



City and County of San Francisco
Meeting Minutes
Rules Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Ahsha Safai, Norman Yee, Catherine Stefani

Clerk: Victor Young (415) 554-7723

Monday, December 3, 2018

10:00 AM

Legislative Chamber, Room 250

Special Meeting

President Malia Cohen appointed Supervisor Rafael Mandelman, in place of Supervisor Norman Yee, to the Rules Committee for the meeting of December 3, 2018.

Present: 3 - Ahsha Safai, Catherine Stefani, and Rafael Mandelman

Excused: 1 - Norman Yee

The Rules Committee met in special session on Monday, December 3, 2018, with Chair Ahsha Safai presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Safai called the meeting to order at 10:13 a.m. On the call of the roll, Chair Safai, Member Stefani, and Member Mandelman were noted present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

Supervisor Yee Excused from Attendance

Member Mandelman moved that Supervisor Yee be Excused from the Rules Committee meeting of December 3, 2018. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

REGULAR AGENDA

181023 [Administrative Code - Extension of the Public Utilities Revenue Bond Oversight Committee]

Ordinance amending the Administrative Code to extend the sunset date of the Public Utilities Revenue Bond Oversight Committee; and suspend provisions of Board Rule 2.21, to extend the Committee for an additional six years to January 1, 2025. (Public Utilities Commission)

10/22/18; RECEIVED FROM DEPARTMENT.

10/30/18; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 11/29/2018.

Heard in Committee: Speakers: Supervisor Aaron Peskin (Board of Supervisors); Co-Chair Robert Leshner (Public Utilities Revenue Bond Oversight Committee); Richard Morales (Public Utilities Commission); provided an overview and responded to questions raised throughout the discussion.

Chair Safai moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to make clerical and clarifying changes. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

Ordinance amending the Administrative Code to extend the sunset date of the Public Utilities Revenue Bond Oversight Committee to extend the Committee for an additional six years to January 1, 2025. (Public Utilities Commission)

Chair Safai moved that this Ordinance be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

180912 [Police and Health Codes - Regulation of Cannabis Businesses]**Sponsors: Mayor; Mandelman and Cohen**

Ordinance amending the Police Code by making a number of changes in the regulation of commercial cannabis activity, including, among other things: 1) defining ownership interest and revising Equity Criteria, for purposes of the Equity Program; 2) modifying the Cannabis Equity Incubator Program requirements; 3) extending by one year the possible duration of a Temporary Cannabis Business Permit; 4) authorizing the Director of the Office of Cannabis to issue Cannabis Business Permits to Medical Cannabis Dispensaries forced to discontinue operations due to a no-fault lease termination before December 31, 2018; 5) modifying the order in which the Director may review and process Cannabis Business Permit applications; 6) revising requirements associated with a Cannabis Business' change in ownership and structure; 7) revising Cannabis Business Permit application requirements; 8) requiring Cannabis Businesses to comply with all permit conditions, whether or not they are currently engaging in the permitted activity; 9) modifying the amount of Cannabis that may be delivered or sold to a customer; and 10) authorizing Cannabis Microbusinesses to conduct either storefront or delivery sales, but not both, and reducing from four to three the categories of Commercial activity required to operate as a Cannabis Microbusiness; and amending the Health Code by revising eligibility requirements for medical cannabis dispensaries seeking authorization to sell adult use Cannabis, and extending by one year, to December 31, 2019, the date on which Article 33 (Medical Cannabis Act) expires.

09/18/18; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 10/18/2018.

09/25/18; REFERRED TO DEPARTMENT. Referred to Small Business Commission for comment and recommendation; and Office of Cannabis, Department of Public Health, and Police Department for informational purposes.

10/24/18; DUPLICATED. Heard in Committee. Speakers: Nicole Elliott, Director (Office of Cannabis); President Malia Cohen and Supervisor Jane Kim (Board of Supervisors); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Johnny Delaplaine (San Francisco Cannabis Retail Alliance); Quentin Platt (Access SF); Mr. Spensor; Charlie Papas; spoke in support of the matter. Richard Ow; Sonya Ng; Cherry; Speaker; Speaker; Son Wong; Speaker; Sandy Lin; Wendy Wong (Coalition for Good Neighborhoods); spoke in opposition of the matter. Speaker; Ace Washington; Gail Segrays; spoke neither in support nor opposition on the matter.

