any suggested revisions or additions to discuss as a full group during the next meeting, and we can take action if desired at that time.

#### 3. Public Comment: Consumption Recommendations

- Danielle Maybach, Eva Gardens, Danielle@evagardens.com – I have a massage business that would like to incorporate cannabis, CBD in particular. I believe it would fall in the line of consumption. I get a lot of feedback about how great it would be to have more of a wellness approach, where cannabis is incorporated into a mainstream environment beyond a consumption lounge.

#### 4. Action Item: Consumption Recommendations

15 min

- Terrance Alan, Task Force Chair, Seat 19: The facilitators will combine the recommendations we came up with in groups today and combine into a master list, and then we will vote on them at the beginning of next month's meeting.
- The Task Force did not take any action on consumption recommendations.

## **5. Discussion Item: Implementation and Legislation Update**

**30 min**

- Eugene Hillsman, Task Force Coordinator, Office of Cannabis: We want to describe state activity along with what the Office of Cannabis has been up to. We've talked a little about AB2020 and compassion in the past, but I'll provide a brief overview of what was passed and vetoed.
- Please review the slides titled "Legislative Updates: 2018" for a full overview of Eugene's presentation.
- Sarah Shrader, Task Force Member, Seat 21: You can also find information related to this legislation at [www.canorml.org](http://www.canorml.org).
- Nicole Elliott, Task Force Coordinator, Office of Cannabis: There is a lot of local legislation circulating. We do have Article 16 clean up legislation pending before the Board of Supervisors, which includes extensions of timelines to allow temporary permits and Article 33 permits to remain through the end of next year, refines incubator requirements, further defines equity ownership and creates an amendment provision so the Office of Cannabis is made aware when a buyout is occurring, as well as a pathway for temporary MCD. It also aligns our delivery requirements with state law, moves the state allowed delivery cap of 10,000 to 3,000 locally, and refines the microbusiness definition. This legislation is slated to be heard at the Rules Committee on 10/24. We encourage you to share your comments with our Office and sponsors before then, preferably by the end of this week, so we have time to share and publicize with Board members in advance. Supervisor Fewer's Committee legislation will be heard by the Board soon and changes include updates to membership guidelines, reporting timelines, and an indication that there will be funding for the Office of Cannabis to staff that committee appropriately. I will now review permitting activity.
  - Temporary Permits: Current Status: Registration Total: 238 registered. Inspected Facilities: 88 locations. Temporary Permits: 146 Issued, 137 Current. Affidavits Sent: 46 locations. Affidavits Signed: 37 locations. Registrations Withdrawn: 18 locations.
  - Equity Program: Equity Applicant Verification: 1152 open equity apps (including drafts, submitted, and verified). Of these 1152, 314 were submitted and 204 were verified.

- Submission Trends of Verified Equity Applicants: A large majority have been verified based on income (157), school district attendance (159), and the Census (135). There are also a good number with criminal justice involvement (96) and criminal justice involvement of a family member (28). 35 were verified based on housing.
  - Equity Program – Incubator: 71 interested. 11 interested in cultivation, 13 interested in manufacturing, 13 interested in delivery, 13 in distribution, 7 interested in testing, 10 in storefront retail.
  - Permanent Permit Applications: 236. 102 submitted by equity applicants. 386 permit types being sought.
  - Equity Applications: 102 total. 80 for storefront retail, 15 for manufacturing, 21 for distribution, 20 for delivery, 6 for cultivation.
  - Equity Incubator Applications: 23 total. 38 permit types sought. 17 for retail, 6 for manufacturing, 5 for distribution, 6 for delivery, 4 for cultivation.
  - Temporary Permit Applications: 91 total, 175 activities sought. 20 are for storefront retail, 46 for manufacturing, 45 for distribution, 25 for delivery, and 39 for cultivation.
  - I've submitted a request to my boss for 2 additional positions to process applications.
- Thea Selby, Task Force member, Seat 14: What is the difference between distribution and delivery?
  - Nicole Elliot, Task Force Coordinator, Office of Cannabis: Delivery is to a consumer, distribution is between license holders.
  - Jen Garcia, Task Force Co-Chair, Seat 20: Will you send these numbers to the Task Force?
  - Nicole Elliot, Task Force Coordinator, Office of Cannabis: Yes
  - Sarah Shrader, Task Force Member, Seat 21: When will the Bureau release non-emergency regulations? How is shared manufacturing being considered?
  - Nicole Elliot, Task Force Coordinator, Office of Cannabis: It's unclear, but we're looking at next 15 days. Shared manufacturing is being considered. We're looking at community outreach and good neighbor policy, and we're working through some digital system hiccups. We're going to be posting quite a few rules in the upcoming weeks. Keep an eye on the emails and get on the distribution list if you're not already. We'll be sharing baseline requirements around good neighbor policy and S type permits and how people conceive that.
  - Terrance Alan, Task Force Chair, Seat 19: How can we support you?

