

MARIJUANA IN

NEW MARLBOROUGH ?



THE CANNABIS AD-HOC COMMITTEE

- **Research Marijuana Businesses and options.**
- **Share information.**
- **Survey opinions.**
- **Report to Planning Board**
- **IMPARTIAL and UNBIASED**

Q. *What are we talking about today?*

**A. ADULT-USE (recreational)
MARIJUANA
ESTABLISHMENTS**

Q. *What does that mean?*

Does that mean.....

**PERSONAL USE OR
PLANTS IN THE
BACKYARD ?**

NO

Does that mean.....

**MEDICINAL
MARIJUANA?**

NO

Does that mean.....

**PEOPLE SMOKING WEED
IN OUR RESTAURANTS
AND STORES?**

NO

Does that mean.....

**I HAVE TO LIKE
MARIJUANA ?**

NO

That means....

**Legal businesses that
grow, process and sell
recreational marijuana**

**and what we think of them
coming to New Marlborough.**

That's what were talking about!

MARIJUANA IN

NEW MARLBOROUGH ?

- ESTABLISHMENTS
- REGULATIONS
- SCENARIOS
- OPTIONS



MARIJUANA ESTABLISHMENTS



MARIJUANA ESTABLISHMENTS

1) Cultivator

**2) Craft
Cooperative**

3) Manufacturer

4) Retailer

**5) Research
Facility**

6) Testing Lab

7) Transporter

**8) Micro-
Business**

1) CULTIVATOR

- **Grow, process and package marijuana.**
- **Deliver to other businesses but not to consumers.**
- **Outdoors, in a greenhouse or indoors.**
- **Strict licensing requirements control size, operations, security.**

1) CULTIVATOR

Outdoor growing



Typical

1) CULTIVATOR

20,000 sf (1/2 acre) growing area



Typical

1) CULTIVATOR

100,000 sf (2.3 acre) growing area



Typical

1) CULTIVATOR

1,000,000 sf (23 acre) growing area



Freetown, MA

2) CRAFT COOPERATIVE

- **Massachusetts farmers join together and form a co-op owned and governed by those farmers.**
- **Grow, manufacture, process, package, deliver to other businesses but not consumers.**
- **Up to 100,000 sf of grow area in multiple locations.**

2) CRAFT COOPERATIVE



Illustrative

2) CRAFT COOPERATIVE

Barn



Typical

2) CRAFT COOPERATIVE

Cannabox



Available nationwide

3) PRODUCT MANUFACTURER

- **Buys from a cultivator and makes edibles, oils, baked goods, gummies, tinctures, creams, etc. and delivers them to other businesses but not to consumers.**

3) PRODUCT MANUFACTURER

Proposed medicinal product manufacturer



Minnesota

3) PRODUCT MANUFACTURER

Medicinal product manufacturer.



Ravena, NY

3) PRODUCT MANUFACTURER

Adult-use product manufacturer.



California.

3) PRODUCT MANUFACTURER

Elixirs and Edibles Factory



Denver

4) RETAILER

- **Sells marijuana and products to consumers (21 or older) in a physical retail store.**
- **No on-site consumption or delivery to consumers.**
- **Local sales tax of up to 3% of gross revenues can be collected from Retailers.**
- **Can be locally regulated similar to package stores.**

4) RETAILER

Medicinal dispensary applied for a retail license.



Great Barrington, MA

4) RETAILER

Adult-use retailer.



Denver, Colorado

4) RETAILER

Adult-use retailer.



Lincoln City, Oregon.

4) RETAILER

Adult-use retailer.



California

4) RETAILER

Adult-use retail shop.



Seattle, Washington

5) RESEARCH FACILITY

- **Grows or buys marijuana and products to do research on it.**
- **No selling.**

5) RESEARCH FACILITY

Proposed Facility



BC, Canada

5) RESEARCH FACILITY

Proposed Facility.



