



**MEMORANDUM**

**Diane N. Tradd**  
*Assistant City Manager/DPD Director*

TO: Eileen Donoghue, City Manager  
Diane Tradd, Asst. City Manager/DPD Director

*EMD*

**R. Eric Slagle**  
*Director of Development Services*

FROM: R. Eric Slagle, Director of Development Services

**David Fuller**  
*Building Commissioner*

**RE: MOTION BY COUNCILOR ELLIOTT - REQ. CITY MGR. PROVIDE AN UPDATE REGARDING STATUS ON THE IMPLEMENTATION OF MARIJUANA LICENSES**

This memorandum addresses the request from Councilor Elliott regarding the status of Marijuana licenses in the City.

The Administration has been working diligently for the last several months to review proposals from prospective Marijuana businesses in the City. As a preliminary matter, we divided the proposals into two categories; those proposals that only included marijuana cultivation and manufacturing, and those that were for retail establishments. Our reason for this division was based on the recent Council ordinance that limited the number of retail establishments to five (5). Cultivation and manufacturing, on the other hand, were not limited by the Council. As such, reviewing the cultivation and manufacturing proposals would not be a competitive process, that is, the licensing of one establishment would not preclude the licensing of another.

As a preliminary matter, the City Manager negotiated and executed a Host Community Agreement (HCA) with Patriot Care to convert its existing cultivation/manufacturing facility and dispensary from medical only to combined medical/retail. A copy of that HCA is attached. Patriot Care appeared before the Planning Board and obtained the required approvals to have retail marijuana sales at their dispensary location. Patriot Care has proceeded through the state process with the Cannabis Control Commission (CCC) to obtain their state license for retail operations, and obtained a provisional license from the CCC on September 6, 2018.

At the end of July, five entities were informed that the City would be willing to enter into HCAs with them for cultivation and manufacturing only (not retail). The City has been negotiating those HCAs, primarily through the Director of Development Services and the City Solicitor. None of those agreements have been executed, and the City has taken the position that the specific information regarding those entities and locations is not public until such time as the agreements are executed. We anticipate execution of these HCAs within the coming weeks.

City staff has met with eight separate groups (not including Patriot Care) regarding proposed retail locations for marijuana businesses. Of those eight proposals, seven included sites that are currently legal under existing zoning. Those seven sites and business proposals are being vetted by a working group set up by the City Manager. Members of the working group have done site visits, and are in the process of scoring the proposals to make recommendations to the City Manager regarding which business or businesses should be offered HCAs by the City.

Please note that the proposed businesses, both retail and cultivation/manufacturing, will all still need to go to the Planning Board for the appropriate approvals as laid out in the recently adopted marijuana zoning ordinance amendments. Staff will be available for any questions from the Council regarding this process.

ES

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