- Nicole Elliott, Task Force Coordinator, Office of Cannabis: You can support us by continuing to weigh in on proposed rules and regulations.

## 6. Public Comment: Implementation and Legislation

- Brad Edwards, CPA: I note the prior public comment desirous of regulations allowing for use of CBD oils and topical cannabis products in conjunction with massage services. While I have no specific recommendations, regulators may find that such use is adequately and fundamentally different from other consumer transactions and may call for a different regulatory environment. It is not smoking or vaping, and the transfer is not between licensees but between consumers.
- Member of the Public: I don't know if there is any representation on the Task Force for people who are not comfortable with cannabis at all. I don't know how the Task Force is selected, but I don't see that view represented. I don't want it to be the fox guarding the hen house and it seems it's like that.

## 7. Action Item: Implementation and Legislation 10 min

- The Task Force did not take any action related to this item.

## 8. Break 10 min

## 9. Spotlight Panel: Cannabis Consumption at Events 40 min

- Sara Payan, Task Force Co-Chair, Seat 12: Our goals for this panel are 3-prong: (1) to understand the key local rules for outdoor event permitting and the state rules for cannabis event licensing; (2) to glean lessons learned from the past with regards to cannabis use at events (e.g., Cannabis Cup), and (3) Looking ahead, what do we want in SF? I'll now introduce the panelists:
  - **Dylan Rice** with the San Francisco Entertainment Commission will overview how the Entertainment Commission permits one-time entertainment events and how that could serve as a format for permitting cannabis temporary events.
  - **Fernando Alvarez** with Vapor Tent Lounges will provide an overview of their lessons learned following their permitted cannabis event.
  - **Michael O'Rourke** with the How Weird Street Faire will share his perspective as a small, local event organizer interested in offering cannabis consumption opportunities
- The first question is for Dylan, with the Entertainment Commission: Please share an overview of how the Entertainment Commission currently permits one-time

entertainment events in San Francisco, and how that could serve as a format for permitting cannabis at temporary events.

- Dylan Rice, Senior Policy Analyst, Entertainment Commission: My job is to create policies for events to be responsible and successful. I'll be providing an overview of the process for permitting temporary events.
- See slide deck, "Permitting Temporary Events with Entertainment in SF", for a full overview of Dylan Rice's presentation.
- Sara Payan, Task Force Co-Chair, Seat 12: The next three questions are for Fernando and Michael: What are the challenges you see in producing events with a cannabis element, and how do you envision solving for those issues?
- Fernando Alvarez, Founder, Vapor Tent Lounges: When you are trying to do events, the way the guidelines are today, they're allowed on fairgrounds, but with AB 2020 passing now the first thing to consider is local jurisdiction approval and venue approval. Businesses want to work with you but they don't want to schedule anything until those things are in writing.
- Michael O'Rourke, Producer, How Weird Street Faire: The challenge is to create a very safe, public event. This is always our first concern when producing Howard Street Faire for the past 20 years. The big issue is creating a cordoned off area as they have done at county events. We have a fair within the fair, Green Alley, between 1<sup>st</sup> and 2<sup>nd</sup> street, and we're considering how we would block that off, depending on what those requirements are. Another big issue is the edible component – it gives me pause. I've talked to EMTs in the space. I have asked for guidance—there are no current best practices. As we're going through permitting process with ABC and the interdepartmental agencies including the fire and police department—I think we need to provide feedback to them and get counsel from them as to what they see as the way to proceed here—no one really knows how to do this. Our event is in May. We'd like to be among the first to figure out what works and what doesn't. It may be a trial and error type situation.
- Sara Payan, Task Force Co-Chair, Seat 12: What have you learned in the past when seeking event licenses and permits for events with cannabis? What barriers are standing in your way to obtain cannabis permitting for future events?
- Michael O'Rourke, Producer, How Weird Street Faire: We haven't yet received a permit to do anything with cannabis yet. The purpose of the Green Alley was to have a forum for vendors without any sale. A canna-education center, addressing what we're doing in this room to help people understand the law, regulations and best practices – both the public at large as well as those in the industry. We're at stage 1 of figuring out how to do that.