See File No. 181041.

10/24/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

10/24/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE.

10/24/18; CONTINUED TO CALL OF THE CHAIR.

11/28/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. Heard in Committee: Speakers: Supervisor Rafael Mandelman and President Malia Cohen (Board of Supervisors); Director Nicole Elliot (Office of Cannabis); Tom Temprano (Office of Supervisor Rafael Mandelman); Lee Hepner (Office of Supervisor Aaron Peskin); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Marty Snyder (Hometown Park); Doug Block; AnnMarie Gobstein; spoke in support of the matter. Reese Penton; Denise Dory; William Dolan; Ramon Garcia; Malcom White; Charlie Papas; Morris Kelly; Edward Brown; Turner; Speaker; spoke on various concerns relating to the hearing matter.

11/28/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE.

11/28/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE.

11/28/18; CONTINUED AS AMENDED.

Heard in Committee: Speakers: President Malia Cohen (Board of Supervisors); Jon Givner (Office of the City Attorney); Lee Hepner (Office of Supervisor Aaron Peskin); Director Nicole Elliot and Eugene Hillsman (Office of Cannabis); provided an overview and responded to questions raised throughout the discussion. Adam Courtman; Eric James; Ms. Morales; Jules

Olsen; Luis Marriot; Roy LeDuke; Lou Jackson Simpson; Angela White; spoke in support of the matter. Aris Benton; Mr. White; Speaker; Speaker; Kelly Justin; Tony Bowls; Alex; Faithman; Ryan Patterson; Moriris Kelly; Michelle; Johnny Delplane; Jim Freerom; Martin Olive; spoke in opposition of the matter. Ace Washington; Dwight McBrown; Speaker; Ed Donaldson; Speaker; William Dolan; Speaker; spoke neither in support nor opposition on the matter.

Chair Safai requested that this Ordinance be DUPLICATED.

See File No. 181183.

Member Mandelman moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, to increase the maximum number of allowed interests in Storefront Cannabis Retail permits allowed from two to four and making other conforming, clarifying and clerical changes. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

Ordinance amending the Police Code by making a number of changes in the regulation of commercial cannabis activity, including, among other things: 1) defining ownership interest and revising Equity Criteria, for purposes of the Equity Program; 2) modifying the Cannabis Equity Incubator Program requirements; 3) extending by one year the possible duration of a Temporary Cannabis Business Permit; 4) authorizing the Director of the Office of Cannabis to issue Cannabis Business Permits to Medical Cannabis Dispensaries forced to discontinue operations due to a no-fault lease termination before December 31, 2018; 5) modifying the order in which the Director may review and process Cannabis Business Permit applications; 6) revising requirements associated with a Cannabis Business' change in ownership and structure; 7) revising Cannabis Business Permit application requirements; 8) requiring Cannabis Businesses to comply with all permit conditions whether or not they are currently engaging in the permitted activity; 9) modifying the amount of Cannabis that may be delivered or sold to a customer; and 10) authorizing Cannabis Microbusinesses to conduct either storefront or delivery sales, but not both, and reducing from four to three the categories of Commercial activity required to operate as a Cannabis Microbusiness; and amending the Health Code by revising eligibility requirements for medical cannabis dispensaries seeking authorization to Sell Adult Use Cannabis, and extending by one year to December 31, 2019, the date on which Article 33 (Medical Cannabis Act) expires.

