FarmBug Co-opऔ

To the Somerville Board of Aldermen(women):

My name is Eric Schwartz and I am the Co-founder of Farm Bug Cooperative as well as a Somerville resident, homeowner and voter. My organization, <u>Farm Bug Co-op</u>, is in the process of applying for Craft Marijuana Cooperative license from the state sanctioned Cannabis Control Commission (CCC). In addition to this, I am a legalization activist that has advocated across Massachusetts to ensure that our farmers have access to the marijuana industry as well as the full participation of those individuals and communities disproportionately impacted by the war on drugs, as per state law, <u>Chapter 94G: Regulation of the Use and Distribution of Marijuana Not Medically Prescribed</u> and <u>Chapter 55 of the Acts of 2017</u>.

The first thing I would like to convey to the Board is that my organization is what I will refer to as a "small player" in this Massachusetts cannabis industry. Thus far, this industry has been extremely unforgiving to the small, local players. To convey this further, I have also included with these public comments 9 pages that I wrote to the Cannabis Control Commission during a recent public comment period, which explains in more detail my experience as a cannabis advocate. What I can tell you firsthand is that access to this industry is directly related to the zoning of marijuana establishments. The more restrictive zoning ordinances and bylaws are, the harder it is for small players to enter this industry. That is especially true in densely populated areas like Somerville, where it is very common for large cannabis corporations with millions of dollars in investment to compete for very small areas of the city. What also occurs as part of this process is that landlords and building owners raise price-per square-foot because they know the high demand for commercial space for this new industry. Therefore, the more limiting the zoning is for adult use cannabis establishments, the higher the investment costs will be and the less access that smaller players will have to the local industry. This means less access for local entrepreneurs and residents and, also, less access for economic empowerment applicants, who, by state law, are required to be given priority for licensing.

I believe that this initial zoning ordinance for adult use cannabis is shortsighted for a number of reasons. The first one is that, when I attended the session on the evening of September 6th, all that this Board seemed to be discussing was retail shops. The state regulations (<u>935 CMR 500: Adult use of marijuana</u>) allow for many more business types other than retail as follows:

- 1. Marijuana Cultivator
- 2. Craft Marijuana Cooperative
- 3. Marijuana Product Manufacturer
- 4. Marijuana Retailer
- 5. Marijuana Research Facility;
- 6. Independent Testing Laboratory and Standards Laboratory



- 7. Marijuana Transporter
 - a. Existing Licensing Transporter;
 - b. Third Party Transporter
- 8. Marijuana Microbusiness

I believe that the current zoning ordinance is only viewing this industry by assuming that retail businesses will want to move into town. I can assure you that will not be the case. This industry will be very profitable in the years ahead and all kinds of business types will want to move into such a growing community like Somerville that is becoming home to so many other startup businesses. Also attached along with these comments is an educational packet that my organization, Farm Bug Co-op, has provided to the public, which I felt may also be helpful to this Board.

Related to the debate over retail establishments, the Board had mentioned the 20% of marijuana retail shops as a portion of the city's liquor stores. There are two things to note about this 20%. First, this is *not* a cap, this is the *minimum* requirement by state law. Second, this 20% only applies to retail establishments. It does not apply to any other marijuana business (as I have laid out above).

Lastly, I wanted to the address the fact that setbacks in relation to schools was a concern that was brought up by the Board during the last zoning meeting on September 6th. I am a father of two daughters, who I intend to raise in Somerville. I have one daughter two-and-a-half and another daughter 5-weeks old. I would like to convey to this Board that —as a father—a legal, regulated marijuana industry is much safer to children than an unregulated illicit industry. An illicit market, by nature, is dangerous both to the public and to children. The more restrictive that zoning is in Somerville for the regulated adult use industry, the longer the illicit industry will exist and thrive in Somerville. The longer this illicit market exists, the less safe it will be for children.

I hope that this information is helpful to this Board. As I have been contacting many of you about this issue since December of 2017 (and perhaps earlier), I remain available for your questions and your thoughts.

Most Sincerely,

Eric R. Schwartz Co-Founder <u>Farm Bug Cooperative</u> <u>eric@farmbug.coop</u>