- Fernando Alvarez, Founder, Vapor Tent Lounges: Starting with the state guidelines, you have to submit to the state 60 days in advance. There's a concern there. You need jurisdiction approval and a premise diagram. If you'll have sales these need to be with licensed businesses within the industry – you also have to consider waste management and security. You have to submit that to the state and then bring that to the local jurisdiction for approval.
- Sara Payan, Task Force Co-Chair, Seat 12: Aspirationally, how would you like to see cannabis incorporated into your events? What protections do you think are most important?
- Fernando Alvarez, Founder, Vapor Tent Lounges: Events right now are all grouped into one thing. We're called Vapor Tent because we want to focus on vapor. In a downtown area with 5000 people smoking cannabis, there's going to be a smell. There are different categories we need to consider. One of the things you're faced with as an event organizer is that you're responsible for the whole event. That's why in the past I have consulted with other event organizers, because I didn't want to put my name/license on that event. There's a concern: if something happens outside of event area, will organizers be held responsible?
- Michael O'Rourke, Producer, How Weird Street Faire: What kind of air filtration components would need to be addressed? Is it allowed in a gated area with I.D. checking, like you do with alcohol? I could see something similar with cannabis. One important point: what happens outside the event, afterwards? If some mischief happens 15 minutes after close-by, is the organizer held responsible?
- Sara Payan, Task Force Coordinator, Seat 12: These final questions are for any / all of the panelists. What are the most important points for future policymaking around events? What recommendations do you have for a local jurisdiction like SF?
- Dylan Rice, Senior Policy Analyst, Entertainment Commission: I see that cannabis will be a big revenue stream for event organizers and businesses, and people wanting to integrate its consumption into the event experience. At some events I've seen beer gardens very far from the actual activities, which caused the event to suffer.
- Fernando Alvarez, Founder, Vapor Tent Lounges: We've talked about having one stage that's a consumption area, whereas a beer garden is separate. How that gets defined is up to the commission. I've seen consumption at a stage in the same location.
- Michael O'Rourke, Producer, How Weird Street Faire: If industries are permitted within the area of the event, would they be given some sort of preference? I recommend a sane approach in consultation with SFPD, making sure that the officers are fully aware of rules, and how our own security will enforce those rules. Only if need be would we have the police enforce those, if we cannot.

- Dylan Rice, Senior Policy Analyst, Entertainment Commission: The containment of secondhand smoke will be a big logistical and physical concern. I want the City to create very clear guidelines and processes that are data-driven to make this effective and compatible with neighbors and businesses. I'd love to have conversations with Nicole's team moving forward.
- Fernando Alvarez, Founder, Vapor Tent Lounges: One suggestion I have is to do a post mortem after the first event of this year, to reflect on what went well and what didn't, especially if it's an outdoor event that will allow smoking at the event. There are different considerations for different types of consumption.
- Sara Payan, Task Force Co-Chair, Seat 12: What policies or practices would you recommend to prevent and respond to overconsumption at events?
- Fernando Alvarez, Founder, Vapor Tent Lounges: There's a great vape pen out there that does measurable control on cannabis. Some responsibility lies with the individual, but there is education needed. For example, if they're a first time user, it would be good if you had a mechanism in place so you could recognize that during the registration or ticketing process. Another option would be to provide billboards to give them a little information. There is responsibility on both sides.
- Dylan Rice, Senior Policy Analyst, Entertainment Commission: One suggestion is trainings on how to identify signs of over intoxication. The Harm Reduction Coalition in Oakland is working with our department and the nightlife industry, to train them on responses to people who are mixing alcohol and cannabis. Is an expensive ambulance necessary or can we have volunteers on hand to recognize signs and respond?
- Sara Payan, Task Force Co-Chair, Seat 12: I also want to highlight the idea of using CBD for downgrading the effects of THC.
- Michael O'Rourke, Producer, How Weird Street Faire: We need the industry to come up with practices for determining dosages, etc. Should there be an emergency services tent specific for cannabis area, with a medical professional on standby? What monitoring needs to be on hand at these events is unclear.
- Sara Payan, Task Force Co-Chair, Seat 12: Should cannabis events also serve as public education opportunities around cannabis? If so, how?
- Michael: Absolutely. We did this two years ago with the "Canna-Education Center" called Green Alley. 15,000+ people walk through – and it's a great opportunity to introduce them to what's going on and educate them and have notable speakers in the field address this. Half the reason for doing it is to educate them.
- Dylan Rice, Senior Policy Analyst: I'm all for education and training. This is still kind of the Wild West. I encourage practitioners to talk to new event producers and

