



City and County of San Francisco Proposition 64 Public Health & Safety Grant Program Local Evaluation Report

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Table of Contents

Executive Summary	3
Project Background	3
Process Evaluation Method and Design	3
<i>PPA 1: Youth Development/Youth Prevention and Intervention</i>	<i>4</i>
<i>PPA 2: Public Health</i>	<i>7</i>
<i>PPA 3: Public Safety</i>	<i>9</i>
Discussion of Results and Limitations	13
Impact	14
San Francisco Highlights.....	14
<i>Background Summary</i>	<i>15</i>
<i>Grass Lands at Outside Lands 2024</i>	<i>15</i>
Appendix A	16
Appendix B.....	19
Acknowledgements.....	22

Executive Summary

During the period of May 1, 2021 – October 31, 2024, the Office of Cannabis (OOC) administered the Proposition 64 Public Health and Safety Grant Program (Prop 64 PH&S Grant) by engaging in enforcement and compliance activities related to public health and safety within the boundaries of the City and County of San Francisco (CCSF).

This Local Evaluation Report aims to analyze the outcomes of the OOC's grant program and discuss the successes and challenges encountered during the program administration. In August 2024, an *Independent Financial Audit* reported no findings of noncompliance with the Grant terms.

Project Background

In January 2020, CCSF, through the Office of the City Administrator (ADM) and its OOC, submitted a grant proposal in response to the Board of State and Community Corrections (BSCC) Request for Proposals (RFP) for the Prop 64 PH&S Grant. In April 2021, the OOC was awarded \$1,000,000 to fund local projects that address public health and safety issues associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act (Prop 64). During the grant term, the OOC utilized grant funds to address the project areas of Youth Development/Youth Prevention and Intervention (mandatory activity, PPA 1), and Public Health and Safety (PPA 2 and 3), and achieved an overall positive outcome in all of the 3 areas.

Process Evaluation Method and Design

To evaluate whether the implemented process successfully addressed each project area and to identify any challenges in the project administration, the OOC utilized various quantitative and qualitative data sets, evaluation matrices, and infographics for each PPA. Data collection included internal tracking platforms (e.g. Excel, Airtable), where the OOC staff recorded quantitative and qualitative data related to compliance and enforcement activities, and data reported by the public, including anonymously, through the CCSF's publicly accessible reporting platform (verintcloudservices.com). Data was analyzed through statistical infographics to gather insights regarding the effectiveness of the implemented processes for each PPA. Non-numerical data of *Youth Campaign's* materials (e.g. photographs, bus route maps) were analyzed through a content analysis to evaluate the overall success of the project. Sources of data (e.g.

Airtable, Verint) were maintained by OOC staff and collected throughout the grant term to ensure reliability.

PPA 1: Youth Development/Youth Prevention and Intervention

To facilitate access to empirically researched information about cannabis, the OOC, in collaboration with its CCSF's partners, implemented a youth-focused cannabis education campaign called *Truth or Nah*. This campaign included placement of 840 educational cannabis cards of various sizes (e.g. 30" x 88", 21" x 70") and languages (e.g. Spanish, Chinese) on the San Francisco public transportation for the duration of 12 weeks along the bus routes next to 63 middle and high schools (*Figure 1*).

