

Testimony for a Hearing Reviewing the Implementation of the Ordinance Establishing the  
Equitable Regulation of the Cannabis Industry in the City of Boston  
Thursday, June 4, 2020

Submitted to:  
Lydia Edwards, Chair, Committee on Government Operations

Submitted by:  
Shaleen Title, Commissioner, Cannabis Control Commission

Dear Chair Edwards and Members of the Committee:

Thank you for inviting me to submit testimony regarding the implementation of Boston's groundbreaking ordinance to ensure equity in its local cannabis industry. I was unable to join you because the Commission met at the same time as the hearing, but I greatly appreciate the invitation to share my input with you.

I submit this testimony in my individual capacity as a commissioner appointed for my expertise in legal, policy, and social justice issues, and based on three years of experience striving for equitable cannabis regulations and licensing.

My observation of the words and actions of the City Council, Office of Emerging Industries, and forthcoming Cannabis Board continues to give me confidence that you will fulfill your vision. Based on experience, my current recommendation is to focus and invest resources in the following areas: communication; predictability; and policies to keep barriers to entry to the minimum necessary to ensure the health and safety of your residents.

### **Communication**

One of the biggest drivers of inequity and frustration among applicants is a lack of understanding of their status in the process, specifically a feeling of being in the dark. If I could go back in time, I would have focused earlier on a method for applicants to see their status on demand. We are building a tool which allows applicants and the public to see what phase the applicant is in and their position in the queue to be reviewed.

I also recommend creating a document on your website in which every question asked about the process is published, even if the answer is a referral to an ordinance or regulations. This is different from a curated FAQ document in that it is unfiltered and unorganized, but comprehensive. Such a document would play a significant role in filling the information gap between people with lobbyists, lawyers, and similar resources versus everyone else.

### **Predictability**

I understand firsthand how difficult it is to establish certainty of any kind, considering how many elements of the review and approval process are out of the control of officials. Nonetheless,

given the uniquely painful circumstances that equity applicants often face, creating a predictable process is crucial.

The Cannabis Board may wish to develop a strict timeline governing the review of applications before and after it is sent to the Board, along with a list of objective circumstances under which more time may be needed. In those inevitable cases, communicating the reason for the delay and expectations to the applicant is key.

I would also recommend creating a checklist for applicants to understand specifically what they need to complete and submit before their application will be in front of the Cannabis Board. This might include meetings they need to hold, people they need to notify, letters they need to collect, and disclosures they need to make. All effort that you can put toward making these items as fair and nonpolitical as possible will go a long way.

Ideally, applicants would be able to see the status of each of those items as each is marked complete. This could prevent prospective business owners from thinking that they are in the queue to be considered by the Board when they have not in fact submitted the information they need to submit. From experience, this could save a lot of heartache for both them and you.

Finally, given the half-mile separation requirement, the map of businesses who have signed host community agreements on the City website is very helpful. If it is possible to provide applicants more information about other applicants' locations or otherwise increase predictability regarding that requirement, that would help reduce the advantages that more well-resourced companies currently enjoy.

## **Policy**

First and most importantly, please consider taking any steps possible to provide extra support to delivery-only businesses and microbusinesses. These businesses generally impose a smaller, if any, cost to the city, and the owners tend to have fewer resources available for navigating bureaucratic processes. For its part, the Commission has created a pre-certification process to allow certain business owners to be pre-certified as demonstrating the propensity to operate a successful business before seeking a host community agreement. Please consider taking advantage of this and offering a process with fewer barriers to pre-certified applicants. You can learn more about pre-certification in our [Guidance on Licensing](#).

Second, your provision requiring that the city maintain an equal number of equity and non-equity applicants is powerful. To maximize its impact, consider further refining that ratio to maintain equal numbers of similarly situated businesses from each group. For example, consider maintaining an equal number of equity and non-equity applicants who own retail businesses in a profitable location, or equity and non-equity applicants who own large cultivation facilities.

On the other end of the spectrum, consider maintaining an equal number of delivery-only services owned by equity applicants as the number of microbusinesses owned by non-equity applicants. Refining the ratio to be more specific can prevent a situation in which only the least

profitable businesses are owned by equity applicants, undermining the goal to ensure equity and create generational wealth.

Lastly, the Commission wants to assist municipalities in creating equitable cannabis policies. It developed a [Guidance on Municipal Equity](#) for precisely this purpose. Some relevant highlights to consider:

- *According to feedback from the Cannabis Advisory Board Subcommittee on Market Participation and public feedback to the Commission, real estate is one of the primary hurdles for small businesses and businesses owned by people from marginalized communities. When municipalities impose overly strict zoning rules and large buffer zones, they sharply limit the number of parcels available to potential operators. This favors large businesses with substantial financial resources that can outbid other potential operators and overpay for a lease or purchase of property—often at the expense of smaller, local companies—and tends to direct large rewards to a small handful of landlords and property owners.*
- *. . . Therefore, the Commission’s recommendation is to zone cannabis businesses based on the nature of their primary business operations. It may be most appropriate, for example, for cultivators, microbusinesses, and cooperatives to be zoned, respectively, as agricultural, industrial, and manufacturing businesses, while cannabis retailers would be zoned in the same manner as any other retailer. Manufacturers, as defined as a Marijuana Establishments, may be appropriate for multiple zones, as they may encompass small microbusinesses or companies creating edibles in commercial kitchens.*
- *State law establishes a 500-foot buffer around K-12 schools. A municipality may choose to reduce the size of that buffer. It is unclear whether buffer zones around other uses, such as parks, are legally permissible. The Commission suggests that additional buffer zones or separation requirements may not be necessary and cautions communities against acting arbitrarily.*

Thank you for your consideration and for the leadership you have shown. I am available to discuss this in more detail and to answer any questions this committee may have.

Sincerely,

Shaleen Title, Commissioner  
Cannabis Control Commission  
Union Station, 2 Washington Square  
Worcester, MA 01604  
shaleen.title@cccmass.com