share your knowledge. We promote responsible entertainment and hospitality and responsible use of whatever substances are available. We can keep conversations going with the industry and keep doing fact sheets for indoor and outdoor events – follow us on Facebook or email us directly to be added to our list.

- Fernando Alvarez, Founder, Vapor Tent: There are lots of ways to do this. Like the alleyway idea, or the creation and screening of a documentary, etc.
- Sara Payan, Task Force Co-Chair, Seat 12: As an educator on topics related to cannabis, I always tell people, what works for your friend may not work for you. Now, I'd like to open it up for questions from the Task Force.
- Sarah Shrader, Task Force Member, Seat 21: I have a question about nonprofits – events used to be a way for our nonprofit organization to raise money to do cannabis education. Where do nonprofits fit into this new model, when looking at a commercial event spectrum in the future? How can we include nonprofits that can't participate without that financial contribution?
- Dylan Rice, Senior Policy Analyst, Entertainment Commission : I'm a fan of scaling permit fees for nonprofits and for-profits, but it's challenging because we're mandated to do full cost recovery by the city. We should figure out models nonprofits should follow for revenue, but I don't know what it looks like yet.
- Michael O'Rourke, Producer, How Weird Street Faire: We're a nonprofit, modeled after Pride. At our event nonprofits run individual bars and they each get 25% of our net from what their bar sells. It's a great way to team build and support their organizations.
- Fernando Alvarez, Founder, Vapor Tent: I'm a fan of Mayor Tubbs, from Stockton. I suggested that if we cover our costs, that all of that goes back into the city to fund what they're doing.
- Thea Selby, Task Force Member, Seat 14: People are already smoking vast amounts of marijuana at events like Hardly Strictly. They did manage to stop people from smoking cigarettes, but my question is how to incentivize behavior change and how we're going to change the current behavior around cannabis consumption at events – going from hanging out on your blanket smoking to going to a tent. How can we make that tent a vibrant place? Given that massive consumption is already happening at these events, and it may not be sold by people you approved, how do event organizers become liable for this?
- Fernando Alvarez, Founder, Vapor Tent: It's everywhere. To start slowly and introduce it is the first stage. As it develops downstream some of those answers may pop up but it's not an overnight switch.



- Michael O'Rourke, Producer, How Weird Street Faire: Point well taken, even at a Giants game you can be inundated with smoke, even with family and kids around. I don't know how the SF Giants address this. This is why a defined space that requires an I.D., and where people know they're exposing themselves to the secondhand smoke seems important. It would be unfortunate for people who don't want to participate not be able to join the people they came to the event with because of concern for secondhand smoke. There will need to be a lot of guidance on this issue.
- Dylan Rice, Senior Analyst, Entertainment Commission; Yes we struggle with this. It's technically illegal to smoke on street. We don't necessarily want to do more enforcement and ticketing to stop this. That's why I'm a fan of a slow growth approach with education, and creating empathy through raising questions like, "would you want your children to be exposed to secondhand smoke?"
- Michael O'Rourke, Producer, How Weird Street Faire: A promotional campaign before the event is absolutely necessary, some kind of marketing/promotional campaign to inform people that this is a privilege or right, and let's be respectful of others. That may be wishful thinking but the messaging needs to be there.
- Terrance Alan, Task Force Chair, Seat 19: If there's a cannabis element at your event does the alcohol have to go away?
- Fernando Alvarez, Founder, Vapor Tent Lounges: What I've seen is a designated consumption area for cannabis, with no tobacco or alcohol, so they're not in the same space. At Santa Rosa there were two separate events: for alcohol and cannabis. They were near each other but you couldn't bring items between them, and you had to get admitted into each.
- Terrance Alan, Task Force Chair, Seat 19: So how will it work at How Weird?
- Fernando Alvarez, Founder, Vapor Tent: It will depend on the local jurisdiction's requirements.
- Terrance Alan, Task Force Chair, Seat 19: So it will be up to the Task Force to make recommendations to inform this.
- Michael O'Rourke, Producer, How Weird Street Faire: I'd love for the Task Force to discuss where alcohol and cannabis meet. It's not a binary. To try to believe they can exist separate from each other is wishful thinking.