Project no. 0025
09.13.2015



Laboratory Image 2

CannaDevelopment
Company

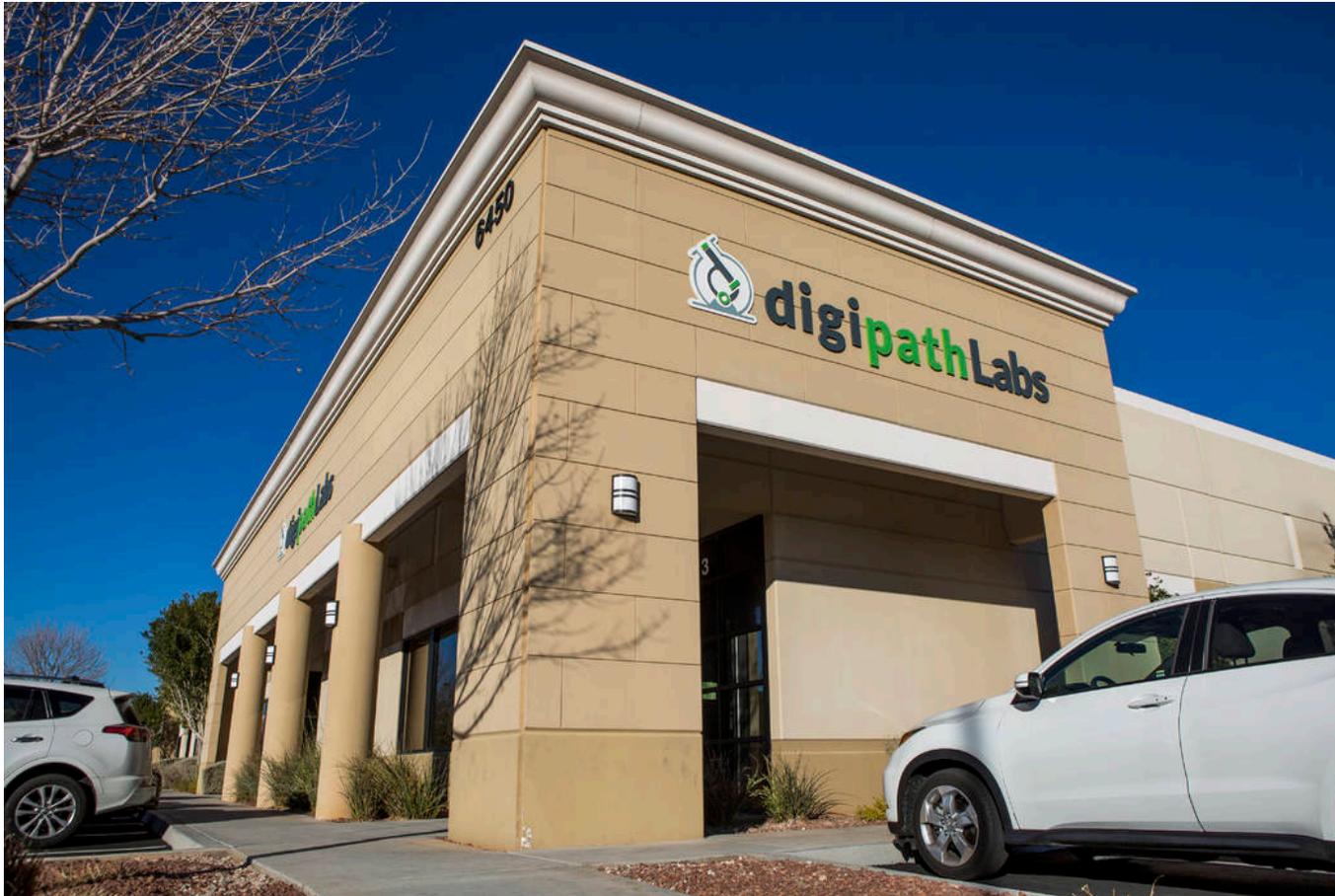
A-5

Ohio

6) TESTING LABORATORY

- Performs **tests** (mold, pesticides, THC level, etc) on marijuana and products.
- In compliance with **State Regulations**.
- **Independent**.

6) TESTING LABORATORY



Las Vegas, Nevada

6) TESTING LABORATORY



Nevada

7) TRANSPORTER

- **Transports** marijuana and products to other businesses but not to consumers.

