

**John Long**

---

**From:** Eric R. Schwartz <eric@farmbug.coop>  
**Sent:** Wednesday, October 31, 2018 10:48 AM  
**To:** City Clerk Contact  
**Subject:** Proposal on Adult Use Cannabis Licensing Ordinance  
**Attachments:** Proposal for Adult Use Marijuana Licensing Ordinance (Eric R. Schwartz).pdf

Hello City Clerk's Office:

My name is Eric Schwartz. I am a Somerville resident and Co-founder of Farm Bug Cooperative as well as a community organizer and cannabis advocate. I have sent the attached proposal regarding the Somerville Licensing Ordinance on Adult Use Marijuana through the Board of Aldermen(women). I also wanted to send it to the Clerk's office as a matter of public record.

Please let me know should you have any questions regarding this proposal. I thank you for your time on this matter.

My Best,

Eric

**Eric R. Schwartz**  
Co-founder  
Farm Bug Co-op  
[eric@farmbug.coop](mailto:eric@farmbug.coop)  
[farmbug.coop](http://farmbug.coop)



To the Somerville Board of Aldermen(women):

My name is Eric Schwartz. I am a Somerville resident, community organizer, and Co-founder of Farm Bug Cooperative. It is my intention with this proposal for the [Somerville Licensing Ordinance on Adult Use Marijuana](#) to achieve two very important goals: first, to encourage the participation in the local cannabis industry of economic empowerment applicants and small businesses; and, second, to ensure a smooth and speedy roll out of the adult use cannabis industry in the City of Somerville.

As per the state statute, which was voted on and passed by a majority of voters in Massachusetts and [over 75% of Somerville voters](#), per [Chapter 94G, Section 4](#), the state-sanctioned Cannabis Control Commission (CCC) must:

promote and encourage full participation in the regulated marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities.

This legal requirement was furthered when the Massachusetts House of Representatives and the Senate voted to enact [Chapter 55 of the Acts of 2017](#), which was subsequently signed into law by Governor Charlie Baker, and states that the Cannabis Control Commission must:

promote and encourage full participation in the regulated marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement and to [positively impact those communities](#);

Although Somerville was not identified as [1 of the 29 Massachusetts communities of disproportionate impact](#) by the Cannabis Control Commission, our city still has the ability to “positively impact” these communities by creating a local environment that encourages the creation of diverse and minority-owned businesses. A way to do this is by implementing a Licensing Ordinance that prioritizes local licensure for what the CCC has already identified as economic empowerment applicants as well as resident-owned businesses and cooperatively-owned businesses. I believe that such a Licensing Ordinance will create a local cannabis industry that is not only diversified in its workforce but, also, diversified in the nature of businesses that come into our city. To date, the medical marijuana industry in the state of Massachusetts has been dominated by vertically integrated Registered Marijuana Dispensaries (RMD’s). These corporations have done little to encourage small business participation in the industry and, in many instances across the state, have lobbied for monopolistic local ordinances and bylaws. They have also lobbied against equity in the cannabis industry and this is well documented as a matter of public





record. As such, I propose that the City of Somerville acknowledge both the state statute and the current business environment by creating a more equitable local licensing policy.

My proposal for Somerville's Licensing Ordinance on Adult Use Marijuana is to create a layered approach to issuing licenses, such that we put a pause on these predatory big business practices in favor of a more balanced roll out of the local industry. I believe this can be achieved by creating the following language as part of this Licensing Ordinance:

Replace Subsection (ii) **Priority Applicants** with:

The Licensing Commission shall consider an application for licensure from only a priority applicant in the first year of licensure from the date of passage of this Ordinance. In the second year from the date of passage of this Ordinance, the Licensing Commission may consider adult use licensure of the three existing Registered Marijuana Dispensaries (RMD's) already within the city, in addition to priority applicants. In the third year from the date of passage of this Ordinance and there beyond, the Licensing Commission may consider adult use licensure for all applicants, statewide, provided that, any RMD considered for licensure must make up no more than 50% of the total marijuana establishments in the City of Somerville and that any application submitted by an existing Economic Empowerment Applicant is prioritized by the Licensing Commission.

Such a licensing proposal could perhaps be simplified as follows:

- **Year 1** – Local adult use marijuana licenses are available to priority applicants (Economic Empowerment Applicants, Cooperative Businesses, and at least 50% Somerville resident-owned businesses)
- **Year 2** – Local adult use marijuana licenses are available to priority applicants (Economic Empowerment Applicants, Cooperative Businesses, and at least 50% Somerville resident-owned businesses) and RMD's already existing in the city (Sira Naturals, Revolutionary Clinics, and Liberty Cannabis).
- **Year 3** – Local adult use marijuana licenses are available to all applicants, state-wide, provided that any Registered Marijuana Dispensaries (RMD's) considered for licensure must makeup no more than 50% of total adult use marijuana licenses issued in the City of Somerville and any application submitted by an existing Economic Empowerment Applicant must be prioritized by the Licensing Commission.

**Proposal for a Working Group on Social Equity in Local Cannabis:**





In addition to the above Licensing Ordinance changes, I propose that, as a requirement of this Licensing Ordinance, the city creates a working group dedicated to social equity in the local cannabis industry. This group would partner with the state-sanctioned [Cannabis Control Commission](#) to encourage Economic Empowerment Applicants to seek licensure for a cannabis business in the City of Somerville. It would develop research as to what the barriers are to accessing the marijuana industry for economic empowerment applicants and small, locally-owned businesses. This, coupled with a strong Licensing Ordinance that prioritizes economic empowerment applicants, would create an environment where Somerville is addressing equity in the cannabis industry at the same time that adult use marijuana businesses are opened in our community without major delays. This working group is a good solution to ensure that, even though Somerville has prioritized licenses for a smaller pool of applicants, we are still dedicated to a speedy roll out of adult use cannabis in our city.

The makeup of this committee should be as follows:

1. One member with experience in cooperative businesses (producer-owned, worker-owned, or consumer-owned)
2. One member from a non-profit organization dedicated to social equity
3. One member that is a lawyer dedicated to cannabis law
4. One member specializing in cannabis research
5. One state-approved Economic Empowerment Applicant
6. One member that is a Somerville resident of Latino descent (which is a racial minority group that the Cannabis Control Commission has identified as a community disproportionately impacted by the war on drugs)
7. One member that is a Somerville resident of African American descent (which is a racial minority group that the Cannabis Control Commission has identified as a community disproportionately impacted by the war on drugs)
8. One member that is a Somerville resident formally incarcerated for a marijuana drug crime
9. One member who works for a Registered Marijuana Dispensary (RMD) operating within the City of Somerville
10. One local resident who is a marijuana consumer and would represent the adult use consumers of Somerville
11. One representative from the Somerville [Office of Strategic Planning and Community Development \(OSPCD\)](#)
12. One Representative of the Somerville [Chamber of Commerce](#)





13. One representative who is a member of [Somerville Local First](#)

I'd like to thank this Board for the opportunity to present my proposal in what I hope is a very clear and appropriate manner. I look forward to working with this Board on passing an equitable Licensing Ordinance and working with city officials to ensure that the local cannabis industry in Somerville is a diverse, fair, and equitable one. I believe this is what the over 75% of Somerville voters wanted when they passed Question 4 in November of 2016. They wanted for this new industry to provide opportunities to our residents and to our local communities, not just to a select group of well-funded corporations.

Most Sincerely,

A handwritten signature in black ink, appearing to read "Eric R. Schwartz".

**Eric R. Schwartz**  
Co-founder  
Farm Bug Cooperative, LLC

