New Planning Code Summary:

Adult Use Cannabis Regulations

Amended Sections: 102, 145.4, 190, 191, 202.2, 204.3, 205.2, 209.1, 209.2, 210.3,

303, 303.1, 312, 703, Zoning Control Tables in Article 7,

803.2, 803.3, Zoning Control Tables in Article 8, 890.52,

890.54, 890.111, and 890.125

Case Number: 2017-010365PCA **Board File/Enactment #:** 171041/ 229-17

Initiated by: Mayor Lee and Supervisor Sheehy

Effective Date: January 5, 2018

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The proposed Ordinance amends the Planning Code to establish land use regulations for adult-use cannabis, including growing, manufacturing, distribution, testing, and retail sales. The ordinance also: 1) amended Medical Cannabis Dispensary (MCD) controls to bring them more in line with the new adult-use cannabis controls; 2) established a land use process for the conversion of existing MCDs to Cannabis Retail; and 3) established a temporary use category for Cannabis Retail so that MCDs could start selling adult-use cannabis on a temporary basis starting on January 5, 2018.

The Way It Was:

The Way It Is Now:

1	Planning Code did not contain specific			
	references	to	non-retail	cannabis
	activities.			

The following definitions for non-retail uses were amended to explicitly allow for cannabis related activities:

- Industrial Agriculture (Previously Greenhouse in Section 102 and Non-Retail Greenhouse or Plant Nursery as referenced in Article 8) was amended to allow for the cultivation of cannabis plants.
- Agriculture and Beverage Processing 2 (formerly Food Fiber and Beverage Processing 2), was amended to allow for the manufacture of cannabis products using volatile organic compounds (VOCs).

Light Manufacturing was amended to allow for the manufacturing of cannabis products without the use of VOCs. Wholesale was amended to allow for the business to business distribution of cannabis and cannabis products. Parcel Delivery Service (Business Services in Article 8) was amended to allow for non-storefront retail cannabis delivery. Laboratory was amended to allow for the testing of cannabis and cannabis products. The Planning Code did not include a A new Retail Sales and Service use, land use definition for the retail sale of Cannabis Retail, was added to the adult-use cannabis. Planning Code. This use allows for the sale of both adult-use and medical cannabis. Per Planning Code Section 202.2, Cannabis Retail may not locate within a 600 feet radius of a School, or another Cannabis Retailer or MCD unless it is located in the same place of Cannabis business. All Retailers. regardless of zoning district, are subject to Planning Code Section 312 notification. Per Planning Code Section 202.2, Per Planning Code Section 202.2, MCDs 3 MCDs could not locate within a 1,000 may not locate within a 600 foot radius of foot radius of a School, or a Public a School, or another MCD or Cannabis Facility, Community Facility, or a Retailer unless they are located in the Private Community Facility use that same place of business. The Excelsior primarily served persons less than 18 Outer Mission NCD provision was years of age. In addition, the Excelsior removed. Outer Mission NCD required MCDs to obtain Conditional Use authorization if they were located closer than 500 feet from another MCD. Unless Unless otherwise specified the otherwise specified the

Planning Code, **MCD** applications were subject to a Mandatory Discretionary Review before the Planning Commission, and a mailed notice to owners and occupants within 300 feet of the subject site.

Planning Code, **MCDs** are still subject to Mandatory Discretionary Review and the 300 foot noticing requirement.

5 The Planning Code did not contain a temporary use that allowed for the sale of adult-use cannabis.

Planning Code Sections 102, 191 and 205.2 now temporary contain provisions that allow existing MCDs to sell adult-use cannabis as-of-right. MCDs must still obtain authorization from the Department of Public Health prior to selling adult use cannabis on a temporary basis (Health Code Section 3322). Per the requirements outlined in Planning Code Section Temporary **Cannabis** 190, **Retailers** must file a change-of-use application to become permanent Cannabis Retailers; however, businesses are not required to obtain Conditional Use authorization and are not subject to the location restrictions in Section 202.2.

Administrative and Health Code Changes

6 Permanent operating permits for cannabis related businesses were issued by the Department of Public Health, per Article 33 of the Health Code

Permanent operating permits for cannabis related businesses will be issued by the Office of Cannabis per Article 16 of the Administrative Code.

Link to Signed Legislation:

https://sfgov.legistar.com/View.ashx?M=F&ID=5678314&GUID=30FB3BF2-49B7-4676-970F-0B30C4D47DC0