- Dylan Rice, Senior Policy Analyst, Entertainment Commission: I really want to see clear guidelines and models for a security plan and a medical plan at an event. There are certain priorities and guidelines that are universal that I would like to see developed.

#### **10. Discussion Item: Planning the Final Task Force Meeting**

**5 min**

- Terrance Alan, Task Force Chair, Seat 19: We have been at this project for three years. The Task Force members have volunteered their time for three years, including preparation and countless hours of talking to community members—it's a big commitment. The City doesn't have a formal recognition process for these contributions. I'd like to talk about what might be an appropriate thank you. A nice leather binder? Cake? Balloons?
- Jesse Stout, Task Force Member, Seat 9: No leather binders. How about cupcakes?
- Barbara Fugate, Task Force Member, Seat 16: I'd like for the contact information of the Task Force members to be distributed, so we can stay in touch.
- Terrance Alan, Task Force Chair, Seat 19: Okay. How about a plaque?
- Quarry Pak, Task Force Member, Seat 8: I'd like a "call to action" on how to get involved in cannabis education or health education more generally moving forward.
- Terrance Alan, Task Force Chair, Seat 19: Okay, thanks for your input, we'll come up with something.

#### **11. Guest Presentation: Supervisor Safai**

**20 min**

- Jen Garcia, Task Force Co-Chair, Seat 20: Supervisor Safai's staff will now spend 15 minutes providing an overview of the Apprenticeship and Pre-Apprenticeship Hiring Mandate Legislation.
- Suhagey (Suha) Sandoval, Legislative Aide, Supervisor Safai's Office: Hi everyone, good afternoon. I'm the legislative aide to Supervisor Safai. He's wrapping up at a retirement board meeting. I'm here to relay his message regarding this ordinance.
- Nora Babakhanyan, Office of Economic and Workforce Development: I'm here to speak about CityBuild on behalf of the director Joshua who is out of town for a meeting.
- Suha Sandoval, Legislative Aide, Supervisor Sahai's Office: This Ordinance is meant to expand San Francisco's existing CityBuild job training program into the burgeoning cannabis industry by starting a pre-apprenticeship program, that we have dubbed,

“CityGrow.” We envision CityGrow being a hands-on cannabis cultivation program that would provide job training and placement for economically disadvantaged job seekers. This program would create a pipeline of employees who exit the program with industry-level training and with job guarantees or placement, just like is currently the case for CityBuild. For example, CityBuild, for the last 10 years, has graduated more than 1,400 workers through the state-approved apprenticeship program. These jobs provide living wages, good benefits, health care, and job security, among other things. How does CityBuild work? It is a pre-apprenticeship program in which the City partners with community-based organizations (CBOs) to recruit workers from economically disadvantaged communities. Participants receive an approved curriculum that is developed by employers and labor organizations jointly. This is the model we envision for CityGrow. Plus, CityGrow, because it overlaps with targeted communities specified in other ordinances – local hire, first source and equity – will also help further our goals of righting some of the many wrongs that have been and are shouldered disproportionately by our Black and Latinx communities. And, on September 18, this past month, the Statewide Cannabis Industry Employers Joint Apprenticeship Committee filed an application to establish State apprenticeship programs in the near future for pharmacy technicians, cannabis nursery specialists, manufacturing technicians, and cannabis distribution drivers, in other words, the groundwork is being set as we speak and these are all expected to be approved at the end of this calendar year.

