

By Order of the Mayor of Framingham



Policy on Social Equity and Certified Economic Empowerment Applicants for Marijuana Establishments and Marijuana Treatment Centers

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I. Policy Description

In November 2022, An Act Relative to Equity in the Cannabis Industry, Chapter 180 of the Acts of 2022 made numerous changes to Massachusetts’ marijuana laws. The Cannabis Control Commission (“CCC”) was required to create and oversee a Social Equity Program to encourage and enable full participation in the marijuana industry of people from communities that have been disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities. Host communities must adopt procedures and policies that establish minimum standards to promote social equity businesses. The intention of this policy is to outline the priority review which will be utilized by the Marijuana Advisory Team when determining which applicants to enter Host Community Agreement negotiations.

II. Applicability

The City of Framingham defines qualifying Social Equity applicants under Framingham’s Marijuana Social Equity Policies as those that have been certified as eligible to participate in the CCC Social Equity Program or are Certified Economic Empowerment Priority Applicants by the CCC.

III. Authority

- A. The City is authorized to enter into HCA pursuant to M.G.L. c. 94G, § 3(d)(1). This Policy is authorized pursuant to the Framingham Home Rule Charter voted April 4, 2017, Article III, Section 2 and shall take effect immediately upon review and approval by the Mayor.
- B. The siting and operation of MEs and MTCs in the City is governed by:
 - 1. Framingham Zoning Ordinances (Sections I.E, II.B., VI.F.2., VI.G.1., VII.A., IX) and Framingham Zoning Map – Marijuana Establishment Overlay District (collectively, “the Zoning Ordinances”);

2. Framingham General Ordinances (Article V., Section 1.5 and Article VIII) (the “General Ordinances”);
3. Board of Health (BOH) Regulations regarding the Regulation of the Framingham Board of Health Regulating the Sale of Medical Marijuana promulgated in 2015, and Regulation to Ensure the Sanitary and Safe Operation of Adult-use Marijuana Establishments and the Sale of Adult-use Marijuana promulgated in 2018 (collectively, the “BOH Regulations”);
4. Regulations promulgated by the Commonwealth of Massachusetts Department of Public Health (DPH) as 105 CMR 725.00 as may be amended from time to time (“DPH Regulations”);
5. MGL c. 94G ss1, 3, 4, 22;
6. Chapter 180 of the Acts of 2022; and
7. Regulations promulgated by the Commonwealth of Massachusetts Cannabis Control Commission (CCC) as 935 CMR 500.000 (“CCC Regulations”).

IV. Definitions

Area of disproportionate impact: a geographic area identified by the CCC for the purposes identified in M.G.L. c. 94G, § 4(a½)(iv), and which has had historically high rates of arrest, conviction, and incarceration related to Marijuana crimes.

Economic Empowerment Priority Applicant: an applicant who, as an entity or through an individual certified by the CCC in 2018, meets and continues to meet three or more of the following six criteria, at least one of which shall be a majority-equity-ownership criterion:

a) Majority-equity-ownership Criteria:

1. A majority (more than 50%) of ownership belongs to people who have lived for five of the preceding ten years in an Area of Disproportionate Impact, as determined by the CCC.
2. A majority (more than 50%) of ownership has held one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education, resource provision or empowerment to disproportionately impacted individuals or communities.
3. A majority (more than 50%) of the ownership is made up of individuals from Black, African American, Hispanic or Latino descent.

b) Additional Criteria:

1. At least 51% of current employees or subcontractors reside in Areas of Disproportionate Impact and by the first day of business, the ratio will meet or exceed 75%.
2. At least 51% of employees or subcontractors have drug-related CORI and are otherwise legally employable in Cannabis enterprises.
3. Other significant articulable demonstration of past experience in or business practices that promote economic empowerment in Areas of Disproportionate Impact.

Expedited Applicant: an applicant for a Marijuana Microbusiness, Marijuana Craft Cooperative, Independent Testing Laboratory, or Outdoor Marijuana Cultivator license; a Social Equity

Participant; a minority, woman, and/or veteran-owned business; eligible for expedited review prior to other General Applicants.

General Applicant: an applicant that has not been certified as an Economic Empowerment Priority Applicant or an MTC Priority Applicant; and is not eligible to be an Expedited Applicant.

License Applicant: a person or entity pursuing a license to operate a Marijuana Establishment or MTC who has submitted or intends to submit a license application to the CCC.

Local Approval Process: the steps required by a Host Community in order for a License Applicant to operate as an ME or MTC in the Host Community, including, but not limited to, zoning, all associated fees, deadlines, and meeting schedules for local bodies involved in such processes.

Local Authorities: local municipal authorities.

