



City of Cambridge

Executive Department

LOUIS A. DePASQUALE
City Manager

LISA C. PETERSON
Deputy City Manager

To the Honorable, the City Council:

I am submitting the attached proposed Cannabis Business Permitting Ordinance to the City Council which would, among other things, create a social equity and economic empowerment applicant preference for proposed cannabis businesses in the City. The recent zoning ordinance passed on December 17, 2018 by the Council provided at §11.806 that the zoning for cannabis businesses would take effect on April 20, 2019 “or upon passage of a ‘Cannabis Business Permitting Ordinance,’ whichever comes first.” After the Cannabis Business Permitting Ordinance is enacted, actions required by the City Council relating to cannabis businesses in the City would be completed.

This draft Ordinance creates an independent permitting process that all cannabis businesses in the City will be required to satisfy as a condition to operating in Cambridge. The Ordinance applies to Cannabis Retail Stores, Cannabis Cultivators, Cannabis Product Manufacturers and Cannabis Transporters. The Ordinance creates an initial two-year period of exclusivity allowing only Priority Applicants, as defined in the Ordinance, to obtain a Cannabis Business Permit in the City. After the two years, other applicants may also be granted Cannabis Business Permits. Group A Priority Applicants are defined in the Ordinance as those certified by the Commonwealth as Economic Empowerment or Social Equity Program applicants, or a Women or Minority Owned business. Group B Priority Applicants are existing Registered Marijuana Dispensaries (“RMDs”) selling medical cannabis who also want to sell retail cannabis. All applicants must satisfy the ten permitting requirements listed in section 5 of the Ordinance.

The permitting process will be primarily administered and enforced by the Inspectional Services Department. However, the Community Development Department, Public Health Department and the Police Department will also have a role to play in the administration and enforcement of the Ordinance provisions. In brief, the Ordinance proposes the following steps in the overall City permitting process for Cannabis Businesses:

- a. Priority Applicants to request certification as such by the Director of the Economic Development Division of the Community Development Department;
- b. All applicants to enter into a Host Community Agreement with the City to be executed by the City Manager and the applicant;
- c. All applicants to apply for and obtain a Planning Board special permit in compliance with the Zoning Ordinance;

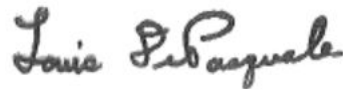


- d. All applicants to obtain all other permits and approval required by State and local laws and regulations to the extent that such other permits and approvals can be obtained prior to the City's issuance of the Cannabis Business Permit; and
- e. All applicants to obtain the Cannabis Business Permit from the Inspectional Services Department provided for by the attached Ordinance.

The Cannabis Business Permit will be subject to annual renewal and will be subject to revocation if the holder violates the applicable laws and/or permit conditions. Both ISD and CDD will have authority to promulgate regulations to implement the Ordinance with respect to their respective Ordinance responsibilities.

This Ordinance has been informed by discussions that have taken place over the past several months at the City Council and its Public Safety Committee, Neighborhood and Long-Term Planning Committee, and Economic Development and University Relations Committee. This draft was prepared with the participation of several departments, including the Law Department, Community Development Department, Public Health Department, Inspectional Services Department, Police Department, Traffic, Parking and Transportation Department, Department of Human Services Programs and License Commission.

Very truly yours,

A handwritten signature in black ink that reads "Louis DePasquale". The signature is written in a cursive, slightly slanted style.

Louis A. DePasquale
City Manager

LAD/mec
Attachment(s)