- Jesse Stout, Task Force Member, Seat 9: Are these hiring requirement just for cultivation training, or for everyone?
- Suha Sandoval, Legislative Aide, Supervisor Safai’s Office: Right now we’re starting with cultivation and laying the groundwork for other types of work. We’re still deciding whether to limit the language to cultivation, or to keep it broad for other types of work that are currently being considered by the state. We’re leaning toward it being more inclusive.
- Jesse Stout, Task Force Member, Seat 9: Dispensaries have to meet certain quota requirements for people living in San Francisco and the equity requirement. Does this legislation replace those requirements?
- Suha Sandoval, Legislative Aide, Supervisor Safai’s Office: The 35% hiring requirement will apply if the state apprenticeship program is in place and a City apprenticeship program. If there’s no requirement, the 50% local employee requirement will apply. We’re not touching the equity requirements.
- Jesse Stout, Task Force Member, Seat 9: So this requirement is in addition to the other? 35% apprenticeship hires and the equity hiring requirement. This means you’re prescribing 2/3 of their workforce.

- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: We're still in conversation and we want to be mindful of those equity requirements. We need more clear language on whether this is in addition to the equity requirements.
- Kai Keli'ihomalu, Task Force Member, Seat 22: Why the focus on cultivation?
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: That's what we're starting with at the state level, and is the easiest point of entry in terms of skills, and also it's the point of start for production. More marginalized communities would be able to enter in here more easily. We're emulating what's happening at the state where they're beginning with cultivation.
- Jennifer Garcia, Task Force Co-Chair, Seat 20: I know cultivation is pretty technical. I think there's an existing apprenticeship training program at Golden Gate Park that's in effect that could be quickly transitioned into cannabis cultivation. The curriculum for that is being submitted at the state level. That process is in place.
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: It's not that it's not skilled, but it is the easiest point of entry. Some of the other work requires a 4 year degree.
- Barbara Fugate, Task Force Member, Seat 16: I'm concerned about the number of people needed to staff these positions. You can't penalize people if they can't hire people.
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: The legislation is flexible for that reason and says "to the extent feasible".
- Nora Babakhanyan, Office of Economic and Workforce Development: I work with the CityBuild program and we manage the construction training programs. I'm looking forward to hearing from our partners, labor organizations, employers, and businesses, so we can work with you all to develop a comprehensive program for our workforce. We'll have to respond via email to some of you.
- Quarry Pak, Task Force Member, Seat 8: I would be interested in how the school districts' career and tech academies could align with apprenticeship programs. For a lot of our current apprenticeship programs, there are more people interested than there are openings. I think many will be interested in this pathway.
- Terrance Alan, Task Force Chair, Seat 19: Are there any other industries, like construction, that have a mandated hire percentage as part of their requirements to operate in San Francisco? I hear from many in the industry that they're at a point where they're not sure if they can run their business or if the government is—because they're being told what to do on every single thing.

- Duncan Talento Ley, Task Force Member, Seat 13: Why isn't Whole Foods held to this 50% hiring locally requirement? I'm living that now in the small business community in my neighborhood. Please take that back to the supervisors.
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: We will. Some of what we're seeing is reference points and cautionary tales from other states in terms of what's worked and what hasn't, and balancing that with making it super local. Some of this work goes back decades, like First Source. San Francisco is unabashedly a union city with a robust economy of 11 billion dollars. I'll be transparent: there's a balance we need to strike, and we don't want to lose businesses but we need to learn from other cities to fix what didn't work as intended. There is trailing legislation being enacted from last year that will allow more fine-tuning and calibrating as we move along. I'll take your comments and let us know if you want to meet separately face to face with the Supervisor so we can answer your questions substantively.
- Duncan Talento Ley, Task Force Member, Seat 13: This is a slap in the face for small businesses across the city; this industry is disorganized. Small businesses in San Francisco would love to see these requirements apply to Whole Foods and Amazon, but don't just make this a requirement for cannabis businesses only.
- Terrance Alan, Task Force Chair, Seat 19: Are there other industries that have requirements for hiring from an apprenticeship program authorized by the city and state?
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: CityBuild.
- Terrance Alan, Task Force Chair, Seat 19: Are construction companies required to hire from CityBuild?
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: If they enter into an agreement with local unions.
- Terrance Alan, Task Force Chair, Seat 19: Most small construction companies are not unionized.
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: It depends on scale.
- Terrance Alan, Task Force Chair, Seat 19: There are probably 50,000 construction workers in this city.
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: 1400 are hired from CityBuild. 1400 is better than none. I want to talk about how to bridge that gap to get *more* people into apprenticeship programs so they can get good jobs.