Figure 1. ● Middle and high schools

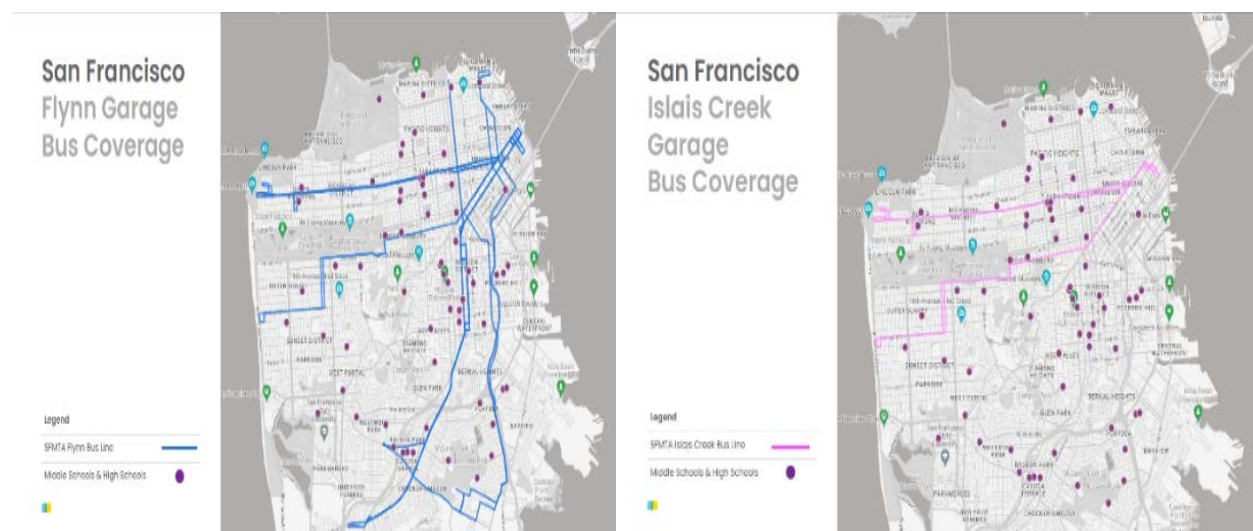


Figure 1. • Middle and high schools, cont'd.



Throughout the duration of the campaign, the OOC staff captured qualitative data (e.g. photographs) for further process implementation evaluation (*Figure 2*).

Figure 2.



Figure 2, cont'd.



The *Truth or Nah* website was accessible to the community throughout the duration of the youth campaign and was available in English, Spanish, Chinese, and Tagalog. In addition, the OOC's website currently includes a link to additional resources about cannabis specifically for a youth audience.

The OOC utilized the outcome projections included in its San Francisco City and County's *Proposition 64 Public Health & Safety Grant Program Local Evaluation Plan*, dated August 31, 2021, to evaluate whether the projected PPA 1 outcome (*Figure 3*) was achieved and whether the OOC successfully met the goals and objectives in this project area.

Figure 3.

PPA/Agency	Goals	Objectives	Completed (Y/N)
PPA 1: Youth Development/Youth Prevention & Intervention Conducted by: Office of Cannabis or either SF Department of Public Health or 3rd Party.	Equip approx. 4,000 youth with information regarding truths and myths associated with cannabis use to limit youth access and exposure to cannabis and cannabis products	a. By 2024, increase the visibility of a cannabis-related youth campaign via posters, pamphlets, other physical advertisements, and through social media. b. By 2024, increase website engagement. c. Increase campaign accessibility by translating physical materials in Chinese, Spanish, and Tagalog.	Yes