Marijuana Advisory Team (“MAT”): Refers to the Framingham Local Authority. A formal advisory group to the Mayor consisting of the Chief Operating Officer, the Building Commissioner, the Planning Board Administrator, the Director of the Department of Public Health, the Chief of Fire, the Chief of Police, the Chief Financial Officer, and the City Solicitor, or their respective designees, that reviews HCA applications from Marijuana Establishments and MTCs to make recommendations to the Mayor for review of the same.

Marijuana Establishment (ME): a Marijuana Cultivator (Indoor or Outdoor), Craft Marijuana Cooperative, Marijuana Product Manufacturer, Marijuana Microbusiness, Independent Testing Laboratory, Marijuana Retailer, Marijuana Transporter, Delivery Licensee, Marijuana Research Facility Licensee (as defined in 935 CMR 500.002: Marijuana Research Facility Licensee) Social Consumption Establishment (as defined in 935 CMR 500.002: Social Consumption Establishment) or any other type of licensed Marijuana-related business, except a Medical Marijuana Treatment Center (MTC).

Medical Marijuana Treatment Center (MTC): (formerly known as a Registered Marijuana Dispensary (RMD)), means an entity licensed under 935 CMR 501.101: Application Requirements that acquires, cultivates, possesses, Processes (including development of related products such as Edibles, MIPs, Tinctures, aerosols, oils, or ointments), Repackages, transports, sells, distributes, delivers, dispenses, or administers Marijuana, products containing Marijuana, related supplies, or educational materials to Registered Qualifying Patients or their Personal Caregivers for medical use. Unless otherwise specified, MTC refers to the site(s) of dispensing, cultivation, and preparation of Marijuana for medical use.

Pre-verification or Verification of Eligibility as a Social Equity Business: the process through which the CCC confirms whether an applicant is a Social Equity Business.

Social Equity Business: a Marijuana Establishment comprised of at least 51% (majority) ownership of individuals who are Social Equity Program Participants, or who have been certified as meeting the CCC’s criteria for designation as an Economic Empowerment Priority Applicant, or both.

Social Equity Program Participant: an individual who qualified to participate in the Social Equity Program and is designated as a program participant by the CCC.

Terms not defined in this Policy but defined in M.G.L. c. 94G, 935 CMR 500.000, CCC Regulations, DPH Regulations, Zoning and General Ordinances, and/or the BOH Regulations shall have the meanings given therein to the extent the same are not inconsistent with this Policy.

V. Acronym and Terminology List

BOH Regulations – Regulation of the Framingham Board of Health Regulating the Sale of Medical Marijuana (2015) and Regulation to Ensure the Sanitary and Safe Operation of Adult-use Marijuana Establishments and the Sale of Adult-use Marijuana (2018).

CCC - Commonwealth of Massachusetts Cannabis Control Commission

CFO – Chief Financial Officer

COO – Chief Operating Officer

CORI - Completed Criminal Offender Record Information

DPH – Department of Public Health

General Ordinances - Framingham General Ordinances

HCA - Host Community Agreements

MAT –Marijuana Advisory Team

MTC- Marijuana Treatment Center

Policy - Policy on Social Equity and Certified Economic Empowerment Applicants

The City - City of Framingham

Zoning Ordinances - Framingham Zoning Ordinances

VI. Policy Statement

- A. To encourage greater participation by Social Equity applicants in Framingham’s marijuana industry, when an HCA becomes available for new businesses, there will be an exclusive period of six (6) months limiting the availability of the HCA to qualifying Social Equity and Economic Empowerment applicants.
- B. The following practices shall be in place to promote and encourage full equity participation:
 1. The City shall publicize the following information:
 - a) All required steps of the Local Approval Process;
 - b) Identification of MAT members;
 - c) A list of all documentation required for the Local Approval Process;
 - d) Identification of application criteria for local approval to operate a Marijuana Establishment and scoring methodologies relied on;
 - e) General scoring information for all applicants and a scoring of each individual applicant;
 - f) An explanation, in narrative form, of reasoning for the approval or denial of an application; and
 - g) Any other information required by the Commission
 2. The City shall publish data regarding the total applicant pool, which shall identify each Social Equity Business and License Applicant that has been designated as a Social Equity Program Participant or Economic Empowerment Priority Applicant, or who have been pre-verified pursuant to 935 CMR 500.101(7).