- Terrance Alan, Task Force Chair, Seat 19: Can we apply this to the large businesses?
- Suha Sandoval, Legislative Aide, Supervisor Safai's Office: We're coming after other industries that have been bad actors. We get it and can talk more offline with Supervisor Safai about this.
- Kai Keli'ihō'omalū, Task Force Member, Seat 22: I caution against the focus on cultivation, because since legalization a lot of cultivators have been moving out of the city. Perhaps spreading it out might be better.
- Jennifer Garcia, Task Force Co-Chair, Seat 20: From the workforce perspective, I'd like it to be more open-ended and inclusive as more jobs come forward. Referring only to cultivation is very limiting. There needs to be more clarity on the either/or aspect of the hiring requirements. This could be an asset to businesses where you could source employees with a certain level of training. That would be beneficial to our small businesses in San Francisco.
- Duncan Talento Ley, Task Force Member, Seat 13: Does the union provide that type of training?
- Jennifer Garcia, Task Force Co-Chair, Seat 20: We do for butchers. I would love to see an overall retail training program. It would be beneficial for companies to have that baseline level of service expected.
- Duncan Talento Ley, Task Force Member, Seat 13: Jobs are moving out of the city because it's too expensive here. If you want to take a real crack at this it needs to be re-worked and focused on retail—that's where the jobs are. There's so much opportunity to write thoughtful legislation and this doesn't seem like it.
- Jennifer Garcia, Task Force Co-Chair, Seat 20: Suha and Nora, thanks for your time and coming to speak to the Task Force today.

## **12. Discussion Item: Apprenticeship and Pre-Apprenticeship Hiring Mandate 15 min Legislation**

- See the discussion with the Task Force members above (in Item 11) for the details of the discussion.

## **13. Public Comment: Apprenticeship and Pre-Apprenticeship Hiring Mandate Legislation**

- Jacqueline Flynn, Executive Director, A. Phillip Randolph Institute San Francisco: I provide public services to job seekers in San Francisco. Our focus is low income,

disadvantaged residents here in the city. I heard the conversation about whether it would satisfy your equity requirements. Ideally yes, our goal is to connect those struggling to make it and pair them with the training they need to be successful. We are looking at the CityBuild model because it's been going well the past few years. I wanted to share an op-ed I got published today in the SF Examiner so you can hear the perspective that a lot of job seekers find opportunity in the cannabis industry. A lot of education needs to happen because it's so new. I understand the frustrations with the industry. Please keep an open mind and keep up the dialogue. I was one of the folks happy to hear about the ordinance. The opinion piece is titled Cannabis Apprenticeship meets Workforce Equity for Communities of Color.

- Theresa Foglio, Laborers Local 261, CA State Apprenticeship Committee: Laborers Local 261 supports this and we have seen this model with CityBuild which does have hiring requirements. We represent gardeners in Golden Gate Park and integrated pest management, and in 2010 we developed a horticultural apprenticeship program for these two jobs. The state wants one apprenticeship file for the whole state for cannabis. We did file in September an apprenticeship program for pharmacy technicians, delivery, and cultivation. We are supporting this ordinance. We understand the industry's frustrations.
- John Ulrich, Chair, CA State Apprenticeship Committee: I've been involved in the meat apprenticeship program for Lucky's. I'm also involved with the cannabis apprenticeship program. The State of California went to many dispensaries across the state and asked for advice about dosage and the appropriate type of cannabis for their needs, and they weren't getting consistent responses and that's a concern. Some places only care about making money and not giving trustworthy information. The state doesn't want to get a bad reputation with this. The state asked me and others to develop a training program. There are 4 different categories now – cultivation, delivery, distribution, and manufacturing. There will be a guideline for apprentices about these different types of work environments. The state is concerned. There are four unions doing this, which has never been done before. Apprenticeship works. I'll be around for questions after.