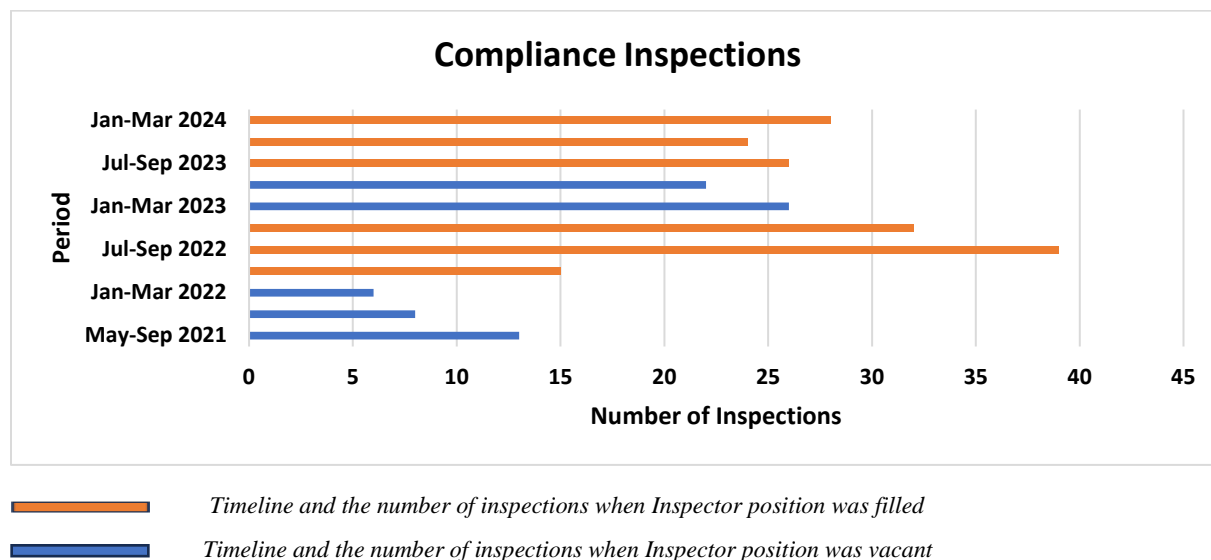
PPA 2: Public Health

Regulating the cannabis industry is a critical component to support public health. In contrast, the illicit market presents an ongoing threat to communities by disseminating untested cannabis product, including unregulated sales to minors. To strengthen the regulated cannabis industry in CCSF, the OOC iterates its processes with a goal of increasing efficacy in supporting existing cannabis operators and decreasing the timeline of permitting of the new businesses.

The OOC's permitting process includes a review of the operational plan for the prospective cannabis business, including security plan and premises diagram, and an on-site inspection -- all conducted by an OOC inspector prior to permit issuance. Once permitted, operators are inspected annually for permit renewal. The OOC leveraged Prop 64 PH&S grant funds to fill the inspector position dedicated to activities of public health and safety.

To measure the outcome in PPA 2 and to examine whether there is a correlation between the number of conducted compliance inspections and filled inspector position, the OOC analyzed its inspection data gathered during the 3-year performance period (May 2021 through April 2024). For this analysis (*Figure 4*), the filled inspector position served as an *Independent Variable* (IV), while the number of inspections served as a *Dependent Variable* (DV). The data source was *the Enforcement and Compliance Data tracker* managed by the OOC staff.

Figure 4.



As *Figure 4* demonstrates, the number of inspections (*DV*) significantly increased once the OOC filled grant funded inspector position (*IV*) in the beginning of 2022. It is also evident from the data visualization in *Figure 4* that once that staff member left, the number of inspections decreased and continued to decline until a new staff member was identified, hired, and trained in the summer of 2023.

Between the time when the OOC hired grant funded inspector in the beginning of 2022, and the time that the grant term expired in March of 2024, the OOC permitted **51** cannabis businesses, all of which required pre-permit compliance inspection. In addition, during that period, **35** of permitted cannabis businesses underwent permit renewal process and were inspected by the OOC for compliance. BSCC's Cohort 2 grant funding allowed OOC to hire a staff member dedicated to compliance and enforcement efforts to support OOC's goals and objectives projected in the PPA 2 area (*Figure 5*).

Figure 5.

PPA/Agency	Goals	Objectives	Completed (Y/N)
PPA 2: Public Health Conducted by: Office of Cannabis	1. Increase inspections associated with cannabis business permit issuance and renewals. 2. Train staff to support permit issuance and renewals.	3. By 2024, increase by 10% the number of inspections for cannabis business permit applicants. 4. By 2024, increase by 20% the number of inspections for cannabis business operators. 5. Train staff to equip personnel with skills to conduct these inspections.	Yes

While the overall outcome of utilizing grant funds substantiated as projected at the beginning of the grant program, it is also necessary to discuss the limitations and challenges that the OOC faced throughout the grant term while recruiting candidates for an inspector position in a post-pandemic environment.

According to a report published by CCSF's Department of Human Resources (DHR) on December 7th, 2023, it takes approximately 150 days to fill a position across all job types. Training a compliance and enforcement inspector takes additional time and resources to onboard. When that staff member leaves, service is reduced and the workload gets distributed to other team members, whose roles are not dedicated specifically to compliance and enforcement

activities. Therefore, it is expected that the number of completed inspection activities declines until another candidate is onboarded, trained, and ready to perform their relevant duties, as shown in *Figure 4*, January-June 2023 timeline.

To minimize the negative effects associated with having a vacant inspector position, the OOC developed a robust hands-on training to maximize learning outcomes and shorten the time span during which a new inspector needs to be accompanied by a senior staff member during inspection and compliance activities.

Notwithstanding these challenges, utilizing grant funds to support a compliance and enforcement inspector position positively impacted the OOC's ability to improve its related processes. As a result, the number of compliance inspections steadily increased, which in turn supported the intended outcome of promoting public health by increasing the number of regulated cannabis businesses selling laboratory tested product.

PPA 3: Public Safety

The unregulated market presents a threat to public safety including illicit importation, dissemination of untested product, sales to minors, and even injury or death from manufacturing cannabis products at home or at unauthorized facilities using volatile solvents and other potentially dangerous materials.