Chair Safai moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

Chair Safai moved that this Ordinance be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

181183 [Police and Health Codes - Regulation of Cannabis Businesses]**Sponsors: Mayor; Mandelman and Cohen**

Ordinance amending the Police Code by making a number of changes in the regulation of commercial cannabis activity, including, among other things: 1) defining ownership interest and revising Equity Criteria, for purposes of the Equity Program; 2) modifying the Cannabis Equity Incubator Program requirements; 3) extending by one year the possible duration of a Temporary Cannabis Business Permit; 4) authorizing the Director of the Office of Cannabis to issue Cannabis Business Permits to Medical Cannabis Dispensaries forced to discontinue operations due to a no-fault lease termination before December 31, 2018; 5) modifying the order in which the Director may review and process Cannabis Business Permit applications; 6) revising requirements associated with a Cannabis Business' change in ownership and structure; 7) revising Cannabis Business Permit application requirements; 8) requiring Cannabis Businesses to comply with all permit conditions, whether or not they are currently engaging in the permitted activity; 9) modifying the amount of Cannabis that may be delivered or sold to a customer; and 10) authorizing Cannabis Microbusinesses to conduct either storefront or delivery sales, but not both, and reducing from four to three the categories of Commercial activity required to operate as a Cannabis Microbusiness; and amending the Health Code by revising eligibility requirements for medical cannabis dispensaries seeking authorization to sell adult use Cannabis, and extending by one year, to December 31, 2019, the date on which Article 33 (Medical Cannabis Act) expires.

Chair Safai moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE, to delete all language not related to dynamic delivery and to insert requirements for California Environmental Quality Act review. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

Ordinance amending the Police Code to revise the Delivery Standards imposed on Cannabis Businesses authorized to conduct Deliveries; and affirming the Planning Department's determination under the California Environmental Quality Act.

Chair Safai moved that this Ordinance be CONTINUED TO CALL OF THE CHAIR AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

180805 [Police Code - Apprentice Hiring Requirements for Cannabis Businesses]**Sponsor: Safai**

Ordinance amending the Police Code to require Cannabis Businesses to ensure that 35% of new hires shall be registered apprentices enrolled in State-approved apprenticeship programs that have a memorandum of understanding (MOU) with one or more City-certified pre-apprenticeship programs, if a relevant State-approved apprenticeship program has such an MOU.

07/31/18; ASSIGNED UNDER 30 DAY RULE to Public Safety and Neighborhood Services Committee, expires on 8/30/2018.

08/03/18; REFERRED TO DEPARTMENT. Referred to the Police Department, the Office of Cannabis, and the Office of Economic and Workforce Development for informational purposes; referred to the Small Business Commission for comment and recommendation.

10/31/18; TRANSFERRED to Rules Committee. President Cohen transferred this matter from the Public Safety and Neighborhood Services Committee to the Rules Committee.

11/28/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee: Speakers: Joshua Arce (Office of Economic and Workforce Development); provided an overview and responded to questions raised throughout the discussion. Teresa Folklio; Hugo Delterio; Jackie Flynn; Ramon Garcia; Edward Brown; Speaker; Jennifer Garcia (Local 648); spoke in support of the matter.

11/28/18; CONTINUED AS AMENDED.

Heard in Committee: Speakers: None.

Chair Safai moved that this Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

181080 [Administrative Code - African American Arts and Cultural District]**Sponsors: Cohen; Ronen**

Ordinance amending the Administrative Code to establish the African American Arts and Cultural District in the Bayview Hunters Point neighborhood; to require City departments to submit written reports and recommendations to the Board of Supervisors and the Mayor describing the cultural attributes of the District, and proposing strategies to acknowledge and preserve the cultural legacy of the District; and to establish the African American Arts and Cultural District Community Advisory Committee to advise the City on the same matters; and affirming the Planning Department's determination under the California Environmental Quality Act.

11/13/18; ASSIGNED to Rules Committee. 11/15/18 - President Cohen waived the 30-day rule, per Board Rule 3.23.

11/19/18; REFERRED TO DEPARTMENT. Referred to the Planning Department for environmental review; to Historic Preservation Commission for comment and recommendation, pursuant to Charter, Section 4.135; and to Mayor's Office of Housing and Community Development, Office of Economic and Workforce Development, Arts Commission, Public Works, Planning Department, and Human Rights Commission for informational purposes.