3. The City will enhance marketing and outreach to potential Social Equity applicants by promoting on the City's website and/or social media.
 4. Wherever possible, the City will reduce financial barriers and expedite the permitting for Social Equity and Economic Empowerment applicants. Throughout the City's special permit process, the Planning and Development Department will endeavor to streamline permitting for these applicants.
- C. The MAT will provide priority licensing review to Social Equity Program Participant Applicants who demonstrate they meet at least one of the following criteria:
1. Income that does not exceed 400% of Area Median Income and Residency in an Area of Disproportionate Impact, as defined by the CCC for at least 5 of the past 10 years;
 2. Residency in Massachusetts for at least the past 12 months and a conviction or continuance without a finding for an offense under M.G.L. c. 94C or an equivalent conviction in other jurisdictions;
 3. Residency in Massachusetts for at least the past 12 months and proof that the applicant was either married to or the child of an individual convicted or continuance without a finding for a M.G.L. c. 94C offense or an equivalent conviction in other jurisdictions;
 4. Any individual listed as an owner on the original certification of an Economic Empowerment Priority Applicant who satisfies one or more the following criteria:
 - a. Lived for 5 of the preceding 10 years in an Area of Disproportionate Impact, as determined by the CCC;
 - b. Experience in one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education, resource provision or empowerment to disproportionately impacted individuals or communities;
 - c. Black, African American, Hispanic or Latino descent; or
 - d. Other significant articulable demonstration of past experience in or business practices that promote economic empowerment in Areas of Disproportionate Impact.
- D. The MAT will provide priority licensing review to Economic Empowerment Priority Applicants.
- E. The MAT will provide priority licensing review to applicants who have been pre-verified pursuant to 935 CMR 500.101(7).
- F. To be considered for priority review, a Social Equity Business must provide documentation of designation as a Social Equity Program Participants, or certification as an Economic Empowerment Priority Applicant or the application may be reopened or denied.
- G. The City shall adhere to best practices for HCA negotiations with individuals or entities pre-verified or verified pursuant to 935 CMR 500.101(7), Social Equity Businesses, and License Applicants that have

been designated as Social Equity Program Participants or Economic Empowerment Priority Applicants including, but not limited to, the following:

1. Develop a standard evaluation form, or use a form developed by the CCC, that scores components of an application. The evaluation form shall include consideration of equity in the overall evaluation score, which must comprise not less than 25% of the total evaluation score. This equity component shall include:
 - i. Whether an individual, entity, or License Applicant is pre-verified or verified pursuant to 935 CMR 500.101(7);
 - ii. Whether the License Applicant is a Social Equity Program Participant;
 - iii. Whether the License Applicant is an Economic Empowerment Priority Applicant;
 - iv. Whether a License Applicant or pre-verified individual or entity has a prior Marijuana-related criminal offense or conviction;
 - v. Whether a License Applicant or pre-verified individual or entity is part of an Area of Disproportionate Impact, as identified by the Commission; or
 - vi. Whether a pre-verified individual is of Black, African American, Hispanic, Latino, Native American or indigenous descent, or a majority of a pre-verified entity or License Applicant entity is comprised of individuals that are of Black, African American, Hispanic, Latino, Native American or indigenous descent.
2. In circumstances where there is a cap on the number of Marijuana Establishments or MTCs that may obtain local approval to operate, if the City later decides to allow additional Marijuana Establishments or MTCs, at least 50% of those licenses, but no less than one license, above the previously-established cap shall be reserved for: License Applicants that are Social Equity Businesses; License Applicants that have been designated as Social Equity Program Participants, Economic Empowerment Priority Applicants, or both; or individuals or entities verified or pre-verified pursuant to 935 CMR 500.101(7), including pre-verified individuals or entities that have already been designated as Social Equity Businesses, Economic Empowerment Applicants, or both.

H. Recommendation for HCA

Although an applicant may be granted priority review, the applicant is in no way entitled to a marijuana license from the City, and priority review is not a promise or guarantee the City will enter into a Host Community Agreement with said applicant. After the MAT has completed its review and the applicant has conducted its Community Outreach Meeting, the MAT will make a recommendation to the Mayor and shall notify the applicant of its recommendation. The City is not obligated to enter into an HCA with any applicant, or to do so within set time period. No HCA shall be entered without the express authorization from the Mayor.

I. Equity Standards for Host Communities during HCA Negotiations with Equity Parties.

1. The City shall prioritize negotiations of HCAs with equity parties.
2. The City shall
 - i. Engage in an ongoing dialogue by providing multiple opportunities for discussion and negotiation of HCA terms;
 - ii. Include any attorney, authorized representative, or other advocate, if elected by an equity party, in all negotiation discussions and conferences;
 - iii. Promote language access by providing a certified interpreter or translator to assist an equity party who is a Non-English speaker during all negotiation discussions and conferences;

- iv. Provide reasonable opportunities for an equity party to review a proposed HCA, HCA term or condition outside of a negotiation conference, or to seek review or input by a third party of their choice;
- v. Negotiate the terms of an HCA in good faith, including consideration of flexible terms that may mitigate particular challenges affecting an equity party, such as access to capital, with all terms and clauses conspicuously identified and openly discussed; and
- vi. Allow an equity party to propose an amendment to, or seek cancellation of, an HCA within thirty days from the date of execution of the HCA.

J. For Community HCA process refer to Policy of the Mayor 02-18 VII.