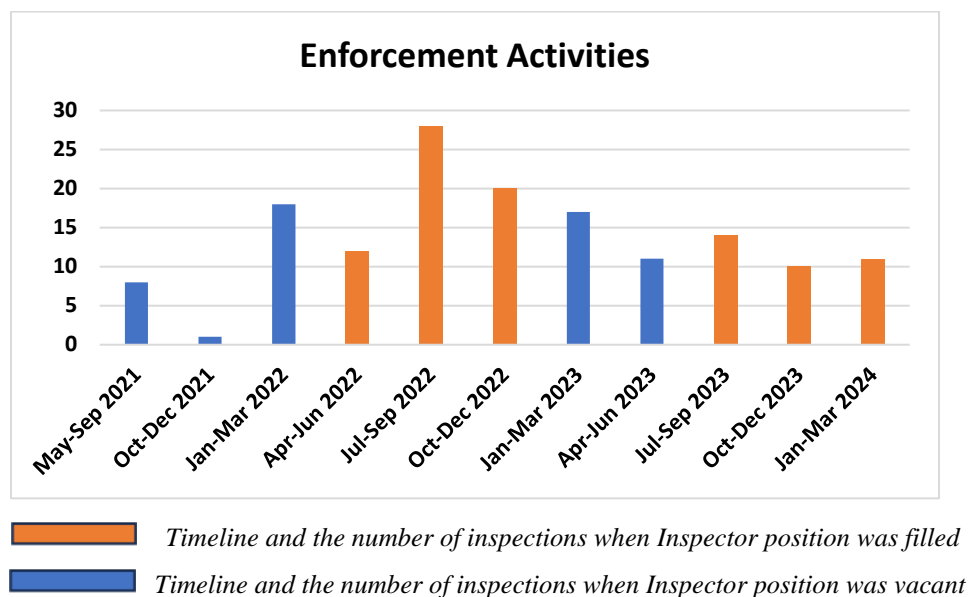
Data gathered through collaboration between city departments (e.g. Fire Department (SFFD), Police (SFPD), City Attorney (CAT)), the state agency, and reports from the public demonstrated that there has been significant unregulated commercial cannabis activity within the CCSF.

OOC is frequently tasked with investigating and enforcing against the unregulated cannabis market. The process of investigating and addressing illicit cannabis activities requires a significant amount of the OOC's staff time and close collaboration with other government agencies (e.g. SFFD, CAT, California Department of Cannabis Control (DCC)). With the assistance of the BSCC grant funds, the OOC secured additional resources and personnel to combat the unregulated market.

To analyze whether these additional resources aided in improving the process of addressing unregulated cannabis activities and to measure the overall effectiveness of having a staff member dedicated to enforcement, the OOC analyzed quantitative and qualitative data for a

period of 3 years (2021-2024) and at the conclusion of the grant program. Quantitative data was collected from the OOC's *Compliance and Enforcement Data* tracker, and qualitative data was gathered from public reporting and feedback provided by CCSF partners, event organizers, and permitted operators during the duration of the grant term. *Figure 6* below demonstrates a relationship between the number of enforcement activities conducted by the OOC and having a staff member on the team dedicated to enforcement activities.

Figure 6.



As *Figure 6* illustrates, the overall number of inspections significantly increased throughout the 3-year grant term when the OOC had a grant funded staff member assigned to enforcement activities. The OOC had two individuals serving in this position non-concurrently during the duration of the grant term. For about **9 months** when the OOC had the grant funded position filled for the first time in the beginning of 2022, the number of enforcement activities increased to about **60** for that period, compared to the **27** enforcement activities conducted **12 months** prior when the position was vacant. Similarly, when that staff member left at the end of

2022, the number of enforcement activities declined until the OOC identified and onboarded a new candidate in the summer of 2023 (*Figure 6*).

The data demonstrates that the OOC gradually achieved the projected outcome in PPA 3 (*Figure 7*) throughout the grant term and accomplished overall goals and objectives in this project area. Main challenges, similar to the ones described in PPA 2, included lengthy hiring processes and staff turnover. At the time this report was prepared, the enforcement and compliance inspector position became vacant again in June 2024.

Figure 7.