11/27/18; RESPONSE RECEIVED. Not defined as a project under CEQA guidelines Sections 15378 and 15060(c)(2).

Heard in Committee: Speakers: President Malia Cohen (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Ms. Richardson; Brian Chu (Mayor's Office of Community Development); Speaker; Kelly Jeckles; Devon Richardson; Christian Help; Speaker; April Spears; spoke in support of the matter.

Chair Safai moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, on Page 6, Line 13, to change the department report deadline from 'July 9, 2019' to 'July 31, 2019'; Page 7, Line 17, to change the Mayor's Office of Housing and community Development report deadline from 'October 8, 2019' to 'July 31, 2020'; Page 8, Lines 8-11, to insert provisions for timeline extensions; and Page 9 and 10, to increase the membership from seven to fifteen. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

Chair Safai moved that this Ordinance be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

181001 [Charter Amendment - Free City College Fund]**Sponsors: Kim; Mandelman, Yee, Ronen, Brown, Fewer and Safai**

Charter Amendment (Second Draft) to establish the Free City College Fund to defray certain costs of City College students, and to require annual appropriations in designated amounts to the Fund; at an election to be held on November 5, 2019.

10/16/18; ASSIGNED UNDER 30 DAY RULE to Rules Committee, expires on 11/15/2018.

10/22/18; REFERRED TO DEPARTMENT. Referred to Planning Department for environmental review; Office of the Controller for financial analysis report; and Mayor's Office, Office of the City Attorney, Department of Elections, Ethics Commission, Office of the City Administrator, and Department of Children, Youth and Their Families for reports and/or comments, pursuant to Rules of Order 2.22.4; and to Youth Commission for comment and recommendation, pursuant to Charter, Section 4.124.

11/01/18; RESPONSE RECEIVED. Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

11/20/18; RESPONSE RECEIVED. 11/19/2018 - The Youth Commission voted unanimously to support the proposed Charter Amendment.

11/28/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE. Heard in Committee: Speakers: Supervisors Jane Kim and Rafael Mandelman (Board of Supervisors); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion. Jenny Marley; Speaker; Ms. Wuerful; Judiana; Alex; Sue Lender; Monica Collins; Tim Kelly; Harry Bernstein; Brenan; Sam Sue; Paul Lesiano; Patty (Youth Commission); Coby Salinas; Jerry Cortney; Nat Naler (Local 29); Mr. Salis; Todd Snyder; Jessica Bellbond; Rebec Bracket; Marcus Cruz; Mika; Jason Wyman; Winn; Branden Romy; Mr. Wong; James Chasy; Ms. Bounty; Speaker; Javier Belmont; Haley Melarky Clark; Jean Yeast; Speaker; Ms. Reah; Jacklyn; Dia Mekata; Amanda Remero; Ms. Ramos; Cathy Berit; Emily; Ms. Tang; Caroline Troung; Paul Mohan; Conney Ford; Speaker; Balon Mitchell; Sophia; Salia; Alisa Meseri; spoke in support of the matter.

Vice Chair Yee requested to be added as a co-sponsor.

11/28/18; AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE.

11/28/18; CONTINUED AS AMENDED. Chair Safai moved that this Charter Amendment be CONTINUED AS AMENDED to the Call of the Chair. The motion carried by the following vote:

Ayes: 2 - Safai, Stefani

Noes: 1 - Yee

Chair Safai moved to rescind the previous vote. The motion carried by the following vote:

Ayes: 3 - Safai, Yee, Stefani

Heard in Committee: Speakers: Jon Givner (Office of the City Attorney); Aaron Peskin (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion. Sue Englander; Speaker; Brandan; Ms. Baldwin; Kile Desulva; Speaker; Olga Osborn; Lee Albert; Conney Ford; Jordan Davis; Cathy Berick; spoke in support of the matter.

Chair Safai moved that this Charter Amendment be REFERRED WITHOUT RECOMMENDATION AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Safai, Stefani, Mandelman

Excused: 1 - Yee

ADJOURNMENT

There being no further business, the Rules Committee adjourned at the hour of 12:24 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Rules Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.