7) TRANSPORTER

MPS Security Transport Vehicle



Nationwide

8) MICRO-BUSINESS

- **A small-scale local business that can *grow* (up to 5,000 sf) and *manufacture* in one location.**
- **Massachusetts residents.**
- **Reduced application and license fees.**

8) MICRO-BUSINESS

2,500 sq. ft. grow facility



Available nationwide

8) MICRO-BUSINESS

Small manufacturing building



Typical

8) MICRO-BUSINESS

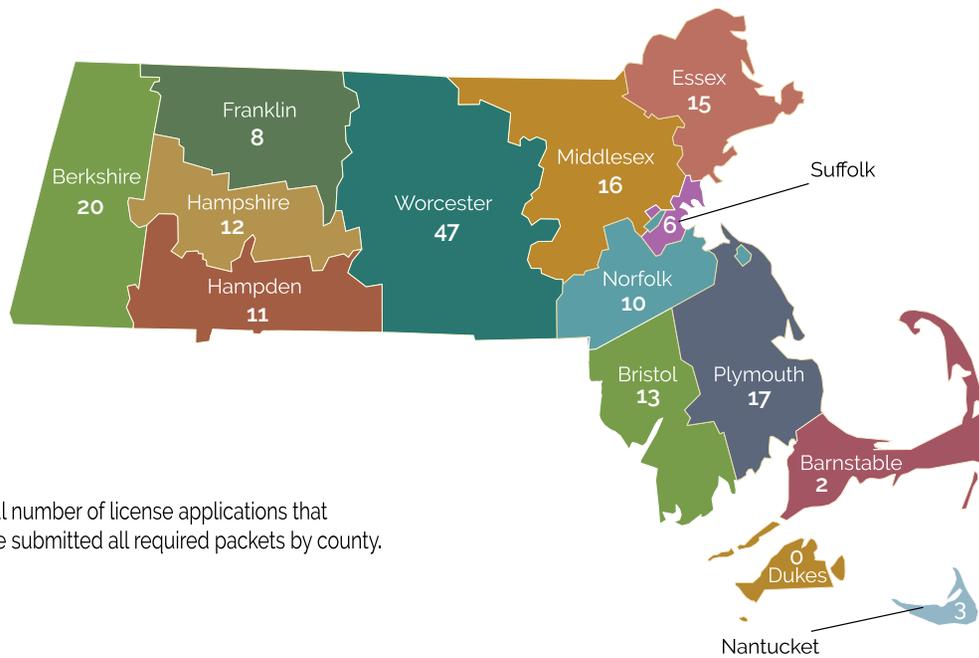
Barn



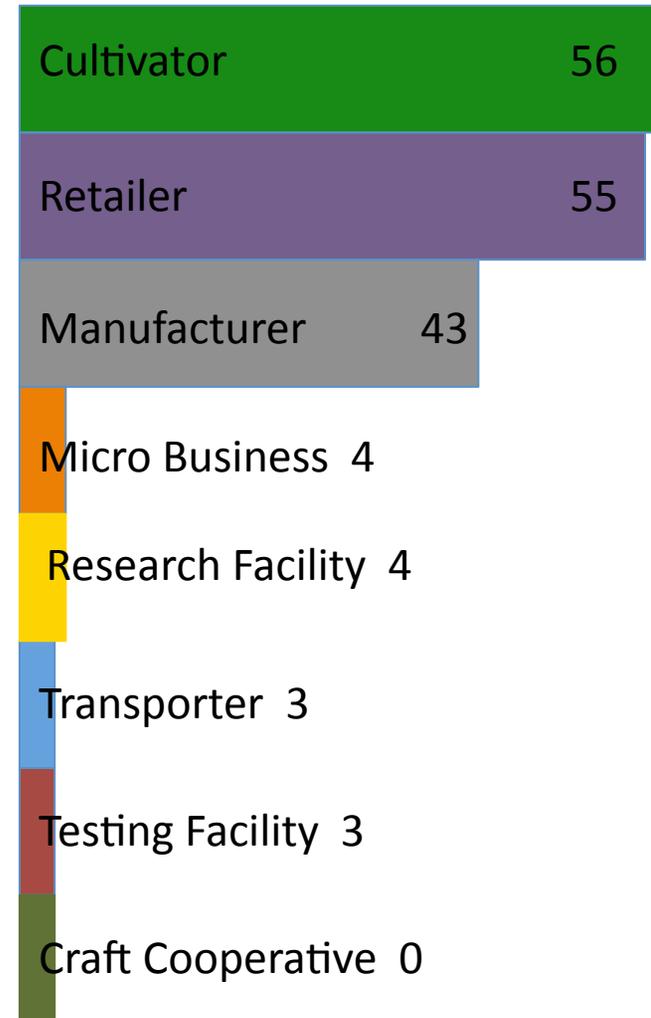
Typical

MARIJUANA ESTABLISHMENTS

Statewide



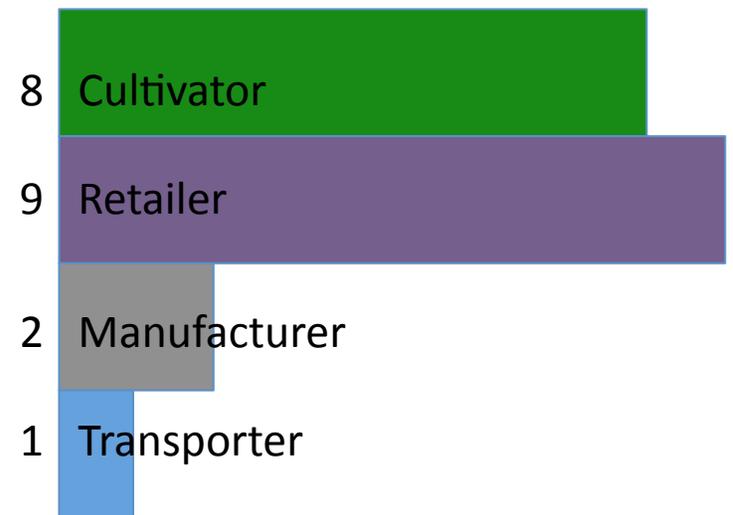
Total number of license applications that have submitted all required packets by county.



MARIJUANA ESTABLISHMENTS in Berkshire County

20 Complete License Applications

<u>11 Pittsfield</u>	<u>5 Sheffield</u>
5 Retailer	3 Cultivator
4 Cultivator	1 Manufacturer
1 Manufacturer	1 Retailer
1 Transporter	
Chester	1 Cultivator
Great Barrington	1 Retailer
Lee	1 Retailer
Williamstown	1 Retailer



REGULATIONS



The Marijuana business is

**HEAVILY
REGULATED**

by many state agencies

Strict APPLICATION and LICENSING process:

- **Business description.**
- **Legal source of \$\$**
- **Background checks** (CORI, fingerprints)
- **Land control.**
- **Town involvement.**

Many controls on OPERATIONS

- **Security, lighting & access**
- **Marketing & branding**
- **Money management**
- **Training**
- **Quality, tracking & reporting**

Many controls on ENVIRONMENTAL IMPACT