PPA/Agency	Goals	Objectives	Completed (Y/N)
PPA 3: Public Safety Conducted by: Office of Cannabis	1. Increase investigations associated with illicit activity complaints. 2. Train staff to support investigations	3. By 2024, increase the identification of unpermitted commercial cannabis sites. 4. By 2024, increase by 10% the rate of inspecting or referring cannabis complaints associated with the illicit market. 5. Train staff to equip personnel with skills to conduct these inspections.	Yes

In addition to utilizing grant funds to support an enforcement and compliance inspector position, the OOC leveraged a part of the grant for technology procurement (e.g. walkie-talkies) to facilitate timely and secure communication between enforcement staff (e.g. OOC inspector, their supervisor, and other relevant parties). Grant funded technology (e.g. camera) has also improved the OOC’s ability to capture evidence by recording, reporting, and communicating relevant case materials to the appropriate parties in compliance with the City requirements and best practices (e.g. communicating confidential information).

Additionally, grant funded procurement of attire (e.g. branded jackets) with clearly identifiable CCSF and OOC logos (*Figure 8*) improved staff visibility at public cannabis events. Moreover, easily identifiable OOC staff may also serve as a deterrent for illicit and unregulated

cannabis activity. Anecdotally, the OOC received positive comments from the public regarding easier identification of the OOC staff at events where public safety or compliance issues need to be quickly addressed.

It is important to mention that the City's procurement process involves multiple steps and cross departmental collaboration which can increase the timeline to obtain supplies and materials. To address these challenges, the OOC kept close communication with its partners and attended necessary training to streamline procurement efforts.

Figure 8.



Image 1 (on the left): OOC staff wearing procured apparel with the CCSF/OOC logos.

Image 2 (on the right): OOC staff are pictured with a social equity cannabis business owner at the San Francisco Pride 2024 event.

Discussion of the Results and Limitations

Data evaluation results at the 3-year mark of the Prop 64 PH&S Grant program demonstrate that the goals and objectives outlined at the beginning of the grant term were met overall. It is important to note that outcome projections at the onset of the grant program did not account for the staff turnover, challenges associated with hiring and onboarding new members of the staff, and a post-pandemic environment that presented additional limitations in scheduling inspections due to public health concerns. These challenges were heightened in the first year of the grant program. The grant utilization rate was approximately 50%.

It is important to mention that the major obstacles to a higher spend-down rate were the Covid-19 pandemic and staff turnover. Despite these challenges, the OOC achieved an overall positive outcome regarding public health and safety efforts with assistance of the BSCC grant funds.

Potential limitation of this Local Evaluation Report includes the period of time (*Figures 4 and 6*) when the grant-funded position was vacant, and inspections were conducted by different staffers who are not typically tasked with these activities and were pulled away from other duties. In other words, the comparative analysis included the two periods, when the grant funded position was filled and grant funded activities were conducted by *one* dedicated staff member, versus the period of time when *multiple* OOC's staff had to take on additional related work outside the scope of their responsibilities. On the other hand, the data in *Figures 4 and 6* clearly demonstrate that having a dedicated grant funded compliance and enforcement inspector position had an overall positive effect on reaching the goals and objectives in the area of public health and safety.

Impact

Grant funds significantly supported the OOC's efforts to promote public health and safety and to mitigate illicit cannabis activities in San Francisco. Throughout the grant term, the OOC continued to refine its compliance and enforcement processes, increased the overall number of compliance and enforcement inspections, augmented Department of Public Health's (DPH) *Truth or Nah* youth campaign, and procured supplies and materials to improve communication, data collection, and visibility of the OOC's staff during public events and out in the field.

Moreover, participating in the Prop 64 PH&S Grant program increased cooperation and partnership between the CCSF's departments and helped identify the processes that necessitated additional staff training (e.g. procurement process).

Grantee Highlights

There are many outcomes to highlight because BSCC's Prop 64 PH&S Grant program supported the OOC's efforts in several key areas: education, compliance, and enforcement. Below, the OOC will highlight the *Grass Lands* at *Outside Lands 2024* event because it encompassed many of the project areas supported by BSCC's grant.

Background Summary

Outside Lands is a 3-day music festival annually held in the Golden Gate Park in San Francisco and covers about 80-acre of the park's grounds. The average attendance exceeds 200,000 attendees. The festival area includes cannabis sales, consumption and a 21+ restricted area *Grass Lands* that features social equity cannabis vendors, exhibitors, and brands. The OOC issued the first *Grass Lands* Temporary Cannabis Event permit in 2019 and deploys staff to monitor compliance with state and local cannabis laws and regulations during this major music festival.

