



CITY OF CAMBRIDGE

Community Development Department

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To: Louis A. DePasquale, City Manager

From: Iram Farooq, Assistant City Manager for Community Development
Nancy Glowa, City Solicitor

Date: March 22, 2021

Re: **Cannabis Delivery Zoning Amendments**

Pursuant to discussion at the Ordinance Committee hearing held on December 9, 2020, attached is a set of suggested zoning text amendments regarding cannabis delivery businesses. This text has been developed by Community Development Department staff in consultation with the Law Department. It is intended to align with regulatory changes adopted by the Cannabis Control Commission (“CCC”) in late 2020, and were effective on January 8, 2021, and to incorporate feedback received by City Councillors during and since the December 9, 2020 Ordinance Committee hearing.

The attached text takes a very permissive approach to regulating cannabis delivery businesses, allowing such businesses in Office, Business, and Industry districts. Cannabis Courier Establishments (which store delivery vehicles but do not store cannabis products on-site) would be allowed as-of-right, while Cannabis Delivery Operator Establishments (which store cannabis products and delivery vehicles on-site but do not allow customers to purchase on-site) would require a Planning Board special permit. The intent is to allow the Council to weigh policy considerations during the hearing process, with the potential ability to make the zoning more restrictive without requiring a re-advertisement of the petition before possible adoption.

Some potential policy considerations include the following:

- This text would allow cannabis delivery businesses in office districts, where “brick and mortar” cannabis retailers are not allowed. It is not known exactly how these new businesses will affect permitted brick-and-mortar cannabis retailers.
- For a period of 36 months from the date the first licensee receives a notice to commence operations from the CCC, only Economic Empowerment Applicants and Social Equity Program Applicants may receive a Delivery Operator License or Cannabis Courier License at that time. This may result in greater opportunities for a wide variety of prospective cannabis business owners.
- In major retail centers, cannabis delivery businesses could replace vacant retail spaces with uses that do not generate foot traffic. If that occurs, it could impact other retailers and the viability of the retail area more broadly.

The table on the following pages summarizes key aspects of the proposed zoning change as it relates to the two new categories of cannabis use in addition to the two types of use currently regulated in zoning. The text also includes some minor suggested changes to improve aspects of the existing cannabis use regulations based on experience gained through implementation and changes to state regulations.

This text is submitted for the Council's consideration to refer as a Zoning Petition for public hearings by the Planning Board and Ordinance Committee.

Additionally, attached is a set of suggested amendments to the Cannabis Business Permitting Ordinance, Chapter 5.50 of the Municipal Code, which are intended to allow cannabis delivery as a use and require a Cannabis Business Permit for these cannabis delivery uses. Please note that the suggested amendments do not include Cannabis Courier Establishments and Cannabis Delivery Operator Establishments as establishments that are subject to the two-year preference period for Economic Empowerment Applicants pursuant to Section 5.50.040 of the Municipal Code because CCC licenses for Cannabis Courier Establishments and Cannabis Delivery Operator Establishments are already restricted by the CCC to Economic Empowerment Applicants and Social Equity Program Applicants for a period of 36 months from the date the first licensee receives a notice to commence operations from the CCC.

Staff will be happy to answer any questions either before referral or during the public hearing process if it is referred.

Establishment Type	Cannabis Retail Store (existing)	Cannabis Production Facility (existing)	Cannabis Courier Establishment (new)	Cannabis Delivery Operator Establishment (new)
General Definition and Characteristics	<ul style="list-style-type: none"> On-site sale of cannabis products to consumers No processing/repackaging Can be non-medical, medical, or both No delivery; can have a co-located “Courier” business, but counts as a separate license (w/in statewide 3-license limit) 	<ul style="list-style-type: none"> Any cultivation, manufacturing, processing, or packaging Wholesale distribution only Can include Microbusiness Only allowed up to 10,000 square feet per Cambridge zoning 	<ul style="list-style-type: none"> No cannabis products on-site Includes office/dispatch area and parking spaces for vehicle fleet Limited delivery hours, vehicles parked at facility overnight 	<ul style="list-style-type: none"> Cannabis products on-site, but no customers on-site No processing/repackaging Includes warehouse/storage area for products and parking spaces for vehicle fleet Limited delivery hours, loading activity regulations
Permitted Zoning Districts	<ul style="list-style-type: none"> All Business (only Economic Empowerment in BA-1) All Industry 	<ul style="list-style-type: none"> Industry B-2 only 	<ul style="list-style-type: none"> All Office All Business All Industry 	<ul style="list-style-type: none"> All Office All Business All Industry
Location Standards	<ul style="list-style-type: none"> 300-foot buffer from schools and public parks/recreation (unless reduced by Planning Board) 1,800-foot separation from other cannabis retail stores (unless Economic Empowerment) 	<ul style="list-style-type: none"> 300-foot buffer from schools and public parks/recreation (unless reduced by Planning Board) 	<ul style="list-style-type: none"> None additional 	<ul style="list-style-type: none"> 300-foot buffer from schools and public parks/recreation (unless reduced by Planning Board)
Parking/Transportation Standards	<ul style="list-style-type: none"> Parking requirements typical of other retail; usually can be waived Operations and Logistics plan approved by TP&T and Police (currently in SP conditions) 	<ul style="list-style-type: none"> Low parking requirements typical of other light industry Operations and Logistics plan approved by TP&T and Police 	<ul style="list-style-type: none"> Low parking requirements typical of other light industry Off-street parking required for fleet vehicles (not waivable) Operations and Logistics plan approved by TP&T and Police 	<ul style="list-style-type: none"> Low parking requirements typical of other light industry Off-street parking required for fleet vehicles (not waivable) Operations and Logistics plan approved by TP&T and Police
Review/Approval Process	<ul style="list-style-type: none"> Planning Board special permit Criteria: access/egress, loading/service, aesthetic impacts of security measures, storefront activity, service to medical customers 	<ul style="list-style-type: none"> Planning Board special permit Criteria: access/egress, loading/service, aesthetic impacts of security measures, storefront activity, service to medical customers 	<ul style="list-style-type: none"> As-of-right Subject to standards in 11.800 	<ul style="list-style-type: none"> Planning Board special permit Criteria: access/egress, loading/service, aesthetic impacts of security measures, storefront activity, service to medical customers

Establishment Type	Cannabis Retail Store (existing)	Cannabis Production Facility (existing)	Cannabis Courier Establishment (new)	Cannabis Delivery Operator Establishment (new)
Local Non-Zoning Requirements	<ul style="list-style-type: none"> • Cannabis Business Permit • Host Community Agreement 	<ul style="list-style-type: none"> • Cannabis Business Permit • Host Community Agreement 	<ul style="list-style-type: none"> • Cannabis Business Permit • Host Community Agreement 	<ul style="list-style-type: none"> • Cannabis Business Permit • Host Community Agreement
Planning/Economic Development Considerations	<ul style="list-style-type: none"> • Previously granted special permits need to be amended to allow home delivery from site 	<ul style="list-style-type: none"> • None currently in Cambridge; typically requires larger, more remote sites 	<ul style="list-style-type: none"> • Third-party delivery costs to local retailers • “Non-storefront” spaces occupying vacancies in retail areas 	<ul style="list-style-type: none"> • Competition of delivery-only businesses with local cannabis retail • “Non-storefront” spaces occupying vacancies in retail areas