The industry is held to Industrial, Agricultural *and* Environmental standards to protect the public from contamination.

- MA Clean Waters Act
- MA Surface Waters Discharge Permit Program
- MA Groundwater Discharge Program
- Federal Clean Water Act
- National Pollutant Discharge Elimination System
- MA Solid Waste Facility Regulations
- MA Cannabis Control Commission
- MA Pesticide Control Act and Regulations
- MA Department of Agriculture Regulations
- MA Plant Nutrient Application Requirements
- MA Building Code
- International Energy Conservation Code

Must demonstrate compliance to get and keep license.

Areas of ENVIRONMENTAL CONTROL:

- **Waste Disposal**
- **Chemicals/Pesticides/
Fertilizers**
- **Energy Efficiency**
- **Water**
- **Local Impacts**

Environmental Control:

WASTE DISPOSAL

- **Solid waste** must be made unusable for its original purpose prior to disposal.
- **Liquid waste** must be disposed of per state and federal regulations.
- **Means and methods** must be documented: quantity, manner & location of disposal and names of 2 licensed agents present.

Environmental Control:

CHEMICALS/PESTICIDES/ FERTILIZERS

- **Regulated** per state agricultural requirements.
- **Products, Application, Reporting, Training and Licensing** strictly controlled.

Environmental Control:

ENERGY EFFICIENCY

- **Must** satisfy minimum efficiency standards.
- **Adopt** plans to reduce water and electricity usage.
- **Report** usage to the CCC.

