



Ruthanne Fuller
Mayor

City of Newton, Massachusetts
Office of the Mayor

Telephone
(617) 796-1100
Fax
(617) 796-1113
TDD/TTY
(617) 796-1089
Email
rfuller@newtonma.gov

April 29, 2019

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Dear City Councilors,

I am writing to give you an update on the status of recreational marijuana retailers.

Host Community Agreement Process

On December 3, 2018, the City of Newton (City) adopted amendments to its Zoning Ordinance to govern all marijuana establishments and registered marijuana dispensaries (RMDs). The Newton Zoning Ordinance requires a Special Permit from the City Council for all marijuana establishments. Marijuana uses are restricted to certain commercial and manufacturing zones and numerous standards and criteria are placed on the different types of marijuana uses, including a limitation of eight (8) marijuana retailers in total and a requirement for a half-mile buffer between all marijuana retailers and RMDs.

Under state law, marijuana establishments and RMDs are required to execute Host Community Agreements (HCA) with the municipalities in which they operate. The agreement must set forth the responsibilities of the marijuana establishment or RMD and the community. The HCA may include a community impact fee of up to 3% of gross sales to be paid to the host community. The Cannabis Control Commission and state Attorney General have stated that executing an HCA is the sole authority of the municipality's contracting authority, which in the case of a city is the Mayor. The Mayor is not obligated to enter into an HCA with any particular applicant. The basis for this review and consideration is to protect the health, safety and welfare of Newton residents and the community as a whole, while determining which marijuana establishment and RMD operators best align with Newton's community values.

I have designed a process for reviewing applicants for HCAs. It considers criteria such as security, public health, community relations, experience, equity, economic value, sustainability and context. I have created a Marijuana Host Community Agreement Advisory Group (Advisory Group) consisting of representatives from Planning and Development, Law, Police, Health and Human Services, Transportation and the Mayor's office to meet with applicants and give me a recommendation on whether to grant a provisional Host Community Agreement. The HCA is provisional until the completion of the City Council's special permit process.

Decision on Four Applicants for Host Community Agreements

The Advisory Group has been meeting with applicants and has given me their recommendations on the first four applicants for marijuana retailers.

The Advisory Group has recommended moving forward with provisional host community agreements for two applications for marijuana retailers at 24-26 Elliot Street and 58 Cross Street (1089 Washington Street). The Advisory Group did not recommend moving forward with two other applications for marijuana retailers at 1081 Washington Street and 747 Beacon Street.

I agree with the recommendations of the Advisory Group.

Per the Advisory Group's recommendations, I will be signing a provisional HCA with Cypress Tree Management for 24-26 Elliot Street, just off Rt. 9 at the edge of Newton Highlands and Newton Upper Falls. Cypress Tree Management, the applicant for a marijuana retailer at 24-26 Elliot Street, was approved for a registered medical marijuana dispensary (RMD) by the City Council last year and is looking to co-locate an RMD and marijuana retailer. The management team has substantial experience in the marijuana industry and presented a thoughtful approach to security and operations. Cypress Tree also had appropriate public health, community relations, equity and sustainability philosophies and has identified numerous transportation and parking management proposals to address concerns regarding congestion and parking. The Advisory Group noted that the proposed site location presents some challenges as Elliot Street experiences congestion currently and the intersection with Rt. 9 backs up during peak periods; this is an issue the City Council may wish to further consider in more depth during the Special Permit process.

Per the Advisory Group's recommendations, I will also be signing a provisional HCA with Ascend Mass, LLC, the applicant for 58 Cross Street (also known as 1089 Washington Street, the former Beacon Hill Athletic Club) just outside of West Newton Square. Ascend Mass has a management team with experience in law enforcement, regulatory compliance, retail and cultivation. The applicant presented thorough plans for operations, security, equity and transportation management. The site has ample parking and safe access and circulation. Ascend also has appropriate public health, community relations, and sustainability philosophies.

I have chosen not to proceed with a provisional HCA for CNA Stores, Inc. at 747 Beacon Street in Newton Centre. The Advisory Group identified concerns regarding the suitability of the proposed site and the lack of a well-rounded management team. CNA Stores proposed a marijuana retailer at 747 Beacon Street, the former location of Murray's Liquors. The management team has experience in technology, security and government relations, but lacks experience in the marijuana and retail industries as well as community relations. The property does not have an adjacent parking lot. Rather, the applicant has identified an off-site parking lot that would be leased in order to provide parking for customers; however, the parking area presents safety and security concerns due to the lack of visibility into the parking lot, difficult maneuverability for vehicles, and lack of safe pedestrian passage from the parking to the building.

I have also chosen not to proceed with a provisional HCA for Ikanik Farms at 1081 Washington Street, just outside of West Newton Square and adjacent to the Ascend Mass location. As with the Newton Centre location, the Advisory Group identified concerns regarding the suitability of the proposed site and the lack of well-rounded management team. The Ikanik Farms management team has extensive

experience in the medical marijuana industry in California, and other western states. The team, however, lacks dedicated staff to oversee security and community relations. The proposed site, a former mattress store, has only six parking stalls in the rear with difficult maneuverability within the site. There is not dedicated pedestrian access from the parking area to the front door. While there are often available street parking spaces along the opposite side of Washington Street, there is not a safe pedestrian crossing for approximately a half mile in either direction.

Next Steps

The two applicants who have been granted a provisional HCA will now undergo a rigorous review by the City Council. The final decision as to whether and under what conditions a marijuana establishment may operate will be made by the City Council as part of the Special Permit process. The Special Permit process includes public input and allows for the City Council to consider concerns raised by the public, as well as how the proposal meets the goals of the City and criteria established by the Newton Zoning Ordinance.

Additional Requests for Host Community Agreements

The HCA Advisory Group continues to meet with applicants for marijuana retailers in other areas of the city and expects to bring forward the next group of recommendations in approximately four to six weeks.

Garden Remedies

Garden Remedies is currently operating at medical marijuana dispensary at 697 Washington Street, just outside of the village in Newtonville. It is awaiting its final inspection from the Cannabis Control Commission. Once it passes that inspection, it is likely to open three or four days later. As soon as we know the date of the final inspection, I will let you know.

Attached please find both the Host Community Agreement Process memo and the memos on the four applicants to me from the Advisory Group.

Please feel free to reach out to me with any questions.

Sincerely,



Mayor Ruthanne Fuller

