



**Exhibit B: First Source Hiring Agreement  
For Operation of Cannabis Business**

This First Source Hiring Agreement (this “Agreement”), is made as of \_\_\_\_\_, by and between \_\_\_\_\_ (the “Cannabis Business”), and the First Source Hiring Administration, (the “FSHA”), collectively the “Parties”:

**RECITALS**

WHEREAS, every Cannabis Business shall enter into a First Source Hiring Agreement under Article 16 of the San Francisco Police Code (Article 16), and

WHEREAS, as a material part of the Cannabis Business Permit issued under Article 16, Cannabis Business shall execute this Agreement and participate in the Workforce System managed by the Office of Economic and Workforce Development (OEWD) as established by the City and County of San Francisco pursuant to Chapter 83 of the San Francisco Administrative Code;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

**1. DEFINITIONS**

For purposes of this Agreement, initially capitalized terms shall be defined as follows:

- a. **Entry Level Position:** Any non-managerial position that requires no education above a high school diploma or certified equivalency, and less than two (2) years training or specific preparation, and shall include temporary, permanent, trainee and intern positions.
- b. **Workforce System:** The First Source Hiring Administrator established by the City and County of San Francisco and managed by the OEWD.
- c. **Referral:** A member of the Workforce System who has been identified by OEWD as having the appropriate training, background and skill sets for a Cannabis Business specified Entry Level Position.
- d. **Cannabis Business:** shall have the same meaning as that term is defined in Article 16.

**2. OEWD WORKFORCE SYSTEM PARTICIPATION**

- a. Cannabis Business shall notify OEWD's Business Team of every available Entry Level Position and provide OEWD 10 business days to recruit and refer qualified candidates prior to advertising such position to the general public. Cannabis Business shall provide feedback including but not limited to job seekers interviewed, including name, position title, starting salary and employment start date of those individuals hired by the Cannabis Business no later than 10 business days after date of interview or hire. Cannabis Business will also provide feedback on reasons as to why referrals were not hired. Cannabis Business shall have the sole discretion to interview any Referral by OEWD and will inform OEWD's Business Team why specific persons referred were not interviewed. Hiring decisions shall be entirely at the discretion of Cannabis Business.
- b. This Agreement shall be in full force and effect as long as operating as a Cannabis Business. .

### 3. GOOD FAITH EFFORT TO COMPLY WITH ITS OBLIGATIONS HEREUNDER

Cannabis Business will make good faith efforts to comply with its obligations under this Agreement. Determination of good faith efforts shall be based on all of the following:

- a. Cannabis Business will execute this Agreement and attachment *Exhibit B-1* upon issuance of a Cannabis Business Permit. Cannabis Business will also accurately complete and submit *Exhibit B-1* annually to reflect employment conditions.
- b. Cannabis Business agrees to register with OEWD's Referral Tracking System, upon execution of this Agreement.
- c. Cannabis Business shall notify OEWD's Business Services Team of all available Entry Level Positions 10 business days prior to posting with the general public. The Cannabis Business must identify a single point of contact responsible for communicating Entry-Level Positions and take active steps to ensure continuous communication with OEWD's Business Services Team.
- d. Cannabis Business accurately completes and submits Exhibit B-1, the "First Source Employer's Projection of Entry-Level Positions" form to OEWD's Business Services Team upon execution of this Agreement.
- e. Nothing in this Agreement shall be interpreted to prohibit the continuation of existing workforce training agreements or to interfere with consent decrees, collective bargaining agreements, or existing employment contracts. In the event of a conflict between this Agreement and an existing agreement, the terms of the existing agreement shall supersede this Agreement.

Cannabis Business' failure to meet the criteria set forth in Section 3 (a.b.c.d.) does not impute "bad faith" and shall trigger a review of the referral process and compliance with this Agreement. Failure and noncompliance with this Agreement will result in penalties as defined in S.F. Administrative Code Chapter 83, Cannabis Business agrees to review S.F. Administrative Code Chapter 83, and execution of the Agreement denotes that Cannabis Business agrees to its terms and conditions.

### 4. NOTICE

All notices to be given under this Agreement shall be in writing and sent via mail or email as follows:

ATTN: Business Services, Office of Economic and Workforce Development  
1 South Van Ness Avenue, 5<sup>th</sup> Floor, San Francisco, CA 94103  
Email: [Business.Services@sfgov.org](mailto:Business.Services@sfgov.org)

5. This Agreement contains the entire agreement between the Parties and shall not be modified in any manner except by an instrument in writing executed by the Parties or their respective successors. If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected. If this Agreement is executed in one or more counterparts, each shall be deemed an original and all, taken together, shall constitute one and the same instrument. This Agreement shall inure to the benefit of and shall be binding upon the parties to this Agreement and their respective heirs, successors and assigns. If there is more than one person comprising Cannabis Business, their obligations shall be joint and several. Section titles and captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions. This Agreement shall be governed and construed by laws of the State of California.

IN WITNESS WHEREOF, the following have executed this Agreement as of the date set forth above.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Authorized Signer: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_