Environmental Control:

WATER

- **Discharge** must comply with Clean Water Act and state regulations and be free of pollutants.
- **Report** water usage to the CCC.

Environmental Control:

LOCAL CONCERNS

- **Water** capacity, sources, runoff and containment can be addressed locally. Challenging issue.
- **Odor** control is challenging - noxious, non-agricultural uses can be regulated.
- **Lighting** impact can be regulated locally using Dark Sky Association standards.

HOST AGREEMENT

- **Contract with every marijuana business.**
- **Can Include: Obligations of town**
 - (example)
 - cooperate with licensing process.

Obligations of business

- (example)
- Local job preferences
- Decommission clauses
- Security
- **Community Impact Fee**

COMMUNITY IMPACT FEE

Payment to town for impacts caused by the presence of the marijuana business.

- 5 year term. Optional renewal.
- Up to 3% of gross sales.
- Costs ***actual*** and ***documented***. Could include:
 - Traffic studies
 - Environmental studies
 - Substance abuse education, prevention, wellness programs
 - Public safety costs
 - Inspection costs
- **Revenue generated must be spent on costs incurred due to impact of business being in town.**

LOCAL CONTROLS

Limited by the State

- **Bylaws & Ordinances**
 - Can ban, limit, regulate & zone.
 - May not be "unreasonably impracticable"
- **Taxes**
 - Can impose a 3% local sales tax on a **retailer.**
- **Local Licensing**
 - Can have local licensing process.
- **Host Agreement**

SCENARIOS



1. RETAIL



- **1,500 sf new building w/ parking, 2 acres.**
- **Property acquisition \$100,000.**
- **\$450,000 construction, total cost \$550,000**



1. RETAIL

PROPERTY TAX

- Assessment: \$550,000
- Property tax

\$ 6,000

SALES TAX

- Range of retail sales revenue* \$200,000 - \$2,000,000
- Range of sales tax (3% Gross Revenue) \$6,000 - \$60,000
- Mid Range Sales Tax

\$ 33,000

POTENTIAL REVENUE

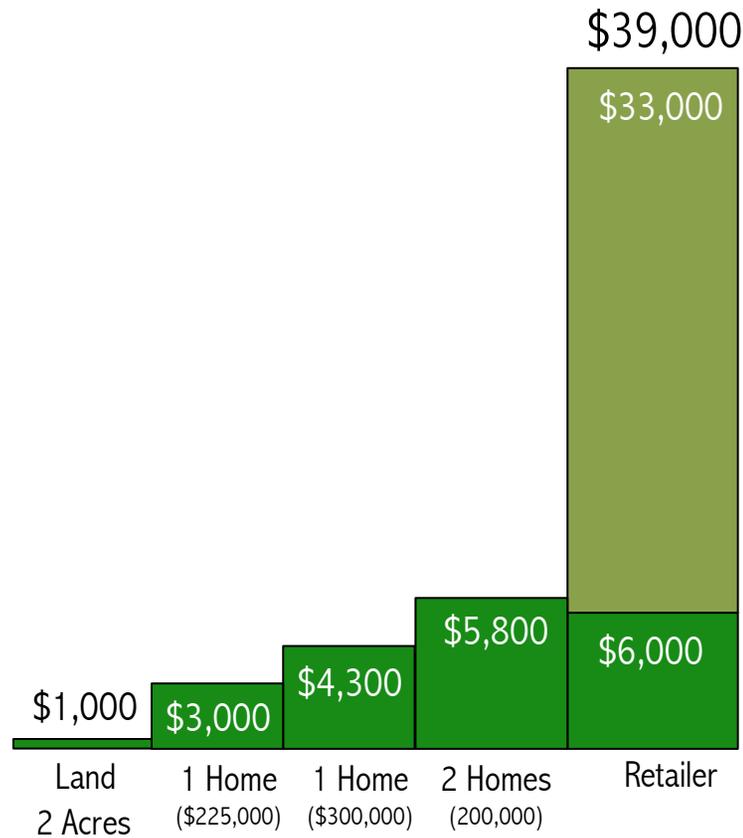
(range \$13,000 - \$64,000)

\$39,000



1. RETAIL

Tax revenue snapshot



Sales Tax
(Range from \$6,000 -
\$60,000)