Grass Lands 2024

This year *Grass Lands* featured over 20 social equity brands. The OOC staff was deployed during the duration of the event from August 9th through August 11th to ensure compliance with all applicable state and local laws. The OOC team was equipped with supplies procured with the assistance of the grant funds (e.g., walkie-talkies, cellphones for team leads) (*Figure 9*) and were dressed in grant funded gear that allowed event organizers and participants to quickly identify the OOC representatives (*Figure 10*).

OOC staff were always present during the three-day event. Notably, there were no calls for enforcement or medical assistance in the *Grass Lands* area during all three days of the event. OOC received positive feedback from the vendors and festival goers regarding their distinct presence in the cannabis sales and consumption area. The OOC staff also monitored the ID check

area to ensure that no one under 21 years old was allowed to enter the cannabis event space and did not observe any violations.

Figure 9.



Figure 10.



Figure 10, cont'd.



Figure 10 cont'd



Figure 10, cont'd.



Appendix A

Evaluation Matrix

PPA	Goal	Objective	Process or Outcome	Data Source	Collection Frequency
PPA 1: Youth Development/ Youth Prevention	Equip approx. 4,000 youth with information regarding truths and myths associated with cannabis use to limit youth access and exposure to cannabis and cannabis products.	By 2024, increase the visibility of a cannabis-related youth campaign via posters, pamphlets, other physical advertisements, and through social media.	Successfully implemented a youth-focused cannabis education campaign called <i>Truth or Nah</i> . Placement of 840 cannabis informational cards of various sizes (e.g. 30 x 88, 21 x 70 inches) and languages (e.g. Spanish, Chinese) on the San Francisco MUNI buses for the duration of 12 weeks along the bus routes next to 63 middle and high schools.	Bus route maps, photographs, anecdotal evidence, purchase order.	March through May 2023
		By 2024, increase website engagement via clicks.	The <i>Truth or Nah</i> website was accessible to the community throughout the duration of the youth campaign and was available in English, Spanish, Chinese, and Tagalog.	Link was accessible through the OOC website	March through May 2023
		Increase campaign accessibility by translating physical materials in Chinese, Spanish, and Tagalog.	Materials were accessible in various languages.	Photographs and copies of translated materials	March through May 2023
PPA 2: Public Health	<p>Increase inspections associated with cannabis business permit issuance and renewals.</p> <p>Train staff to support permit issuance and renewals.</p>	<p>a. By 2024, increase by 10% the number of inspections for cannabis business permit applicants.</p> <p>b. By 2024, increase by 20% the number of inspections for cannabis business operators.</p> <p>c. Train staff to equip personnel with skills to conduct these inspections.</p>	<p>When the grant funded position was filled, the overall number of compliance inspections was on the uprise (<i>Figure 4</i>).</p> <p>OOC continues to refine its training program and manual.</p>	Airtable, Compliance and Enforcement Data tracker, staff performance evaluation.	Quarterly and ongoing
PPA 3: Public Safety	<p>Increase investigations associated with illicit activity complaints.</p> <p>Train staff to support investigations</p>	<p>a. By 2024, increase the identification of unpermitted commercial cannabis sites.</p> <p>b. By 2024, increase by 10% the rate of inspecting or referring cannabis complaints associated with the illicit market.</p> <p>c. Train staff to equip personnel with skills to conduct these inspections.</p>	<p>When the grant funded position was filled, the overall number of compliance inspections was on the uprise (<i>Figure 4</i>).</p> <p>OOC continues to refine its training program and manual.</p>	Airtable, Compliance and Enforcement Data tracker, staff performance evaluation	Quarterly and ongoing

Appendix B

Additional Photos

Figure 11. Supplies procured with BSCC's grant funds are labeled and stored.



Figure 12. OOC staff utilizes grant funded technology for compliance and enforcement activities and training.



Figure 12, cont'd.



Acknowledgements

Thank you to the OOC Director Nikesh Patel. Special acknowledgement to Yuliya Iskenderava for leading the drafting of this report and to Jeremy Schwartz for additional support.

Lastly, thank you Helene Zentner and the rest of the BSCC team for this opportunity.