#### **14. Action Item: Apprenticeship and Pre-Apprenticeship Hiring Mandate Legislation** **10 min**

- Jennifer Garcia, Task Force, Co-Chair, Seat 20: We can take recommendations related to Year 1 and 2 Workforce recommendations. Things have changed drastically in the last 2 years since we made these. I think San Francisco should collaborate with Local Educational Agencies (LEAs) and relevant workforce development organizations to work with the state cannabis apprenticeship community to work with veterans, LGBTQ, people of color, and low income individuals. This legislation creates more opportunity for the labor pool interested in apprenticeship. That's my recommendation as a labor seat—to look at our previous recommendations and come in with a new concise recommendation. We can be

more specific about either/or. There's more incentive to go through a program that's training, and to pull from a program that's meeting the equity requirements. We won't be under-cutting equity by doing the apprenticeship program.

- Sara Payan, Task Force Co-Chair, Seat 12: This program would help people be more well-versed and they can take this training elsewhere around the state and to different businesses too.
- Jennifer Garcia, Task Force Co-Chair, Seat 20: This ensures a certain level of quality across the board. It's also not something that puts students in debt. It supports uplifting jobs moving people forward.
- Terrance Alan, Task Force Chair, Seat 19: How does our statement about City College fit into this program?
- Jennifer Garcia, Task Force Co-Chair Seat 20: To work with apprenticeship you have to be a certified LEA. There's more agencies than City College that could handle this once it's up and running. The state will decide who that will be but has had conversations with City College in the past. We can move this forward to our November meeting and have our recommendations come then. As individuals, I encourage you to attend Committee meetings and speak as an individual on behalf of your specialties. Mine is labor. There is no quorum so no action can be taken today.

## **15. General Public Comment**

- Cheri: This kind of stuff is addicting, like smoking and alcohol. This stuff has to be stopped and not allowed at any age. They are out of their cultures. It doesn't matter if it's an old person or a 1 year old. We see more homeless people with their brains damaged. The more they use this stuff, it damages their brain. There's research and reports on this. Taxpayers – more money from our hardworking people goes to help pay for these homeless people and brain damaged people. Medically, we have to help them. There's no way to take care of them. We can help these people by stopping this kind of behavior. My comment is no on this.
- Shirley Wong: University of California San Francisco (UCSF) has research on cannabis. For the people who consume cannabis for a long time it will damage their brain, have adverse impact on their ability to learn, and negatively affect their driving, and the human brain is the most important part of our body. So, we thank you the doctors at UCSF so everyone knows this. We should not let people open dispensaries to serve recreational cannabis. We need to educate the community more about the damage the cannabis will cause people. We need to protect people's health because damage to the brain is irrevocable. We are concerned about the development of our society. We wish the city would educate people more on this topic. It will



cause adverse impact to our nation as well and our society because cannabis is not okay. If cannabis is consumed regularly, people might do bad things to buy it. I believe you're well educated so I ask everyone to educate people about this, to do something good for the society and to make our society better.

- Victoria: After the passage of Proposition 64, the doctors at UCSF have research on cannabis, proving that long term use of cannabis will cause damage to the brain, and causing people to lose their ability to learn. It also affects their ability to drive. I would encourage the Mayor and Board of Supervisors to not let anyone sell cannabis, please.

## 16. Wrap-Up and Next Steps

5 min

- Terrance Alan, Task Force Chair, Seat 19: Thank you everyone for coming. Please fill out evaluations. Our next meeting is November 28<sup>th</sup> and it will be back at the other location, 25 Van Ness. We have adjusted the November meeting date to accommodate your schedules and it will be the last Wednesday of the month.

## Meeting Materials

- Agenda
- Slide deck
- Legislative materials:
  - a. AB 2020 (temporary events)
  - b. SB 829 and Governor's veto (compassionate care)
  - c. Article 16 and Article 33 Amendment
  - d. Apprenticeship and Pre-Apprenticeship Hiring Mandate
- Consumption recommendations
- Events Issue Brief

## Upcoming Task Force Meeting

DATE	TIME	LOCATION
<b>November 28, 2018</b> * Note this is the LAST Wednesday of November	1PM – 4PM	25 Van Ness, Room 610