Property Tax

2. CULTIVATOR



- **20,000 sf growing greenhouses, 6,000 accessory building, parking, 8 acres.**
- **Property acquisition \$125,000.**
- **\$1,900,000 construction cost, total \$2,025,000**



2. CULTIVATOR

PROPERTY TAX

- Assessment: \$2,025,000
- Property tax

\$ 29,000

SALES TAX

\$ 0

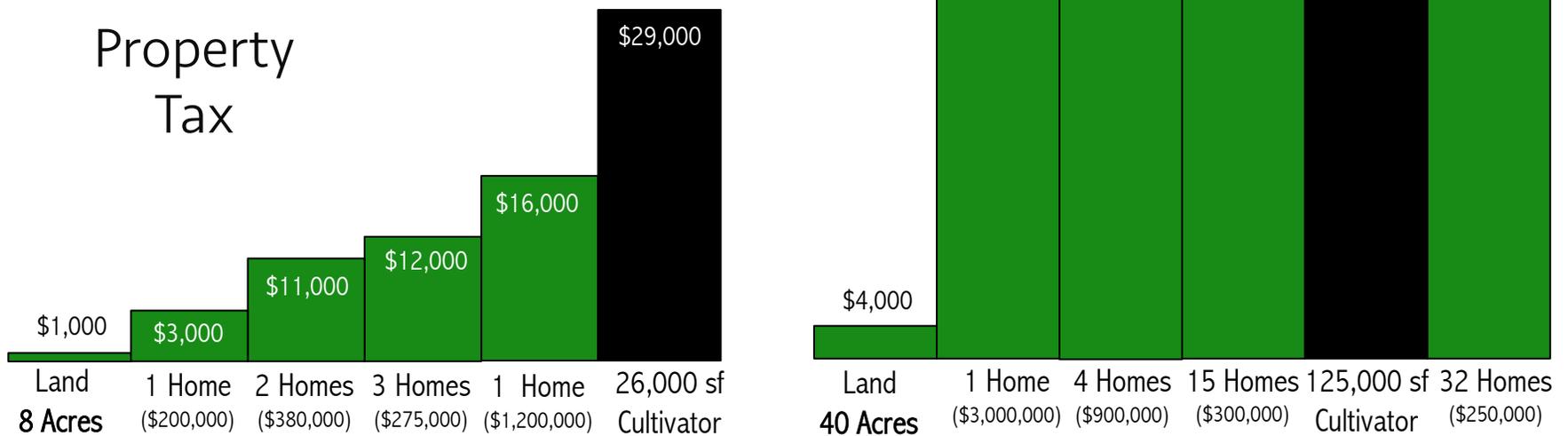
POTENTIAL REVENUE

\$29,000



2. CULTIVATOR

Tax revenue snapshot



3. MANUFACTURER



- **20,000 sf new building w/ parking, 8 acres.**
- **Property acquisition \$125,000.**
- **\$2,000,000 construction cost, total \$2,125,000**



3. MANUFACTURER

PROPERTY TAX

- Assessment: \$2,125,000
- Property tax

\$ 31,000

SALES TAX

\$ 0

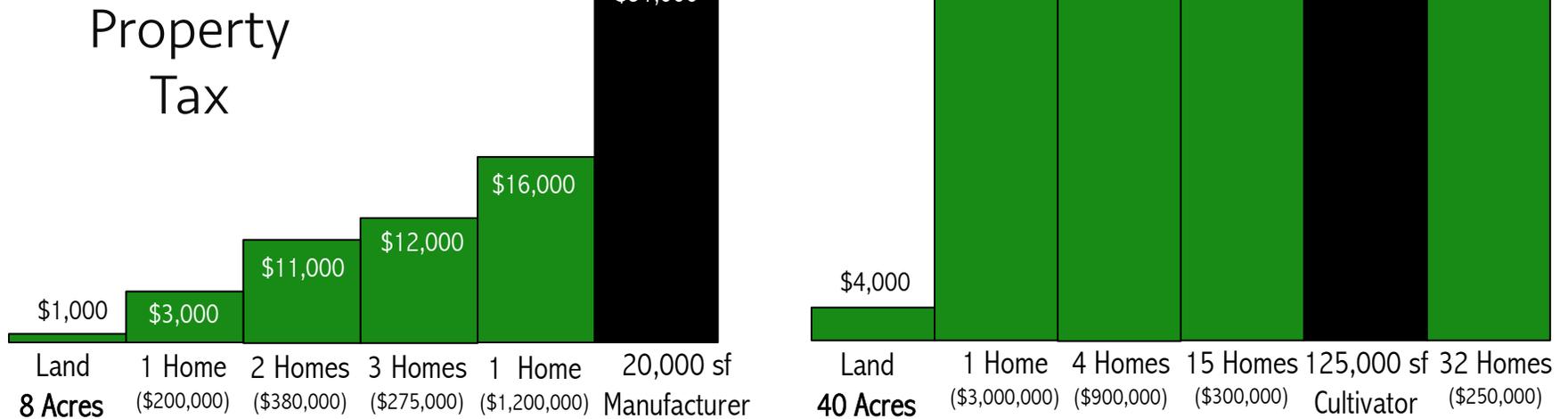
POTENTIAL REVENUE

\$31,000



3. MANUFACTURER

Tax revenue snapshot



OPTIONS



④

OPTIONS

1+2

ALLOW ALL

3

**ALLOW *SOME*,
PROHIBIT *OTHERS***

4

PROHIBIT ALL



Allow *all* marijuana businesses and write new bylaws to specifically regulate marijuana.

- **New blanket bylaws would be in place before the moratorium ends and apply evenly to *every* marijuana businesses applying for a permit.**



write new bylaws

- **Limit how many businesses.**
- **Zone to restrict locations.**
- **Control setbacks, lot coverage, signage, screening and aesthetic features.**
- **Require a thorough, detailed process for every application.**
- **Regulate some operations** (similar to package stores)



write new bylaws

PROCESS

- **Protective (zoning) By-Law amendment is written.**
- **Must be approved by a 2/3 vote at Town Meeting.**



2

Allow *all* marijuana businesses and rely on existing bylaws and the Special Permit process.

- **Applications would be reviewed on a *case by case basis***
- **Conditions would be placed on the projects *at the discretion of the Select Board.***

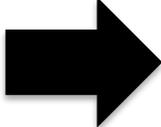
2

rely on existing bylaws

- **Control** signage, screening and aesthetic features.
- **Regulate** some operations (similar to package stores)

2

rely on existing bylaws

PROCESS 

- **No new bylaws are written.**
- **The moratorium expires on June 30, 2019.**
- **All marijuana businesses will then be allowed.**



**Allow some marijuana businesses
and Prohibit others.**

- **Choose** to allow *some* of the 8 Establishments.
- **Prohibit** the Establishments we don't want.

3

Allow some, Prohibit others.

For *example*, we could:

ALLOW

Micro-Businesses

Testing Labs

Retailer

Cultivator

PROHIBIT

Craft Cooperative

Manufacturer

Transporter

Researcher



Allow some, Prohibit others.

PROCESS

- **A By-Law amendment is written.**
- **Must be approved by a 2/3 vote at Town Meeting *and***
- **A majority vote on a follow-up ballot question.**

Note: our town approved the legalization of marijuana so there is a high bar to prohibit.



Prohibit all Marijuana Establishments.

- **Prohibit *all* marijuana businesses from operating in New Marlborough.**



Prohibit all

- **also called **Opting Out****
- **Medicinal establishments must be allowed**



Prohibit all

PROCESS

- A By-Law amendment is written.
- Must be approved by a 2/3 vote at Town Meeting *and*
- A majority vote on a follow-up ballot question.

Note: our town approved the legalization of marijuana so there is a high bar to prohibit.

ITS OUR CHOICE

1+2

ALLOW ALL

3

**ALLOW SOME,
PROHIBIT OTHERS**

4

PROHIBIT ALL

NEXT STEPS ?

**BEFORE ANY DECISIONS ARE MADE,
BEFORE ANY BYLAWS ARE WRITTEN,
BEFORE ANY VOTE IS TAKEN,
WE NEED.....**

YOUR FEEDBACK AND OPINIONS

So, please fill out our *SURVEY*....

**.....to help us find out
which, *if any*, marijuana
establishments you want.**

Thank You

MARIJUANA IN NEW MARLBOROUGH?

